



## City of Grass Valley City Council Agenda Action Sheet

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**Title:** Transportation Impact Fees - Public Hearing for Fee Program Updates

**CEQA:** Not a Project

**Recommendation:** That Council hold a public hearing and adopt three resolutions; updating the Grass Valley Transportation Impact Fee Program, updating the Regional Transportation Mitigation Fee (RTMF) Program, and authorizing execution of an RTMF agreement and adoption of the RTMF Program Administrative Manual.

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

**Council Meeting Date:** 8/22/2023

**Date Prepared:** 8/17/2023

**Agenda:** Public Hearing

**Background Information:** Growth and development brings changes and impacts to existing communities, often notably with strains on the transportation infrastructure. In 2001, Nevada County and the cities of Grass Valley and Nevada City joined together and separately adopted the Regional Transportation Mitigation Fee (RTMF) program which is administered by the Nevada County Transportation Commission (NCTC). Similarly, in 2008 the City of Grass Valley adopted its own Grass Valley Transportation Impact Fee (GVTIF) program to address local transportation concerns. These programs were developed to ensure that new development projects pay their fair share of the cost of improvements required to mitigate their impact on the existing transportation network.

Per California Government Code Sections 66000 et seq., also known as the Mitigation Fee Act, comprehensive updates are required periodically to fee programs to ensure that the assumptions regarding the need for the projects, costs, growth, etc. continue to provide a nexus between the development impacts and the fees charged. Both RTMF and GVTIF programs were last updated in 2016. In mid-2021, in coordination with the Nevada County Transportation Commission, the City contracted with consultant GHD to provide a technical study and nexus analysis necessary to update the RTMF Program, as well as concurrently updating the GVTIF Program.

City staff have worked closely with GHD, NCTC, and other agency representatives over the last two years to develop and fine tune the nexus study and propose reasonable and justifiable fee updates to both impact fee programs. The Nexus study update reports for the GVTIF and the RTMF programs are attached. GHD staff will present a summary of the update process and findings at the Council meeting including changes to the program's structures brought about by recent State Assembly Bills.

The proposed fees for both programs are shown in the excerpt tables below. In short, for the RTMF program, residential development (per EDU) sees a 5.3% increase in fees from their current level, while non-residential development (per trip) decreases by 30.9%. For the GVTIF program, fees increase by 3.3% for residential and decrease by 5.3% for non-residential.

## Proposed RTMF Fees

Trip Type	Current Fee	Proposed Fee	% Change
Residential Fee Per EDU	\$4,621.01	\$4,867.76	5.3%
Non-Residential Fee per Trip	\$85.72	\$59.19	-30.9%

## Proposed GVTIF Fees

Trip Type	Current Fee	Proposed Fee	% Change
Residential Fee Per EDU	\$3,849.89	\$3,977.78	3.3%
Non-Residential Fee per Trip	\$130.45	\$123.53	-5.3%

The RTMF Nexus Study and Program Update were approved by the Nevada County Transportation Commission at their July 19<sup>th</sup> meeting and are scheduled to be heard at the Nevada County Board of Supervisors meeting on September 12<sup>th</sup>. Once all participating agencies adopt the proposed update, an RTMF Agreement would be executed with NCTC to administer the program and the fees would go into effect a minimum of 60 days after adoption. For the GVTIF, if Council adopts the program updates, it is proposed that new fees would become effective on November 1, 2023.

Staff recommends that Council hold a public hearing and adopt three resolutions; adopting the updated Grass Valley Transportation Impact Fee Program; adopting the updated Regional Transportation Mitigation Impact Fee Program; and authorizing the execution of a RTMF agreement and adoption of the RTMF Program Administrative Manual.

**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

**Attachments:**

- GVTIF & RTMF Final Reports
- Resolutions No. 2023-53, 2023-54 & 2023-55