

COUNTYWIDE TRAFFIC FEE PROGRAM ANNUAL REPORT



FISCAL YEAR 2016-17

**SUBMITTED BY:
DEPARTMENT OF PUBLIC WORKS AND FACILITIES
DECEMBER 12, 2017**

Placer County
TRAFFIC FEE PROGRAM
Fiscal Year 2016-17 Annual Report

Submitted by
The Department of Public Works and Facilities

December 12, 2017

An Ordinance adopting a countywide Traffic Fee Program for future development within the County of Placer became effective in the unincorporated area of the County on April 2, 1996 (Placer County Code Article 15.28.030). The Placer County Board of Supervisors adopted the Traffic Fee Program, requiring new development within the County to pay traffic mitigation fees. In addition to other funding sources, the fees collected through this program, per the Mitigation Fee Act (Government Code 66000), allows the County to fund the construction of transportation improvements needed as a result of new development.

The unincorporated portions of Placer County are divided into eleven (11) benefit districts for the purpose of assessing, collecting and applying fees within defined geographic and/or future development areas. Separate Capital Improvement Programs have been developed within each of the eleven benefit districts of the County (Placer County Code Article 15.28.010). Each Capital Improvement Program identifies a list of transportation improvement projects that are needed to serve future development and maintain General Plan, Community Plan and safety goals and policies. Funding sources are also identified for each infrastructure improvement project identified in the individual Capital Improvement Programs, including the amounts to be collected through the Traffic Fee Program. The fees collected in each district through the Traffic Fee Program are used strictly for funding construction of transportation infrastructure improvement projects within the benefit district in which it was collected.

Pursuant to Government Code 66000 et. seq., the Ordinance implementing the Fee Program requires an annual review and report of the balance of fees in the public trust fund accounts, fees remaining unspent or uncommitted in the account for more than five years, the infrastructure constructed and to be constructed, and certain findings. In addition, consistent with Government Code 66006 (b), this report was made available to the public within 180 days after the last day of the fiscal year and 15 days in advance of the Board of Supervisor's public hearing on the matter. The following is submitted as the Annual Report to the Board of Supervisors:

A. The type of Fee in the accounts or funds

The mitigation fee is used only for expansion of transportation infrastructure to accommodate new development. Fees collected are not intended for operating or maintenance costs. Revenues are used to maintain General Plan and Community Plan standards associated with capacity and safety. In general, the CIPs projects include roadway widening, intersection improvements, and traffic controls. A separate trust fund is kept for each of the eleven fee districts within the unincorporated areas of Placer County.

Infrastructure to be funded by the Traffic Fee Program includes additional travel lanes, signalization of intersections, intersection roundabout construction, roadway realignment, traffic flow improvements, auxiliary turn lanes at intersections, Class II bike lanes, shoulder widening, and other safety measures.

B. Amount of the Fee

The current Fee Schedule for FY 2017-18 became effective July 31, 2017 for all of the eleven

districts except the Tahoe Region. Ten of the eleven districts were increased by 3.9% based on the change in the 20-City Average California Construction Cost Index as reported in the Engineering News Record between April 2016 and April 2017.

The Tahoe Region was updated separately and became effective August 28, 2017. The Tahoe Region was increased by 9.1% over the previous Traffic Fee Schedule due to a comprehensive update of the district's Capital Improvement Program as a result of adoption of the Tahoe Basin Area Plan (TBAP) in January of 2017. A comprehensive FY 2017-2018 Traffic Fee Program Schedule is included in Attachment 1.

C. Beginning and ending balance of the fund

Beginning Balance (As of July 1, 2016)	\$25,761,797
Ending Balance (June 30, 2017)	\$26,086,165

D. Fees collected and the interest earned

Fees Collected during Fiscal Year 16-17	\$5,835,844
Interest Earned	\$325,358

E. Identification of public improvements on which the Fees were expended and percentage of the cost of the public improvement that was funded with Fees

In FY 2016-17 fees were expended on three projects in the design phase and four under project construction. A breakdown of these expenditures by district is included in Attachment 3. The total Fiscal Year expenditure was \$7,175,154; 31.1% of the total traffic fee funding costs for the seven active projects identified to be funded in full or partially by traffic fees.

F. Identification of an approximate date by which the construction of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement

Transportation improvement projects currently included in eleven fee district Capital Improvement Programs have been reviewed for consistency with the Placer County General Plan, Community Plans and Specific Plans (where applicable). The Department has identified five Capital Improvement Programs in which require further update will be performed as a result of this review; Meadow Vista, Placer Central, Placer East, Placer West, and Newcastle/Horseshoe Bar/Penryn. Update of these Capital Improvement Programs will be initiated prior to the FY 17-18 Traffic Fee Program Annual Report and a progress report provided within the Annual Report.

For all other districts, improvement projects have been prioritized based on need and availability of complete project funding; including other local, state or federal funding. Construction date projections have been included for all projects within reasonable funding projections based on historical fee collection statistics.

G. A description of each inter fund transfer or loan made

A complete breakdown of the inter fund transfers was provided to the Board of Supervisors on September 19, 2017 and is included in Attachment 4

H. Amount of refunds made pursuant Section 66001 subdivisions (e) and (f)

There was one refund made for a single family dwelling building permit in the Auburn/Bowman fee district pursuant to Government Code Section 66001 during FY 2016-17 in the amount of \$4,911.

I. Fee Deferral Program

On December 9, 2008, the Placer County Board of Supervisors approved an Ordinance that allows property owners to defer certain county-controlled impact fees for two years or until issuance of a certificate of occupancy, whichever comes first. The Board of Supervisors extended the Fee Deferral Program every two years thereafter and the deferral program is currently set to expire in December 31, 2019.

In FY 2016-17, seven property owners requested a Fee Deferral totaling \$377,020, delaying payment due to within two years or issuance of a certificate of occupancy. At the date of this report, four of the seven properties have paid deferred fees, leaving a remaining balance of FY 2016-17 fees of \$343,115.

J. Portion of Fee remaining unexpended/uncommitted in fee account for 5 or more years

There are fees in eight of the eleven Traffic Fee Program trust fund accounts which have been unexpended or uncommitted for 5 or more years. Improvements identified in each of the eleven Capital Improvement Programs have been prioritized for construction over the next five years with commitments of the Traffic Fee Program trust funds as a full or partial source of funding. All unexpended and uncommitted funds allocated for expenditure within the next 5 years. These funding projections are detailed in Attachment 5.

K. Balance of Fees in Countywide Traffic Fee Accounts

As of June 30, 2017, the balance of the Traffic Fee Program trust fund accounts is \$26,086,165. A complete breakdown of the individual trust fund balances is included in Attachment 2.

L. Facilities to be constructed

Government Code 66000 et. seq. requires findings to describe the continued need for impact fees be made specifying the intended use of unexpended impact fees, regardless of whether the fees are committed or uncommitted.

1. The purpose of the Traffic Fee Program stems from the County General Plan policies to mitigate the impacts of new development through fair share payment for the construction of a range of improvements which include but are not limited to additional travel lanes, signalization of intersections, intersection roundabout construction, roadway realignment, traffic flow improvements, auxiliary turn lanes at intersections, Class II bike lanes, shoulder widening, and other safety measures.
2. The reasonable relationship between the Traffic Fee Program fee(s) and their purpose for which the fees are charged is outlined in the nexus analysis document, on file with Clerk of the Board, which was prepared and presented to the Board of Supervisors on December 5, 1995; prior to adoption of the Traffic Fee Program
3. Only a portion of the infrastructure projects identified in the Capital Improvement Program(s) will be funded with Traffic Mitigation Fees. The amount to be funded by fees will depend on the total cost for design and construction of the improvement, street improvement requirements of adjacent landowners under the Street Improvement Ordinance of the Placer County Land Development Manual, and the portion of the infrastructure project that will be needed due to future development growth. Traffic fees may also be supplemented by revenue from other sources such as state and federal programs.
4. As described in section F and J above, a detailed inventory of Capital Improvement Program projects including priorities and approximate construction dates in which the fees are anticipated to fund needed projects as been completed and is included in this report as

Attachment 5.

M. Review of administrative charge

The fee collected shall be used to pay for the capital improvements listed in the Capital Improvement Program (the CIP), including planning, design, administration, environmental compliance, and construction. The Traffic Fee Program expenditures for administration costs in FY 2016-17 amounted to \$37,010; 0.63% of total Fiscal Year revenues, excluding interest.

NOTE: *As required by the Government Code, this information was made available to the public by posting of a copy of this Report 15 days prior to the public meeting. In addition, notification of the availability of the report was provided to anyone who had an information request on file with the Clerk of the Board.*

Attachment 1 – Fee Schedule for FY 2017-18

Attachment 2 – FY 2016-17 Traffic Fee Program Balances/Revenues/Expenditures

Attachment 3 – FY 2016-17 Traffic Fee Program Expenditure Detail

Attachment 4 – Infrastructure Project Loans and Advances Memo to Board of Supervisors 9/19/2017

Attachment 5 –Capital Improvement Program Prioritization and Projection Report

Benefit District	County Fee per DUE
Auburn/Bowman	\$5,249
Dry Creek	\$3,307
Foresthill (Residential)	\$4,863
Foresthill (Non-Residential)	\$2,528
Granite Bay	\$6,588
Meadow Vista	\$5,344
Newcastle / Horseshoe Bar / Penryn	\$5,092
Placer Central	\$2,192
Placer East	\$3,549
Placer West	\$2,715
Sunset ⁽¹⁾	\$1,758
Tahoe	\$5,440

(1) Sunset County fees are per 1000 SF and apply only to new SF

Attachment 2

FY 2016-17 Countywide Traffic Fee Program
Fund Balances, Revenues and Expenditures

Trust Fund	Fund Balance ⁽¹⁾ (7/1/16)	Fees Collected ⁽²⁾ FY 16-17	Interest Earned FY 16-17	Expenditures ⁽³⁾ FY 16-17	Fund Balance ⁽¹⁾ (6/30/17)
Auburn/Bowman	\$696,331	\$371,872	\$12,823	\$9,522	\$1,070,249
Dry Creek	\$3,850,057	\$217,809	\$48,656	\$15,863	\$4,095,829
Foresthill	\$263,193	\$68,182	\$4,000	\$777	\$329,536
Granite Bay	\$1,386,822	\$558,221	\$22,146	\$431,587	\$1,533,791
Meadow Vista	\$1,140,666	\$38,782	\$15,466	\$39,419	\$1,154,138
Newcastle / Horseshoe Bar / Penryn	\$2,223,577	\$178,019	\$31,195	\$6,072	\$2,415,968
Placer Central	\$1,195,106	\$124,486	\$16,422	\$953	\$1,333,600
Placer East	\$2,688,255	\$96,696	\$37,051	\$1,364	\$2,817,322
Placer West	\$159,211	\$2,782	\$1,990	\$38	\$163,752
Sunset	\$6,451,341	\$1,001,408	\$89,871	\$9,855	\$7,523,897
Tahoe	\$5,707,238	\$3,173,268	\$45,737	\$7,650,080	\$1,266,083
TOTAL	\$25,761,797	\$5,831,525	\$325,358	\$8,165,531	\$23,704,165

⁽¹⁾ Trust fund balances include interest amounts

⁽³⁾ Collections include loan repayments from SPRTA and Caltrans

⁽³⁾ Expenditures include project/administrative charges, updated loan accounting and refunds

Trust Fund	Projects with Traffic Fee Expenditures	Project #	Traffic Fees Expended FY16/17	Traffic Fee Funding in CIP	% Expended	Total Project Cost (Est.)
Placer West	None					
Dry Creek	Watt Avenue @ Dry Creek Bridge	2970	\$13,057	\$14,834,500	0.1%	\$30,000,000
Sunset	None					
Placer Central	None					
Granite Bay	Auburn Folsom Widening	2764	\$21,064	\$2,300,000	2.0%	\$26,064,500
	Auburn Folsom North Phase	2949	\$25,673			
Newcastle / Horseshoe Bar / Penryn	King Road Widening	2955	\$3,805	\$1,156,500	0.3%	\$1,343,800
Auburn/Bowman	None					
Meadow Vista	Meadow Vista CCIP	2997	\$38,835	\$1,795,000	2.2%	\$1,795,000
Foresthill	None					
Placer East	None					
Tahoe	Kings Beach CCIP [STIP Advance]	2782	\$6,728,691			\$50,000,000
	Kings Beach CCIP ⁽¹⁾	2782	\$642,446	\$1,930,100	33.3%	
	Fanny Bridge Revitalization	2894	\$175,968	\$1,650,000	10.7%	\$29,000,000
	Bus Purchase(s)	--	\$46,056	\$850,000	5.4%	\$850,000
	Bus Stop Improvements	2822	\$49,071	\$350,000	14.0%	\$350,000
TOTAL			\$7,744,666	\$24,866,100	31.1%	\$139,403,300



M E M O R A N D U M
PUBLIC WORKS AND FACILITIES
TRANSPORTATION DIVISION
 County of Placer

TO: Board of Supervisors

DATE: September 19, 2017

FROM: Ken Grehm, Director of Public Works and Facilities
 By: Richard Moorehead, Engineering Manager

SUBJECT: Transportation / Annual Update / Infrastructure Project Loans and Advances

ACTION REQUESTED

No action is requested at this time. This is an informational item only.

BACKGROUND

The Board of Supervisors has approved a number of actions which have allowed infrastructure projects to utilize loans and/or advances from the Countywide Traffic Impact Fee Program to proceed with construction. The project financing approvals included a requirement that the Public Works and Facilities Director provide a report to the Board on an annual basis which details the status of the loan repayment(s). There are currently four projects with approved Countywide Traffic Mitigation Fee loans. In total, \$22,849,973 has been authorized in construction advances of which \$14,684,248 remains outstanding. A summary for each project is included below:

Auburn Folsom Widening Project: The project included the widening of Auburn Folsom Road from two to four lanes with Class II Bicycle Lanes - from the Sacramento/Placer County line to Douglas Boulevard - to handle the rapidly increasing traffic between the Folsom area, Granite Bay, and Roseville.

Total Project Cost: \$26,064,483

Loan: The project received approval to advance local funds for the Middle Phase (\$4.5M) and North Phase (\$7.7M) of the project which allowed the County to bid and construct the project during a time of historically low prices. Funding was allocated from the Sunset District. At completion of the project, a total of \$7,600,000 had been transferred to the Granite Bay district for construction costs.

Repayment: The South Placer Regional Transportation Authority (SPRTA) Regional Fee program is collecting \$8,000,000 towards the Auburn Folsom Widening project. In January of 2017, an allocation request was approved by the SPRTA Board to reimburse the County \$1 million per year for 8 years. To date, SPRTA has reimbursed the Sunset District \$2,000,000 (2 - \$1.0M payments).

Remaining Loan Amount: \$5,600,000

Kings Beach Commercial Core Improvement Project: The project modified State Route 28 in Kings Beach – Highway 267 to Chipmunk Street - from a four-lane highway with limited parking and pedestrian improvements to a three-lane facility with sidewalks, bike lanes, parking, transit turnouts, and extensive storm water drainage and treatment improvements.

Total Project Cost (to date): \$49,623,281

Loan: The project received approval to advance local funds for the Core of the Core (\$5.0M) and Gateway to the Core (\$7.6M) phases of the project which allowed the County to complete construction prior to receiving State Transportation Improvement Program (STIP) funding from the State. In total, \$12,600,000 in funding was advanced from the Tahoe District for construction costs. State Transportation Improvement Program funds will fully reimburse the Tahoe District.

Repayment: To date, Caltrans has reimbursed the Tahoe District \$5,000,000. This completed repayment of the \$5.0M Core of the Core advance. It is anticipated that the Gateway to the Core advance will be fully repaid over two payments in FY 2019-20 and FY 2020-21.

Remaining Loan Amount: \$7,600,000

SR 65 / Sunset Interchange: The project replaced an at-grade signalized intersection with a grade-separated partial cloverleaf interchange with a six-lane overcrossing at Sunset Boulevard and State Route (SR) 65 which reduced traffic congestion, collisions and delays. The project will allow for the future expansion of SR 65 to eight-lanes with auxiliary lanes and will accommodate the increased traffic demand generated by existing and approved development in the Sunset area and south Placer County.

Total Project Cost: \$25,730,487

Loan: The project received approval to advance the Highway 65 Joint Powers Authority (JPA) \$2,400,000 towards the construction of the Sunset Interchange project. Funding was allocated from the Sunset District.

Repayment: The Highway 65 Joint Powers Authority (JPA) has reimbursed the Sunset District \$1,069,218. In 2015, the Highway 65 JPA Board agreed to postpone further reimbursements so that the Galleria Boulevard/Stanford Ranch Road/Highway 65 interchange improvements could be constructed with the Phase 1 Interstate 80/Highway 65 interchange improvements at a cost savings. Reimbursements should resume in 2018 or 2019 depending on construction timing and fee revenues.

Remaining Loan Amount: \$1,330,782

Riosa Road Improvements: The project constructed 1,625 lineal feet of curb, gutter, drainage, asphalt overlay and landscaping improvements on Riosa Road between 9th Street and 12th Street in Sheridan. Sidewalk was constructed along the north side of the road.

Total Project Cost: \$1,650,654

Loan: The project received approval to advance \$249,973 in local funds for construction of the project. Funding was allocated from the Placer Central District for construction costs.

Repayment: In 2007, CEMEX Inc. and Placer County finalized a Development Agreement (DA). Per the requirements of this agreement CEMEX made installment payments to the County to cover impacts of their business on roadways within the community. In addition, Section 3.3.6 of the DA provides an ongoing payment to the County based on the aggregate material extracted by CEMEX. This funding is meant to fund any County projects at the Board's discretion and was used to complete the financing for the project. To date, the CEMEX funds have reimbursed the Placer Central District \$96,507.

Remaining Loan Amount: \$153,466

The Board of Supervisors has also approved a Capital Projects Trust Fund loan for the Placer Parkway project. Additional information is shown below:

Placer Parkway – Phase 1: The project will upgrade the SR 65 / Whitney Ranch interchange to include a southbound slip off-ramp, southbound loop on-ramp, northbound loop on-ramp, a six-lane bridge over State Route (SR 65) and a four-lane road extension from SR 65/Whitney Ranch Parkway to Foothills Boulevard. The Placer Parkway project will ultimately construct approximately 15-miles of limited access roadway between SR 65 in Placer County and SR 70/99 in Sutter County.

Total Project Cost: \$60,000,000

Loan: The project received approval to advance \$6,000,000 in local funds for final design of Placer Parkway Phase 1 project. Funding was allocated from the Capital Project Trust Fund and placed on PC2945, Placer Parkway Phase 1 in the Engineering and Transportation budget.

Repayment: The Tier II Development Fee program is collecting \$475 million towards the overall Placer Parkway project. On January 10, 2017, the South Placer Regional Transportation Authority (SPRTA) adopted Resolution #17-02 to allocate \$6,000,000 of Tier II Development Impact Fees to Placer County for Phase 1 of the project. Reimbursements will be made as Tier II fees become available.

Remaining Loan Amount: \$6,000,000

Attachment 5

Countywide Capital Improvement Program - 2017 Priority and Projection Report

Countywide Trust Funds	Remaining Unspent [FY11-12 to FY 16-17]	Ending Balance [FY 16-17]	Average Annual Revenue	5 Year Balance Projection [end FY 22]	5 Year Expenditure Projection	Projection Detail Costs	5 Year Project Priorities ³
Auburn/Bowman	\$ -	\$ 1,070,249	\$ 282,672	\$ 2,483,609	\$ 2,698,700	\$ 2,698,700	Bell Road at Interstate 80 - interchange improvements, roundabouts
Dry Creek/West Placer	\$ 2,983,881	\$ 4,095,829	\$ 222,107	\$ 5,206,362	\$ 6,767,135	\$ 6,752,300	Walerga Road - Widen to 6 lanes
						\$ 14,835	Watt Avenue Bridge - New Bridge (10%)
Foreshill	\$ 68,022	\$ 329,536	\$ 45,244	\$ 555,754	\$ 549,400	\$ 549,400	Foreshill Road - Safety Improvements
Granite Bay ¹	\$ -	\$ 1,533,791	\$ 331,766	\$ 3,192,623	\$ 2,390,000	\$ 356,800	Auburn Folsom Road at Cavitt Stallman Road - New Signal
						\$ 509,800	Barton Road at Douglas Blvd. - Intersection Improvements
						\$ 356,800	East Roseville Parkway at Wellington Way - New Signal
						\$ 509,800	Eureka Road at Barton Road - New Signal/Roundabout
						\$ 356,800	Eureka Road at Wellington Way - New Signal
					\$ 300,000	Community Plan Circulation Update	
Meadow Vista ²	\$ 965,708	\$ 1,154,138	\$ 38,445	\$ 1,346,361	\$ 1,256,500	\$ 1,256,500	Placer Hills Road - Widen to 3 lane (or equivalent) (70%)
Newcastle/HB/Penryn ²	\$ 1,300,024	\$ 2,415,986	\$ 206,441	\$ 3,448,191	\$ 2,132,700	\$ 1,000,000	English Colony Way - Realign road at Del Mar
						\$ 525,100	Penryn Road at Taylor Road - New Signal
						\$ 607,600	Penryn Road at Boulder Creek Road/I-80 Eastbound Ramps - New Signal
Placer Central ²	\$ 928,419	\$ 1,333,600	\$ 71,523	\$ 1,691,215	\$ -	\$ -	Funds to be prioritied with CIP Update
Placer East ²	\$ 1,837,622	\$ 2,817,322	\$ 105,059	\$ 3,342,618	\$ -	\$ -	Funds to be prioritied with CIP Update
Placer West ²	\$ 106,661	\$ 163,752	\$ 10,274	\$ 215,121	\$ -	\$ -	Funds to be prioritied with CIP Update
Sunset ¹	\$ 5,305,651	\$ 7,523,897	\$ 325,432	\$ 14,151,055	\$ 9,568,300	\$ 1,878,300	Sunset Blvd - SR 65 to Cincinnati Ave. - Widen to 4 lanes
						\$ 7,690,000	Sunset Blvd - at Union Pacific Railroad - Overcrossing Structure Replacement
Tahoe Region	\$ -	\$ 1,266,083	\$ 951,913	\$ 6,025,648	\$ 6,091,500	\$ 561,000	SR 267 at Northstar Drive - Intersection Improvements
						\$ 580,500	SR 267 at Schaffer Mill Road - Intersection Improvements
						\$ 600,000	SR 28 - Tahoe City - Traffic Operations/ITS
						\$ 850,000	SR 28 at SR 267 - Roundabout
						\$ 150,000	SR 89 at Squaw Valley Road - Intersection Improvements
						\$ 1,650,000	SR 89 - Truckee River Crossing Project (aka Fanny Bridge)
						\$ 500,000	SR 89 - ITS/Multimodal Enhancements
\$ 350,000	TART Bus Stop Improvements						
					\$ 850,000	TART Bus	

¹ Final improvement project priorities to be determined as a result of Community Plan Update

² Remaining Funds to be allocated with pending CIP update

³ All remaining improvement projects in CIPs not listed here are projected beyond the FY 2021-2022