



December 9, 2025

Honorable Mayor and Council Members:

Slater Stewart, Associate Civil Engineer

Title: **AB 1600 Traffic and Facilities Impact Fee Public Hearing and Fee Adjustments for Fiscal Year 2024/2025**

Jen Callaway, Town Manager

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**Recommended Action:** Council conduct a public hearing on Fiscal Year 2024/2025 AB 1600 fee revenues and expenditures; adopt Resolution 2025-71 making findings to retain AB1600 fees collected in excess of five years ago, which remain unspent, and approving the annual AB 1600 program fee adjustments.

**Discussion:**

***Annual AB 1600 Traffic Impact and Facilities Impact Fee Program Report***

This staff report constitutes the annual reporting requirement for the AB 1600 program in complying with the provisions of Government Code Section 66006, which requires each public entity that collects AB 1600 fees to provide an annual report and to hold an annual public hearing that discloses the amount of fees collected during the previous fiscal year (FY), as well as the amount of interest earned on those fees. The statute also requires that the public entity disclose the amount of funds which have been spent on given projects over the previous fiscal year. The purpose of tonight's agenda item is to present that information and conduct the referenced public hearing with adoption of the required Resolution for the annual report (Attachment 1).

**Traffic Impact Fee Fund**

The Town first implemented the AB1600 Traffic Impact Fee program in 1999 and subsequently updated the program in 2007 and, most recently, in 2016. **Attachment 2**, which presents "The beginning and ending balance of the account or fund...", fulfills the requirements of Section 66006 (b) (1) (C) and Section 66006 (b) (1) (D), "the amount of the fees collected and the interest earned." The beginning balance on July 1, 2024, was \$8,984,662 and the ending balance on June 30, 2025, was \$8,790,343. As shown in **Attachment 2**, during the 2024/2025 fiscal year \$510,154 in Traffic Impact Fees was collected and \$449,673 in interest was earned for a total revenue amount of \$959,827. During this same fiscal year, \$1,075,282 was expended on program projects. Traffic Impact Fee fund expenditures this fiscal year include, \$948,784 on the I-80/Donner Pass Road/Coldstream RAB Project, \$115,129 on the Bridge Street/West River Street/DPR Intersection Improvement Project, \$3,803 on administration of the program, and \$7,566 on credit card fees associated with the collection of Traffic Impact Fees.

**Attachment 3** fulfills Section (b) (1) (E) "...an identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees." In FY 2024/2025, 78.1% (\$948,784) of the I-80/Donner Pass Road/Coldstream RAB Project, and 13.0% (\$115,129) of the Bridge Street/West River Street/DPR Intersection Improvement Project were funded with AB 1600 Traffic Impact Fee funds.

As shown in **Attachment 2**, there are \$2,461,957 of traffic impact fees which were collected in excess of five years ago that remain unspent. This is primarily due to project development timing and because some of the larger projects such as the Pioneer Trail & Bridge Street Extension Project and the SR267 Brockway Road Roundabout Project require more funds than would be collected over a typical five-year time period. Staff is recommending that the Council make specific findings contained in draft Resolution 2025-71 (attached as **Attachment 1**) to retain these unspent funds. Adoption of Resolution 2025-71 will also set the new Traffic and Facility Impact Fees.

To document compliance with Section 66006 (b) (1) (G) and (H), there have been no inter-fund transfers or loans made from the AB 1600 Traffic Impact Fee program funds nor have there been any refunds made pursuant to subdivision (e) of Section 66001 nor allocation pursuant to subdivision (f) of Section 66001.

### *Traffic Impact Fee Adjustments*

**Attachment 5** fulfills the requirements of Section 66006 (b) (1) (F) which requires the local agency to identify the approximate date by which construction of a public improvement will commence. It also presents the AB 1600 Traffic Impact Fee program projects, adopted February 9, 2016, with cost estimates that have been updated based on inflationary adjustments or better cost information. The change in the Construction Cost Index (CCI) as reported by Engineering News Record (ENR) for the period from July 1, 2024, through June 30, 2025 (end of fiscal year) was determined to be 2.32 % (see attached index chart as **Attachment 6**). The Traffic Impact Fee program's project cost estimates have all been updated by this inflationary adjustment (2.32%) with the exception of the completed projects where actual cost information is available.

The total program cost based on the projects included in the Traffic Impact Fee program was calculated to be \$109,560,891 (including eastern Nevada and Placer County improvements). The total program obligation, determined in 2016 and adjusted on an annual basis, is \$97,180,760. The updated Traffic Impact Fees are calculated in **Attachment 7** by dividing the adjusted program obligation by the number of Dwelling Unit Equivalent (DUE) of future development (\$97,180,760 divided by 10,715 DUEs). Therefore, the new Traffic Impact Fee per DUE is calculated to be **\$9,069**. This new fee is \$185/DUE (2.08%) more than the current fee of \$8,884/DUE. If adopted, staff recommends that these fees become *effective Monday, February 9, 2026*. Table 1 below shows the updated Dwelling Unit Equivalent Factors and Fee Calculations table that would be included in the Town's fee schedule upon the effective date.

<b>TABLE 1: Dwelling Unit Equivalent Factors and Fee Calculations</b>							
<i>Fee Formula: \$9,069 x DUE per Unit x Units (from Project) = fee</i>							
Land Use Category	Unit	ITE Land Use Code	PM Peak Hour Trip Rate Per Unit <sup>3</sup>	% New Trips	New Trips per Unit	DUE per Unit	Fee per square foot
<b>Residential (Note 1)</b>	1,000 s.f.	210, 220, 240	0.41	100%	0.41	0.41	\$3.72
Hotel/Motel	Room	310	0.7	100%	0.70	0.70	
<b>Office</b>							
General Office	1,000 s.f.	710	1.49	100%	1.49	1.49	\$13.51
Medical Office	1,000 s.f.	720	3.57	100%	3.57	3.57	\$32.38
<b>Commercial</b>							
General Retail	1,000 s.f.	Note 4	6.08	43%	2.64	2.64	\$23.94
Multiplex Movie Theater	1,000 s.f.	445	2.94	100%	2.94	2.94	\$26.66
Restaurant - Quality or High-Turnover	1,000 s.f.	931, 932	8.67	37%	3.23	3.23	\$29.29
Fast Food Restaurant / Coffee Shop	1,000 s.f.	933, 934	29.4	30%	8.78	8.78	\$79.63
Supermarket	1,000 s.f.	850	9.48	34%	3.24	3.24	\$29.38
Convenience Market	1,000 s.f.	851	52.4	24%	12.53	12.53	\$113.63
Bank	1,000 s.f.	912	24.3	27%	6.56	6.56	\$59.49
Gas Station	Fueling Position	944	13.87	13%	1.79	1.79	
Health Fitness Club	1,000 s.f.	492	3.53	75%	2.65	2.65	\$24.03
<b>Industrial</b>							
Light Industrial	1,000 s.f.	110	0.97	100%	0.97	0.97	\$8.80
Warehouse	1,000 s.f.	150	0.32	100%	0.32	0.32	\$2.90
<b>Hospital</b>	1,000 s.f.	610	0.93	77%	0.72	0.72	\$6.53
<b>Public Park</b>	Acre	417	0.2	100%	0.2	0.20	
<b>School</b>							
Elementary School	1,000 s.f.	520	1.21	80%	0.97	0.97	\$8.80
Middle School	1,000 s.f.	522	1.19	80%	0.95	0.95	\$8.62
High School	1,000 s.f.	530	0.97	80%	0.78	0.78	\$7.07
Community College	1,000 s.f.	540	2.54	80%	2.03	2.03	\$18.41
Note 1: Residential additions less than 500 square feet shall not be assessed a fee. An Accessory Dwelling Unit (ADU) less than 750 square feet shall not be assessed a fee. Note 3: PM peak-hour of adjacent street traffic. Note 4: Trip generation rate based on calibrated Town of Truckee Model.							

The attached **Attachment 7**, DUE and Fee Calculations, fulfills the requirements of Section 66006 (b) (1) (B), “The amount of the fee.”

**Facilities Impact Fee Fund**

On June 6, 2005, the Town implemented the AB1600 Facilities Impact Fee program. **Attachment 4** presents “The beginning and ending balance of the account or fund...” and fulfills the requirements of Section 66006 (b) (1) (C) and Section 66006 (b) (1) (D), “The amount of the fees collected and the interest earned.”

**Attachment 4** also shows a summary of the Facilities Impact Fee program transactions. During FY 2024/2025, \$188,170 in Facilities Impact Fees was collected and \$37,855 in interest was earned for a total revenue amount of \$223,299. During this same period \$92,988 was expended in the Facilities Impact Fee program. **Attachment 3** fulfills Section (b) (1) (E) “...an identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees”. **Attachment 3** shows that 98.9% (\$89,461) of the Church Street Extension Project FY 24/25 expenditures and \$1,886 in Credit Card Fees were funded with Facilities Impact Fees.

As shown in **Attachment 4**, there are \$142,321 of Facilities Impact Fees which were collected in excess of five years ago that remain unspent. This is primarily due to project development timing and because some of the larger projects such as the Public Service Center Relocation Project, Trout Creek Restoration Project, and the Town Wide Storm Drain Project require more funds than would be collected over a typical five-year time period. Staff is recommending that the Council make specific findings contained in draft Resolution 2025-71 (attached as **Attachment 1**) to retain these unspent funds. Additionally, to document compliance with Section 66006 (b) (1) (G) and (H), there have been no inter-fund transfers or loans made

from the AB 1600 Facilities Impact Fee program funds nor have there been any refunds made pursuant to subdivision (e) of Section 66001 nor allocation pursuant to subdivision (f) of Section 66001.

**Facilities Impact Fee Adjustments**

The change in the Construction Cost Index (CCI) for the time period of July 1, 2024, through June 30, 2025 (end of fiscal year) as determined by Engineering News Record (ENR) was determined to be 2.32% as shown in **Attachment 6**. Table 2 below shows the current and proposed adjustments to the Facilities Impact Fees. If adopted, staff recommends that these fees become *effective Monday February 9, 2026*. **Table 2** shows the existing and proposed fees, which fulfills the requirements of Section 66006 (b) (1) (B), “The amount of the fee.”

**Table 2 - Facilities Impact Fees**

Land Use Category	Unit	Current Fees	Proposed Fees
Residential (Note 1)	s.f.	\$1.69	\$1.73
Hotel/Motel	Room	\$249	\$255
Commercial/Office	s.f.	\$1.72	\$1.76
Industrial	s.f.	\$1.06	\$1.08
Note 1: Residential additions less than 500 square feet shall not be assessed a fee. An Accessory Dwelling Unit (ADU) less than 750 square feet shall not be assessed a fee.			

**Table 3** below fulfills the requirements of Section 66006 (b) (1) (F) which requires the local agency to identify the approximate date by which construction of a public improvement will commence.

**Table 3**

Facilities Public Improvement Projects	Estimated Construction Commencement
Relocate Town Corporation Yard	2009
Increase Storm Drain Capacity Townwide	>2030
Trout Creek Restoration	2006
Relocate Animal Services	2012
PD Expansion Tenant Improvements	2019

**Priority:**

- Enhanced Communication   
  Climate and Greenhouse Gas Reduction   
  Housing  
 Infrastructure Investment   
  Emergency and Wildfire Preparedness   
  Core Service

**Fiscal Impact:** Conducting this public hearing maintains the Town’s compliance with the AB1600 legislation, thereby allowing the Town to continue collecting AB1600 Traffic Impact Fees and Facilities Impact Fees. Inflationary cost adjustments will maintain the Fee Program’s ability to implement AB1600 program projects.

**Public Communication:** Standard Town Council agenda postings and public hearing notifications in the Sierra Sun.

**Attachments:**

Attachment 1 – Draft Resolution 2025-71

Attachment 2 – Summary of Traffic Impact Fees

Attachment 3 – AB 1600 Project Expenditures

Attachment 4 – Summary of Facilities Impact Fees

Attachment 5 – Traffic Impact Fee Project List and Estimated Construction Commencement Dates

Attachment 6 – ENR's Monthly Construction Cost Index Chart

Attachment 7 – Calculation of Traffic Impact Fee per DUE