



**City of Grass Valley  
City Council  
Agenda Action Sheet**

**Title:** Transportation Impact Fees - Fee Program Revisions

**CEQA:** Not a Project

**Recommendation:** That Council authorize revised, lower fees for the Single Family Residential land use category for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) programs

**Prepared by:** Bjorn P. Jones, PE, City Engineer

**Council Meeting Date:** 3/12/2024

**Date Prepared:** 3/7/2024

**Agenda:** Consent

**Background Information:** On August 22, 2023, Council adopted updated fee programs for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) after a comprehensive study process. Program updates were performed in coordination with Nevada County Transportation Commission (NCTC) and consultant GHD.

Soon after implementation of the new fees, it was discovered that an error in the calculations led to some residential categories being over charged and some under charged from what the nexus study would support. Fee program experts at GHD have recommended that those categories that are being charged a higher fee (Single Family) should be immediately revised to reflect the accurate amount; as the law allows fees to be set at or below the study supported values, but no higher.

Land use categories that are currently being under charged (Multi Family, Mobile Home and Senior Housing) do not pose a legal concern and City Staff and NCTC plan to begin the update and adoption process in the coming months, to get the revised fees, including an inflationary adjustment, in place for next fiscal year.

The proposed fees to be used for both programs are shown in the excerpt tables below.

**Proposed RTMF Fees**

Land Use Category	2023 Adopted RTMF Rate	Proposed RTMF Rate - 2024	Difference from 2023 Adopted
<b>Residential</b>			
Single Family House			
Small (<1,500 sq.ft.)	<b>\$4,030</b>	\$3,406	<b>-\$624</b>
Medium (1,500-2,500 sq.ft.)	<b>\$4,868</b>	\$4,115	<b>-\$753</b>
Large (<2,500 sq.ft.)	<b>\$5,396</b>	\$4,561	<b>-\$835</b>

**Proposed GVTIF Fees**

Land Use Category	2022 GVTIF Rate (Pre AB 602)	2023 Adopted GVTIF Rate	Revised 2024 GVTIF Rate	Difference from 2023 Adopted
	(A)	(B)	(C)	(D) = (C)-(B)
<b>Residential</b>				
Single Family House				
Small (<1,500 sq.ft.)	\$3,850	\$3,293	\$3,090	-\$203
Medium (1,500-2,500 sq.ft.)	\$3,850	\$3,978	\$3,732	-\$246
Large (<2,500 sq.ft.)	\$3,850	\$4,410	\$4,138	-\$272

At this time Staff requests that Council authorize immediate implementation of only the reduced Single Family rates for both GVTIF and RTMF programs.

**Council Goals/Objectives:** Implementation of the proposed Impact Fees program updates executes portions of work tasks towards achieving/maintaining Goal #2 - Transportation, and Goal #4 - Economic Development and Vitality.

**Fiscal Impact:** The proposed transportation impact fees are established based on the capital costs for facilities and transportation improvement projects needed to mitigate the impacts of additional development.

**Funds Available:** N/A

**Account #:** N/A

**Reviewed by:** \_\_ City Manager