

FRESNO COUNTY REGIONAL TRANSPORTATION MITIGATION FEE AGENCY AGENDA

Date: October 27, 2011

Time: Immediately Following Fresno Council of
Governments Policy Board Meeting

Place: COG Sequoia Room
2035 Tulare Street, Suite 201, Fresno, CA

Item	Description	Enclosure	Action*
I.	Minutes of September 29, 2011	Yes	Approve
II.	Building Industry Association (BIA) request to Update the Regional Transportation Mitigation Fee (RTMF) [BESHEARS]	Yes	Direction

Summary: On August 24, 2011, the Building Industry Association requested the RTMF fee be waived or frozen for a period of two years or until the development economy picked up. This item was taken through the committee process in September where it was emphasized to the BIA the RTMF rate structure was adopted pursuant to a legally mandated Nexus Study and to deviate from that rate structure without revisiting the Nexus could result in legal implications. It was also pointed out that the RTMF was mandated by the Measure "C" ballot and if it was determined not collect the fee, member agencies would be subject to making up the difference with Local Transportation funds. The BIA subsequently withdrew their request to waive the fee and requested the Nexus Study be revisited as soon as possible instead of waiting for the statutory update.

Section 66001(d) of the Government Code covering Development Impact Fees requires the RTMF fee to update the Nexus beginning the fifth fiscal year following the first deposit and every five years thereafter. Therefore we are not required to start the update process until January of 2014.

The City of Fresno has also voiced an interest in seeing the Nexus updated to focus on the proposed Freeway Deficiency Projects that were included in the original Nexus. The issue here is the ongoing effort by Caltrans to mitigate the effects of development on the State Highway system. A major RTMF project, the SR 180 Braided Ramps project was awarded \$55 million in SHOPP funding hence RTMF funding will not be needed, creating capacity that could be applied to Freeway Deficiency Projects.

There are pro and con arguments regarding accelerating the update.

Foremost, the Nexus must be done per statute and once done is legally binding. Statutory protocol must be followed in determining traffic impacts therefore the fee could go up or down. The BIA is aware of this risk.

The original Nexus included six major projects that are associated with the Measure with an estimated total cost of \$386.4 million, and seven freeway deficiency projects identified in a regional Freeway Deficiency Study, totaling \$41.5 million, for a total of \$427.9 million. Approximately half of the \$427.9 million cost of the projects studied is attributed to development, and eligible for reimbursement by RTMF fees. The additional funding to complete the Measure projects is tied to the adopted Measure "C" implementation schedule, however, the additional

funding to complete the Freeway Deficiency projects is only loosely identified in planning documents. It needs to be understood that additional focus on the Freeway Deficiency projects will create increased competitive demands on currently diminished regional funding.

Should the Board wish to accelerate the update, PB America has proposed three options. 1.) A \$25,648 study would be a simple recalculation based on cost information received directly from project sponsors. The Traffic & Land Use Forecast would not be updated. 2.) A \$48,215 option would involve PB America doing the cost updates but still would not update the Traffic & Land Use Forecast. 3.) A \$75,371 study would be a general Nexus update including updates to the Traffic & Land Use Forecast. COG Modeling staff believes that due to the impacts of the economic recession, the traffic & land use forecast is likely to change and therefore COG staff would support the \$75,371 update should the Board wish to accelerate the update. If the Board so directs, staff will take a budget amendment to the COG Board in November and the Transportation Authority will propose a budget amendment to their Board Dec. 7, 2011.

In terms of Committee recommendations, the TTC recommended the full update (Alternate 3 - \$75,371). During the PAC meeting, discussion of the issue was extensive and concerns were voiced relative to the pros and cons of the request. The topic of tabling the issue arose at various points during the discussion. The County had reservations about opening a Pandora's box and pointed out that waiving their own impact fees did not appear to be spurring increased development in the County and they were therefore reluctant to spend \$75,000 to update the study. It was also emphasized that updating the Nexus now, could result in the fees going up or down, and it would therefore be difficult, if not legally unsound to develop the Nexus and then ignore its recommendations. The possibility of adding new projects to the list was also inconclusively discussed. The cities of Kingsburg and Fresno pointed out that none of the land use recommendations from SB 375 or the San Joaquin Valley Blueprint had been implemented yet, and it is possible the city of Fresno will be making sweeping changes to their current General Plan in the next few years, therefore it is possible that if the Nexus update is done now, we may need to come back and repeat the process again in 2014 to reflect the land use changes. Ultimately the PAC recommended doing a simple recalculation based on project costs received directly from project sponsors without updating the land use model (Alternate 1 - \$25,648). This would restrict the update to the existing project scope identified in the initial Freeway Deficiencies Study.

Action: Board direction is requested.

III. OTHER BUSINESS

- A. Items from Staff
- B. Items from Members

IV. PRESENTATIONS

A. Public Presentations

This portion of the meeting is reserved for persons wishing to address the Board on items within its jurisdiction but not on this agenda. **Note: Prior to action by the Board on any item on this agenda, the public may comment on that item. Unscheduled comments may be limited to 3 minutes.**

***Items listed as information still leave the option for guidance/direction actions by the Committee.**

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FRESNO COUNTY REGIONAL TRANSPORTATION MITIGATION FEE AGENCY EXECUTIVE MINUTES

Date: September 29, 2011
Time: Immediately Following Fresno Council of Governments Policy Board Meeting
Place: COG Sequoia Room
2035 Tulare Street, Suite 201, Fresno, CA

Members Attending:

Mayor Jose Flores, City of Clovis
Mayor Ron Lander, City of Coalinga
Councilmember Javier Marquez, City of Firebaugh
Mayor David Cardenas, City of Fowler
Mayor Sylvia Chavez, City of Huron
Mayor Gary Yep, City of Kerman
Mayor Bruce Blayney, City of Kingsburg
Mayor Robert Silva, City of Mendota
Mayor Gabriel Jimenez, City of Orange Cove
Mayor Armando Lopez, City of Parlier
Mayor Mary Fast, City of Reedley
Mayor Amarpreet Dhaliwal, City of San Joaquin
Mayor Kenneth Grey, City of Selma
Supervisor Judy Case, Fresno County

Zachary Redmond, Legal Counsel
Tony Boren, Executive Director
Les Beshears, Fresno COG
Marla Day, Fresno COG

The meeting was called to order by Mayor Dhaliwal (San Joaquin), Chair of Fresno Council of Governments Policy Board.

QUORUM: At the start of the meeting there were 14 members present representing 44.294% of the population and there was a quorum. (Clovis, Coalinga, Firebaugh, Fowler, Huron, Kerman, Kingsburg, Mendota, Orange Cove, Parlier, Reedley, San Joaquin, Selma and Fresno County).

I. Election of Chair and Vice Chair

The Chair and Vice Chair of the Committee are no longer Policy Board members; therefore, new officials needed to be elected.

Nominations were opened for Chair. Supervisor Case (County) nominated Mayor Dhaliwal (San Joaquin). Mayor Yep (Kerman) seconded the nomination. There being no other nominations, the nominations were closed. A vote was called for and Mayor Dhaliwal was elected unanimously.

Nominations were opened for Vice Chair. Mayor Dhaliwal (San Joaquin) nominated Mayor Cardenas (Fowler). Mayor Yep (Kerman) seconded the nomination. There being no other nomination, the nominations were closed. A vote was called for and Mayor Cardenas was elected unanimously.

Future Chair and Vice Chair elections will coincide with the Fresno COG Policy Board elections in January of each year.

II. Minutes of October 28, 2010

A motion was made by Mayor Lander (Coalinga) and seconded by Mayor Silva (Mendota) to approve the minutes as presented. A vote was called for and the motion carried.

III. Appeal : **Jim Gregory**
 1167 Princeton Avenue
 Hanford, CA 93230

Site Address: 20674 S. Fowler Avenue, Laton, CA;
Building Permit #11 101 492 FC, Parcel Number 57-151-10

Information regarding this appeal was included in the meeting package and is also available on our website at www.fresnocog.org Committees & Agendas. Mr. Gregory was informed of the meeting, but did not attend.

Staff reviewed the appeal request and made the following findings:

The documentation provided by the Appellant shows that a small house and detached shed was demolished in 1985. Staff position is that the parcel in question has not generated a traffic impact since 1985. When the Nexus Study was completed in February 2009, there was not a traffic impact associated with the lot in question incorporated into the study. As a result, the proposed development represents a "new" traffic impact for the purposes of the RTMF fee and the fee is thus applicable. Staff recommendation was to deny the request based on the findings.

A motion was made by Mayor Jimenez (Orange Cove) and seconded by Mayor Yep (Kerman) to deny the request based on the findings. A vote was called for and the motion carried with one abstention by Mayor Blayney (Kingsburg).

IV. OTHER BUSINESS

A. Items from Staff

Mr. Boren reported that the Building Industry Association request regarding the Nexus Study will be brought back to the Committee in October for review and direction.

B. Items from Members

None

V. PRESENTATIONS

A. Public Presentations

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None.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Tony Boren, Executive Director
lmd

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Building Industry Association
of Fresno/Madera Counties, Inc.

September 9, 2011

Tony Boren, Executive Director
Fresno COG
2035 Tulare Street, Ste. 201
Fresno, CA 93721

RE: Request for Suspension of the Regional Transportation Mitigation Fee

Dear Tony:

This is to confirm my verbal statement to the Policy Advisory Committee (PAC) to withdraw the BIA request of August 24 to consider the suspension of the collection of the Regional Transportation Mitigation Fee (RTMF). I also wish to confirm my request to the PAC to consider initiating the nexus study as soon as possible instead of waiting until the mandatory review in 2014.

The Building Industry Association believes that since much has changed since the RTMF study was completed it is appropriate to revisit the data and assumptions now.

If you have any question, please call me at (559) 226-5900.

Sincerely,

Michael Prandini
President & CEO

1530 E. Shaw Ave., Ste. 113 • Fresno, California 93710
(559) 226-5900 • FAX (559) 226-5903
www.biafm.org

Table 1: Master Fee Schedule			
Land Use Category	2010	2011	2012 and thereafter
Residential Developments (\$/dwelling unit)			
Single-Family Dwelling (market-rate)	\$1,200	\$1,450	\$1,727
Single-Family Dwelling (affordable)	\$600	\$725	\$863
Multi-Family Dwelling (market-rate)	\$843	\$1,018	\$1,212
Multi-Family Dwelling (affordable)	\$421	\$509	\$606
Non-Residential Developments (\$/sq.ft.)			
Commercial/Retail	\$1.36	\$1.65	\$1.96
Commercial/Office/Service	\$0.85	\$1.03	\$1.23
Education	Exempt	Exempt	Exempt
Government	Exempt	Exempt	Exempt
Light Industrial	\$0.34	\$0.41	\$0.49
Heavy Industrial	\$0.07	\$0.09	\$0.10
Other Non-Residential	\$0.29	\$0.35	\$0.42

Estimated Cost for General Update of Nexus

Task		Project Manager	Fee Expert	Lead Planner	Lead Engineer	Lead Engineer	Project Administrator	Task Budget	% of Budget by Task
		D. Hubbard	D. Henderson	C. Park	S. Young	A. Cruz	I. Vargas		
0	Project Management	24	-	-	-	-	20	\$7,725	10%
1	Review & Update List of Included Projects	16	-	-	-	-	-	\$3,725	5%
2	Review & Update Project Design Elements	16	-	-	24	24	-	\$8,677	12%
3	Review & Update Unit Costs	16	-	-	24	24	-	\$8,677	12%
4	Review & Update Land Use Forecasts	16	-	32	-	-	-	\$8,334	11%
5	Review & Update Traffic Forecasts	24	-	40	-	-	-	\$11,349	15%
6	Review & Update Fee Calculation	16	4	32	-	-	-	\$9,294	12%
7	Meetings & Presentations	32	8	-	-	-	-	\$9,369	13%
8	Final Documentation	24	8	-	-	-	-	\$7,507	10%
Total Hours:		184	20	104	48	48	20		100%
Hourly Bill Rate		\$233	\$240	\$144	\$116	\$90	\$107		
Total Hourly Costs		\$42,832	\$4,800	\$14,981	\$5,572	\$4,334	\$2,138	\$74,657	

Direct Expenses

3 Trips to Fresno @ \$0.55/mile * 180 miles \$594
 Meals, etc. for 3 trips to Fresno \$120
 \$714

Total for Labor & Direct Expenses \$75,371

Estimated Cost for Update of Costs Only (without updating Traffic or Land Use Forecasts)

Task		Project Manager	Fee Expert	Lead Planner	Lead Engineer	Lead Engineer	Project Administrator	Task Budget	% of Budget by Task
		D. Hubbard	D. Henderson	C. Park	S. Young	A. Cruz	I. Vargas		
0	Project Management	18	-	-	-	-	16	\$5,901	8%
1	Review & Update List of Included Projects	16	-	-	-	-	-	\$3,725	5%
2	Review & Update Project Design Elements	16	-	-	24	24	-	\$8,677	12%
3	Review & Update Unit Costs	16	-	-	24	24	-	\$8,677	12%
5	Review & Update Fee Calculation	24	-	24	-	-	-	\$9,044	12%
6	Meetings & Presentations	24	4	-	-	-	-	\$6,547	9%
7	Final Documentation	16	8	-	-	-	-	\$5,645	8%
Total Hours:		130	12	24	48	48	16		65%
Hourly Bill Rate		\$233	\$240	\$144	\$116	\$90	\$107		
Total Hourly Costs		\$30,262	\$2,880	\$3,457	\$5,572	\$4,334	\$1,710	\$48,215	

Direct Expenses

2 Trips to Fresno @ \$0.55/mile * 180 miles \$396
 Meals, etc. for 2 trips to Fresno \$80
 \$476

Total for Labor & Direct Expenses \$48,691

Estimated Cost for Recalculation Only (Costs directly from Caltrans, Traffic & Land Use Forecasts not updated)

Task		Project Manager	Fee Expert	Lead Planner	Lead Engineer	Lead Engineer	Project Administrator	Task Budget	% of Budget by Task
		D. Hubbard	D. Henderson	C. Park	S. Young	A. Cruz	I. Vargas		
0	Project Management	12	-	-	-	-	12	\$4,076	5%
1	Review & Update List of Included Projects	12	-	-	-	-	-	\$2,793	4%
2	Review & Update Fee Calculation	24	-	-	-	-	-	\$5,587	7%
3	Meetings & Presentations	24	4	-	-	-	-	\$6,547	9%
4	Final Documentation	16	8	-	-	-	-	\$5,645	8%
Total Hours:		88	12	-	-	-	12		33%
Hourly Bill Rate		\$233	\$240	\$144	\$116	\$90	\$107		
Total Hourly Costs		\$20,485	\$2,880	\$0	\$0	\$0	\$1,283	\$24,648	

Direct Expenses

2 Trips to Fresno @ \$0.55/mile * 180 miles \$396
 Meals, etc. for 2 trips to Fresno \$80
 \$476

Total for Labor & Direct Expenses \$25,124