



Regional Transportation Mitigation Fee (RTMF) Update & Nexus Study

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Topics Covered

- Regional Transportation Mitigation Fee Program Background
- AB-602 and SB-13 Requirements
- Nexus Study
- Draft Results and Proposed Change in Fees
- Questions & Answers

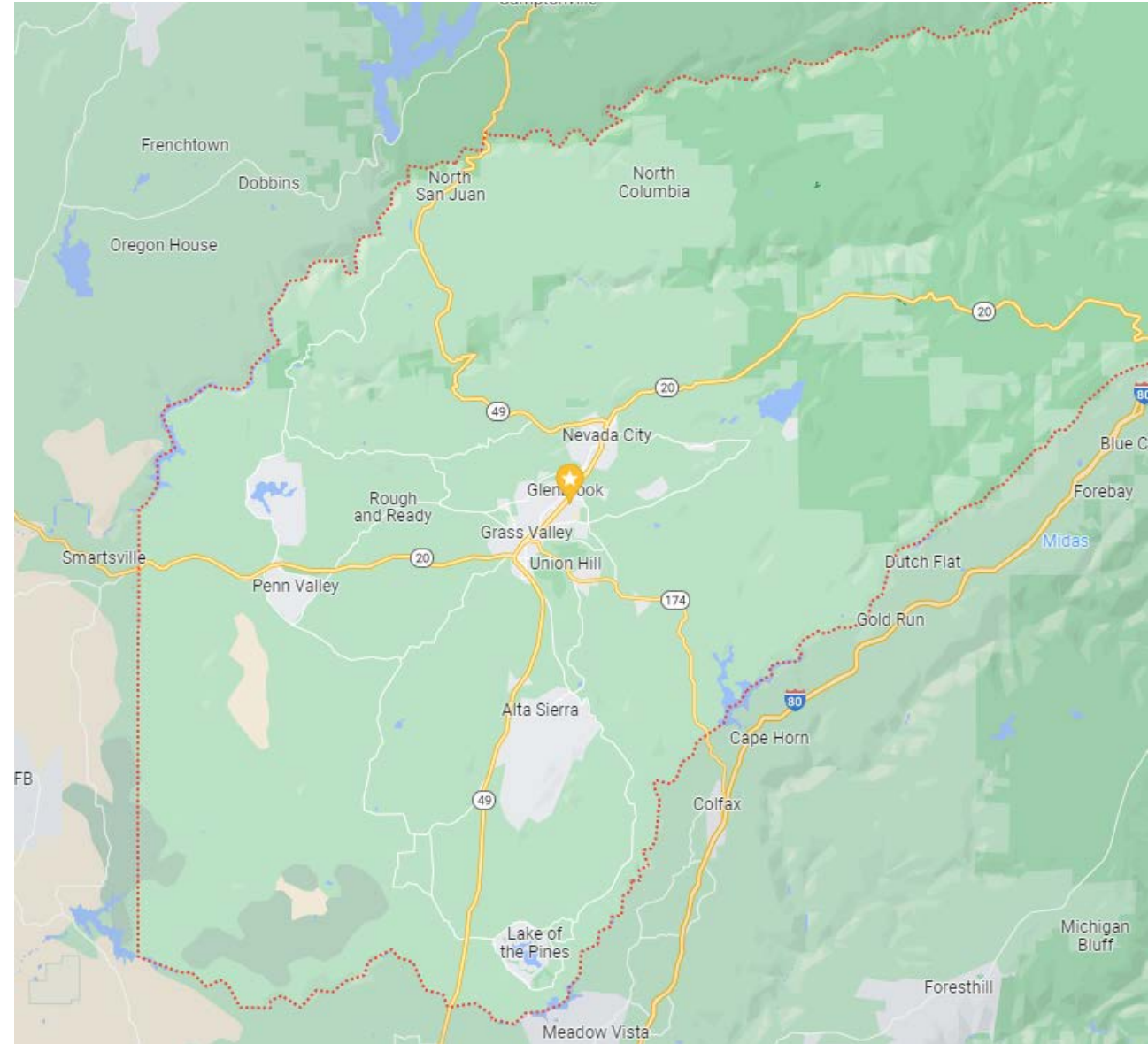
Background

The Fee Program and
Why it is being Updated



RTMF Program

- Established in FY 2000/2001
- Covers western Nevada County (Grass Valley, Nevada City, and parts of unincorporated Nevada County)
- Separate from the local fee programs
- Has successfully brought in \$8.4M to help fund needed infrastructure to accommodate new growth
- Original nexus study done in 2000. Previous updates done in 2008 and 2016.





Why Update the Fees?

State law (Mitigation Fee Act) requires that impact fees be periodically reviewed and adjusted, because:

- **Conditions Change** - Congestion levels change, growth forecasts change, construction costs change, projects are completed and paid off, etc.
- **Policies and Priorities Change** - Programs sometimes play out differently than anticipated
- **Maintain Fairness** - Adjustments are needed to ensure that the fees remain fair for all concerned; that development pays its fair share for needed improvements, but no more than that

AB 602 & SB 13

New Requirements



AB-602

- Intended to clean up, “... *an opaque and informal patchwork of guidelines and common practices*” and to reduce the fees burden on small, affordable units
- Signed by Governor in September 2021, and went into effect in 2022.
- Most of the provisions were best practices that the RTMF program had been following for years, but programs in other parts of the state might not have been
- Biggest change was that fees on residential development must now be based on the floor area of dwelling unit; not a flat fee by dwelling type





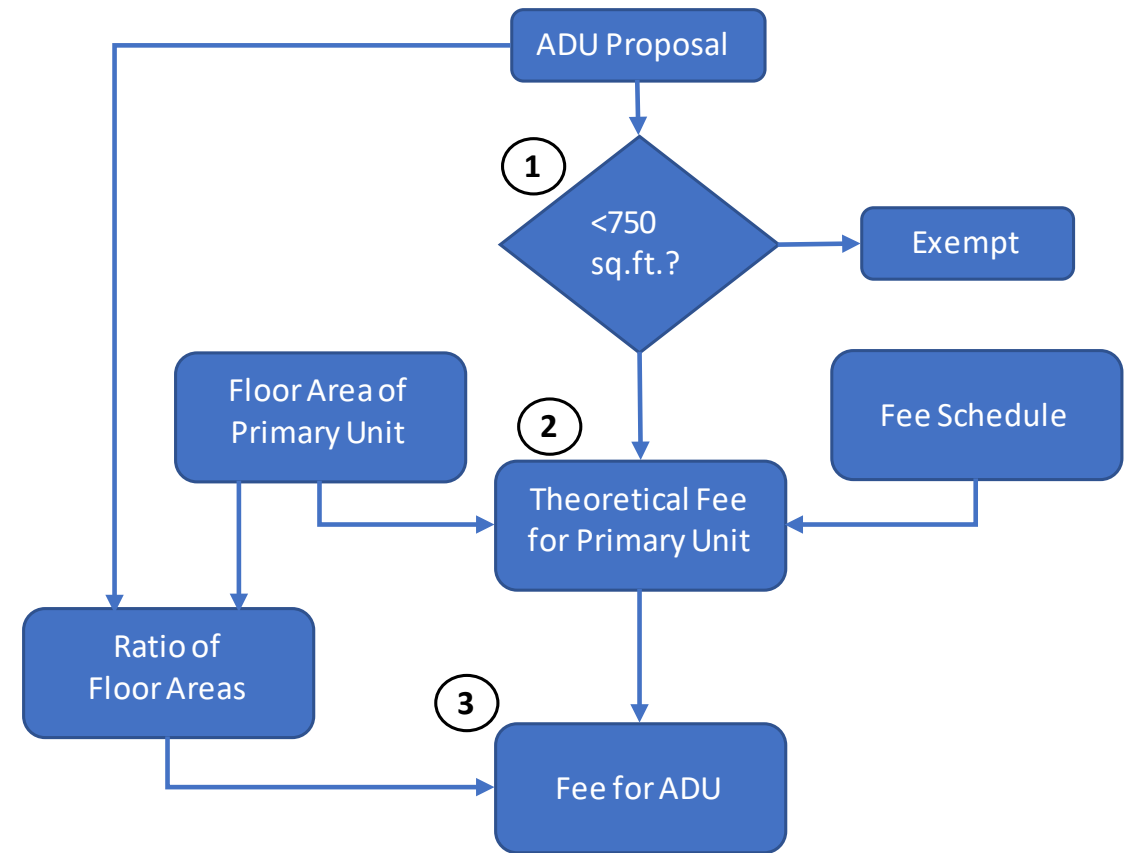
New Framework for Residential Fees

- The new framework has 3 size categories for each dwelling type
 - Small (< 1,500 sq. ft.)
 - Medium (1,501 – 2,500 sq. ft.)
 - Large (>2,500 sq. ft.)
- Larger units will be charged more than smaller units

SB-13 Requirements for Accessory Dwelling Units (ADUs)

SB-13 completely changes the way that fees on ADUs are calculated. From now on:

- ADUs smaller than 750 sq.ft. are exempt from fees
- If larger than 750 sq.ft., then the fee shall be charged proportionately in relation to the square footage of the primary dwelling unit
- So an ADU that is half the size of the primary unit will now pay half the fee that the primary unit would pay (if the primary unit was newly constructed)





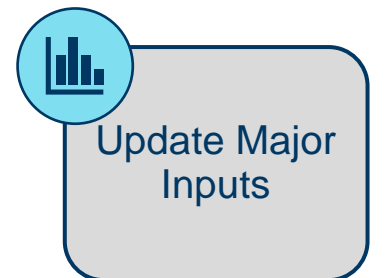
Nexus Study

Steps in the Process



Changes Since 2016 Nexus Study

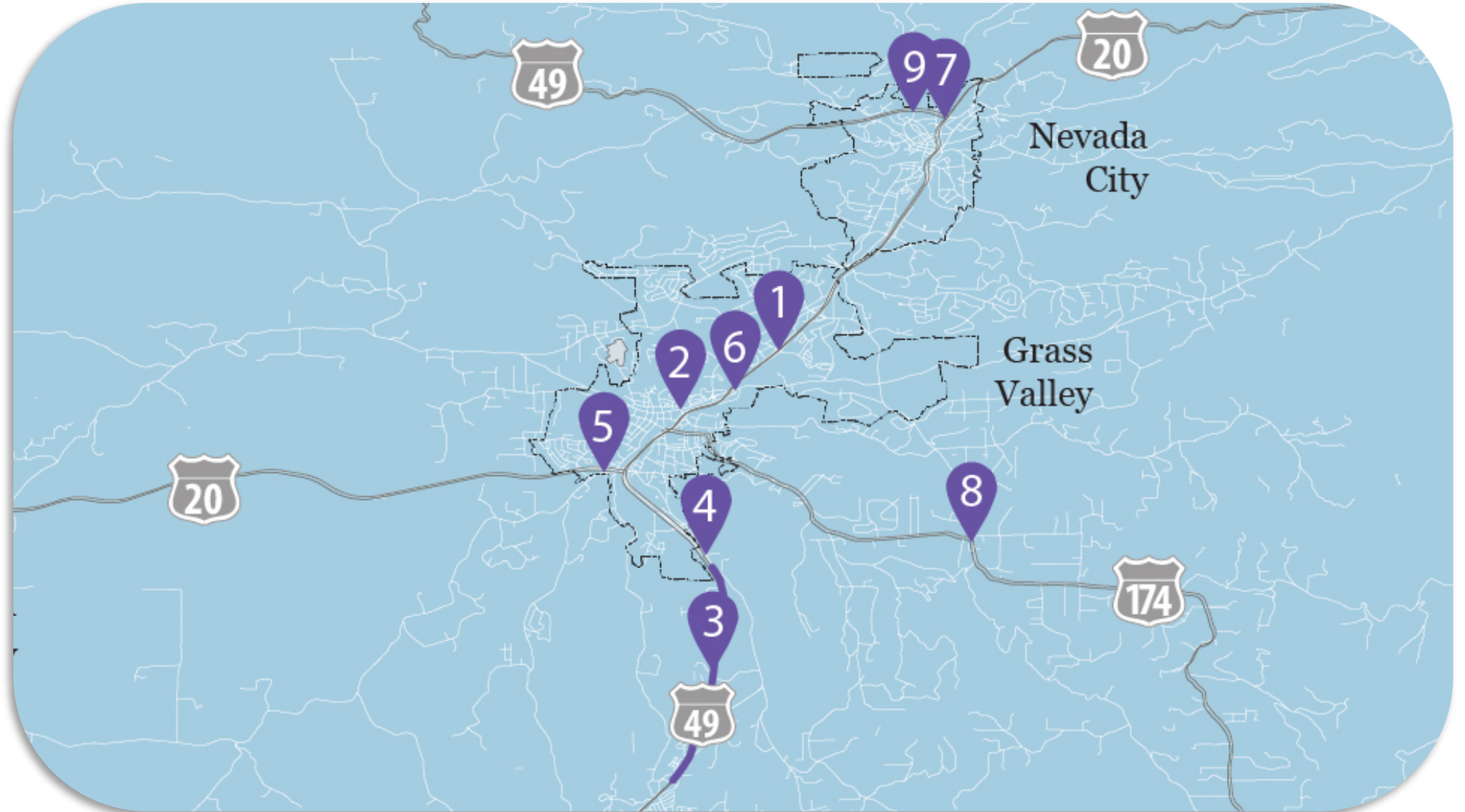
- **The economy & housing market** – Recovery from Great Recession, then COVID-19, then 2nd recovery
- **Demographic trends & growth forecasts** – California’s population peaked, development slowing down
- **Project status** – Some RTMF projects have been completed
- **Trip Generation Rates** – Updated based on recent surveys
- **Construction Prices** – Up about 30% since 2016



Identify Impacts using TDF model



Use a traffic model to determine where improvements are needed



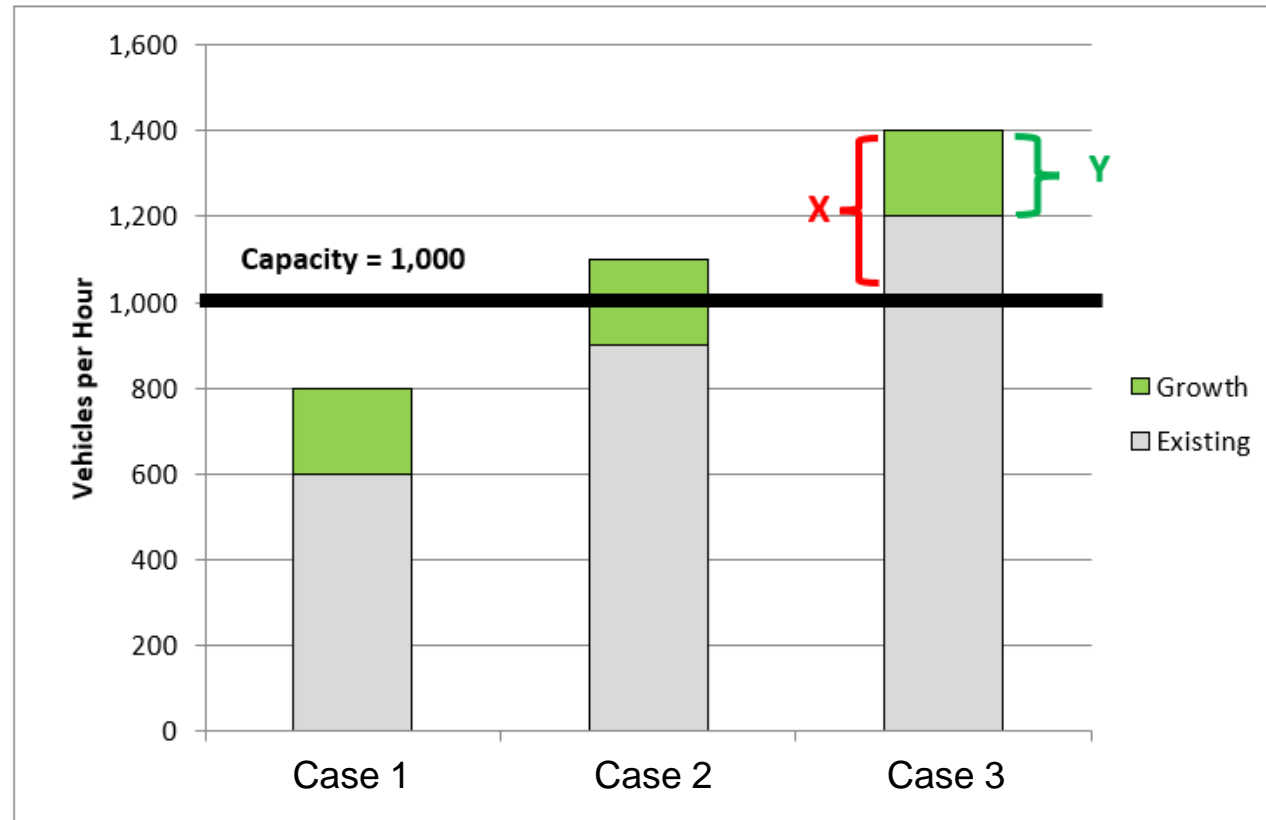
Identify Impacts

Project ID (Prior 2015 Study)	Project ID (New)	Project	Status	
1	1	Dorsey Dr Interchange @ SR 20/49	Keep for Reimbursement	<input checked="" type="checkbox"/>
	2	E. Main St/Bennett/Richardson	Keep for Reimbursement	<input checked="" type="checkbox"/>
		SR-49 SB: South of La Barr Meadows Rd	Constructed	
	3	SR-49 SB Capital Improvement Project Phase 2 (PM 13.1 to PM 11.0)	Deficiency	<input checked="" type="checkbox"/>
2		SR-49: South of La Barr Meadows Rd (SB)	Most SR 49 Widening Projects Removed	
		SR-49: South of La Barr Meadows Rd (NB)		
3		SR-49: South of Alta Sierra Dr (SB)		
		SR-49: South of Alta Sierra Dr (NB)		
4		SR-49: South of Wolf Creek		
		SR-20/49: Bennett St to Idaho-Maryland Rd	No deficiency	
		McKnight Way/Taylorville Rd	McKnight Way Interchange Project	<input checked="" type="checkbox"/>
5	4	McKnight Way/SR 49 NB Ramps		
		McKnight Way/SR 49 SB Ramps		
		McKnight Way/S. Auburn St/La Barr Meadows Rd		
6	5	McCourtney Rd/SR 20 EB Ramps	Deficiency	<input checked="" type="checkbox"/>
7	6	SR 20/49 NB Ramps/Idaho Maryland Rd	Deficiency	<input checked="" type="checkbox"/>
8		SR 20/49 & Ridge Rd/Gold Flat Rd Interchange	No deficiency	
9	7	SR 20/SR 49/Uren St	Deficiency	<input checked="" type="checkbox"/>
		Brunswick Rd/E Bennett St/Greenhorn Rd	No deficiency	
	8	Brunswick Rd/SR 174/Colfax Highway	Deficiency	<input checked="" type="checkbox"/>
		SR-49/Cement Hill Rd	No deficiency	
10	9	SR-49/Coyote St	Deficiency	<input checked="" type="checkbox"/>

Calculating % Attributable to New Development



Calculate the % of each improvement attributable to new growth



Case 1 = No deficiency, even with new development. No fee can be charged


Case 2 = New development causes a deficiency. 100% attributable to new development

Case 3 = Existing deficiency. New Development's Share of the future deficiency is Y/X

Calculating the Amounts Potential Collectable

Project ID (New)	Facility	Location	Updated Cost Estimate	% of Need Attributable to New Development	Costs Attributable to New Development	Funding from Other Sources (STIP, SHOPP, etc.)	RTMF Funds Previously Collected	Amount Potentially Collectable from Mitigation Fees	Funds Needed from Other Sources
			(A)	(B)	(C) = (A)*(B)	(D)	(E)	If (A)-(D)<(C), (A)-(D)-(E) Otherwise (C)-(E)	
1	SR-49 Interchange	Dorsey Drive	\$24,000,000	33%	\$7,991,555	\$19,385,609	\$2,729,732	\$1,884,659	\$0
2	E.Main St	@ Bennett St/Richardson St	\$1,500,000	100%	\$1,500,000	\$0	\$1,500,000	\$0	\$0
3	SR-49 SB	PM 13.1 to PM 11.0 (SB)	\$21,000,000	48%	\$10,040,404	\$18,400,000	\$0	\$2,600,000	\$0
	SR-49 Widening Projects	S/o La Barr Meadows Rd (SB)	\$210,200,000	41%	\$85,232,335	\$0	\$0	\$0	\$0
		S/o La Barr Meadows Rd (NB)				\$0	\$0	\$0	
		South of Alta Sierra Dr (SB)				\$0	\$0	\$0	
		South of Wolf Creek				\$0	\$0	\$0	
4	McKnight Way Interchange	@ S. Auburn St/La Barr Meadows Rd	\$9,663,269	100%	\$9,663,269	\$2,000,000	\$0	\$7,663,269	\$0
5	McCourtney Rd	@ SR 20 EB Ramps	\$2,083,969	63%	\$1,317,068	\$0	\$0	\$1,317,068	\$766,901
6	SR 20/49 NB Ramps	@ Idaho Maryland Rd	\$1,847,696	100%	\$1,847,696	\$0	\$0	\$1,847,696	\$0
7	SR 20/SR 49	@ Uren St	\$1,457,566	39%	\$568,304	\$0	\$0	\$568,304	\$889,263
8	Brunswick Road	@ SR 174/Colfax Highway	\$1,384,179	100%	\$1,384,179	\$0	\$0	\$1,384,179	\$0
9	SR-49	@ Coyote St	\$468,604	43%	\$199,938	\$0	\$0	\$199,938	\$268,666
10	Admin Costs and 5-year reviews (2% of program)			100%				\$349,302	
Total			\$63,405,283		\$34,512,413	\$39,785,609	\$4,229,732	\$17,814,415	\$1,924,829
As a percent of total costs for needed projects					54%	63%	7%	28%	3%

- SR 49 Projects removed due to cost
- State law would allow NCTC to charge new development up to 54% of project costs
- However, grant funding allows this to be reduced to 28%


 Determine Project Costs: collectible by the fee program

Residential vs. Non-Residential Traffic Growth

Trip Purpose	Growth in VMT	% of Total VMT Growth
Attributable to Residential Development		
Home-Base Other Trips	122,759	36%
Home-Base Work Trips	169,544	49%
Home-Based School Trips	2,068	1%
Home-Based Sierra College Trips	1,427	0%
Attributable to Non-Residential Development		
Non-Home-Based Trips	47,670	14%
Total	343,467	100%

86% of the growth in traffic is expected to come from residential development

- Many residents of western Nevada County out-commute to work and shop, putting a strain on the main regional roads
- Non-residential development that lets people work and shop locally is relatively easy on the road system



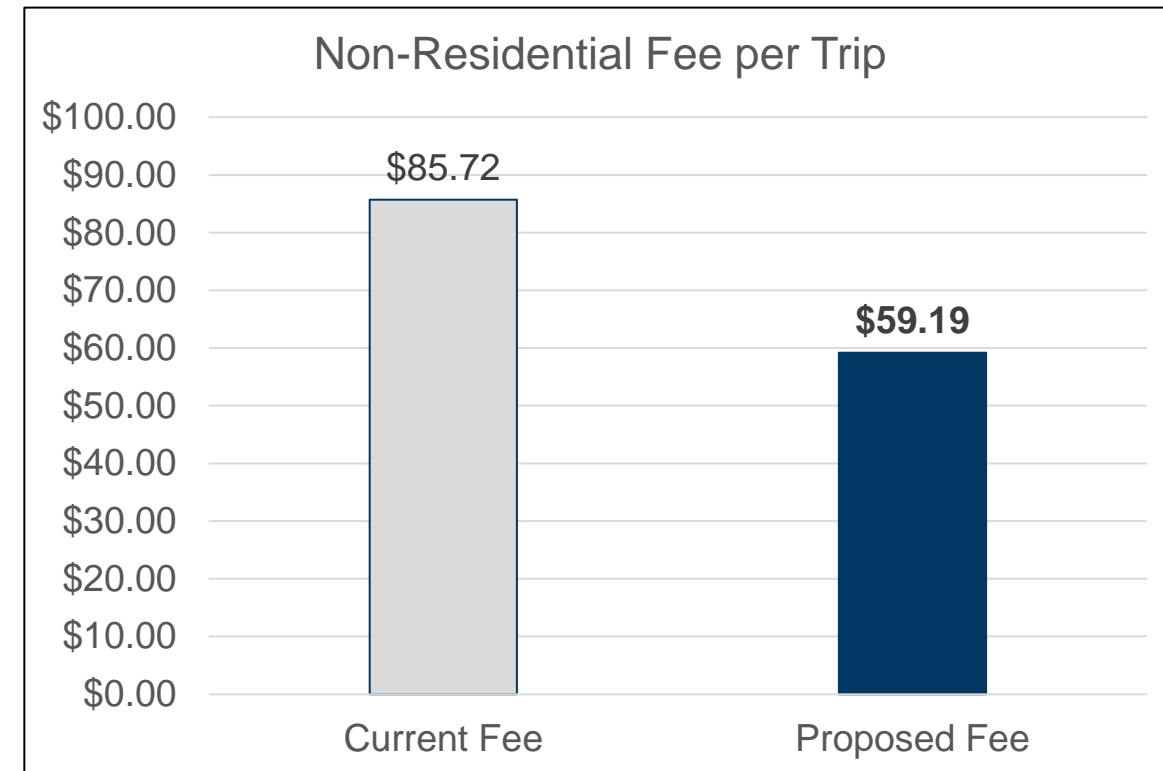
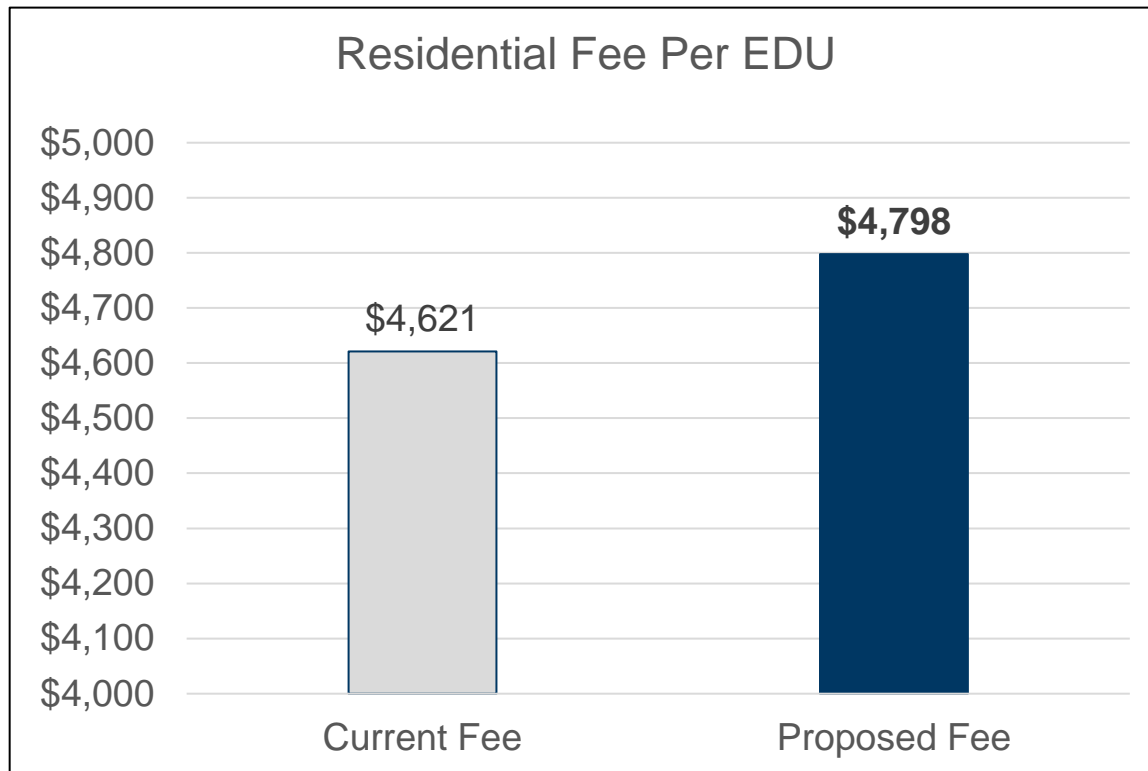
Determine Residential and Non-residential share of fees

Draft Results and Proposed Changes in Fees

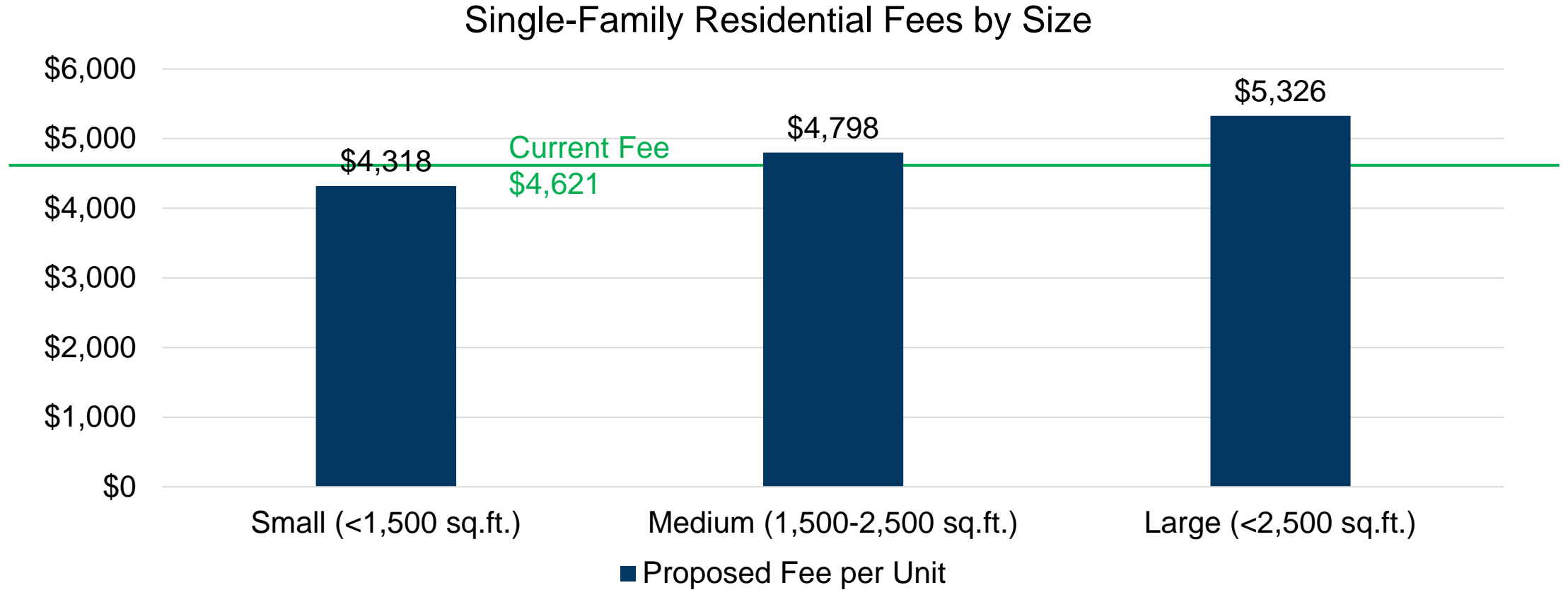


Recommended Fees

Trip Type	Current Fee	Proposed Fee	% Change
Residential Fee Per EDU	\$4,621.01	\$4,797.90	3.8%
Non-Residential Fee per Trips	\$85.72	\$59.19	-31%



Comparison of Proposed Residential Fees



Fees for residential units are now based on dwelling size and type.

Proposed fees are lower for smaller units and higher for larger units, compared to the current fees.

Next Steps

Today

- Staff is requesting comments on the suitability of the proposed fees

Next Steps

- Accept the Nexus Study Report (July 19, 2023)
- Adopt the findings required by State Law
 - Purpose of the fee
 - List of projects
 - Approval of fee calculation methodology, showing that the fees are reasonable (3 findings)
 - Approval of using small, medium, and large fee tiers for residential developments (AB-602 requirement)
- Coordinate with jurisdictions to adopt fee

Questions & Answers

