

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	01/14/19	Open	Action	01/09/19

Subject: Sacramento County Transportation Development Fee Memorandum of Understanding

ISSUE

Whether or not to approve the transit portion of the Nexus Study for the 2018 Update of the Sacramento County Transportation Development Fee Program (SCTDF) and enter into the Memorandum of Understanding (MOU) by and between the County of Sacramento and the Sacramento Regional Transit District Relating to Distribution of Transit Impact Fees (TIF) as specified in the Nexus Study.

RECOMMENDED ACTION

Adopt Resolution No. 19-01-____, Approving the Transit Portion of the Nexus Study for the 2018 Update of the Sacramento County Transportation Development Fee Program and Approving the Memorandum of Understanding By and Between the County of Sacramento and the Sacramento Regional Transit District Relating to Distribution of Transit Impact Fees.

FISCAL IMPACT

Assuming the Sacramento County Board of Supervisors approves the update of the SCTDF, SacRT will begin receiving semi-annual payments of the TIF based building permits that are issued by Sacramento County. The timing and amounts of these payments are unpredictable at this juncture because of the uncertainty surrounding building permit issuance. While the Nexus Study identifies specific projects, SacRT will have the flexibility to determine project priorities and prosecute projects as funding becomes available.

DISCUSSION

The purpose of the SCTDF Program is to fund the construction of roadway and transit improvements needed to accommodate traffic and transit ridership generated by new land development allowed by the present Sacramento County General Plan and land use zoning. Assessing a Development Fee is also a condition of receiving Measure “A” Transportation Sales Tax allocations.

The SCTDF was first adopted August 31, 1988, by Ordinance No. SCC 0742 establishing County Code Chapter 16.87 (Roadway and Transportation Development Fees) and Ordinance No. SZC 88-0069, establishing Zoning Code Section 115-44. On December 16, 2008, the County adopted Ordinance No. SCC-1406 amending Chapter 16.87 of the Sacramento County Code to implement the SCTDF. On March 23, 2010, the County adopted the most recent update of the SCTDF. Transit has been a component of the developer fee program since the outset. Initially, SacRT received developer fee amounts from the County for the prosecution of specified projects. However, in the 2010 update, while several bus rapid transit projects were identified, there was no agreement put in place between SacRT and the County for the prosecution of those projects.

Approved:

Presented:

Final 01/09/19

General Manager/CEO

Director, Planning

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Under the Mitigation Fee Act, which governs the imposition of such fees, a review of the SCTDF program is required every five years. A comprehensive update is needed if there is a change to the assumptions that significantly changes the analysis. This might include an update to the General Plan or significant changes to specific plans. The following major changes have occurred since the last adoption of the SCTDF.

- The updated General Plan was adopted in 2011.
- Major new specific plans have been proposed or approved since 2010.
- There have been substantial increases in construction costs since 2010.

On March 21, 2017, the County approved the selection of DKS Associates to assist with a comprehensive SCTDF update. This 2018 SCTDF provides the opportunity to update the future growth and trip generation modeling characteristics, and the Nexus related criteria that form the basis of SCTDF transportation improvements, costs, and the associated fee structure.

The Nexus Study provides the County with the necessary technical documentation to support adoption of the updated SCTDF, which will apply to future development in the unincorporated portion of the County. This study documents the transportation improvement projects that would be wholly or partially funded by the SCTDF Program and the methodology used to estimate the maximum justifiable impact fees that may be levied for each land use in each SCTDF “fee district.”

TRANSIT IMPROVEMENTS

New development in the unincorporated County, as well as the cities in the County, will increase the demand for SacRT services and the need for improvements to the regional transit system. To accommodate new development, SacRT will need to increase frequency on some current transit (bus and light rail) routes, extend transit routes and add new transit routes. The expanded transit service to accommodate new development will require additional buses and light rail vehicles in addition to roadway improvements such as queue jumps and Information Technology Systems (ITS) systems. The increased transit fleet will require additional maintenance facilities and equipment.

New development will need to contribute to a range of new transit infrastructure and equipment. The SCTDF update assumes that the cost of this new infrastructure will be partially funded by growth in the unincorporated County based on an assessment of usage by residents and workers of new development of expanded transit services versus the usage from growth in cities in the County. The Nexus Study identifies separate costs and fees for transit improvements to be implemented by SacRT, as TIF Component section below.

TRANSIT IMPACT FEE (TIF) COMPONENT

The Nexus Study includes fees for transit related capital costs, including both roadway improvements (i.e. queue jumps, ITS improvements) that would be implemented by the County

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and other capital costs (i.e. bus maintenance facilities, bus purchases) that would be implemented by SacRT. Under the current program, the fees are collected and held by the County but can be distributed to SacRT as needed for their eligible costs. This has created some administrative complications for both programming and distributing funds to SacRT. The 2018 Nexus Study has been prepared assuming that funds will regularly be transmitted to SacRT in trust to complete these improvements as funding is available based on SacRT’s prioritization. The County proposes to enter into a MOU with SacRT allowing County staff to collect the TIF and disburse the funds to SacRT to be expended exclusively on eligible program projects as identified in the 2018 Nexus Study.

County Stakeholder Outreach and Adoption Process:

- Held 15 meetings with stakeholders
- Provided Draft Nexus Study (September 2018) for review and comment
- Responded to over 130 written comments
- Revised Nexus Study (November 2018) based on comments
- Presented Nexus Study to Board of Supervisors on December 11, 2018
- Some changes requested to cost allocation for rural roads
- Presentation to SacRT Board on January 14, 2019
- Final version of Nexus Study, Fee Ordinance and MOU will be presented to Board of Supervisors on February 26, 2019
- New fees become effective 60 days after adoption

John Long with DKS will provide the Board with a presentation on the Nexus Study (Attachment 1).

Staff is requesting the Board approve the transit portion of the Nexus Study and adopt the MOU with the County to accept and expend development fees on the specified transit improvements.



2018 Nexus Study Transit Impact Fee Unincorporated Sacramento County



Sacramento County

Transportation Development Fee (SCTDF) Program

- ◆ Fund roadway, transit, bicycle and pedestrian facilities needed to accommodate new land development in unincorporated areas
- ◆ Current SCTDF based on major update in 2008 (and 2010 revision)
- ◆ 2018 Update needed due to:
 - ▶ General Plan Update (2011)
 - ▶ Number of new specific plans,
 - ▶ Increase in construction costs
 - ▶ Revised structure for transit fee

Nexus Analysis

- ◆ Development fees must be compliant with Mitigation Fee Act (AB 1600)
- ◆ Ensure that a nexus exists between future development and
 - ▶ the use and need for capital improvements
 - ▶ the amount of fees assigned to future land uses
- ◆ Fees fund improvements needed to accommodate future growth and must account for existing deficiencies

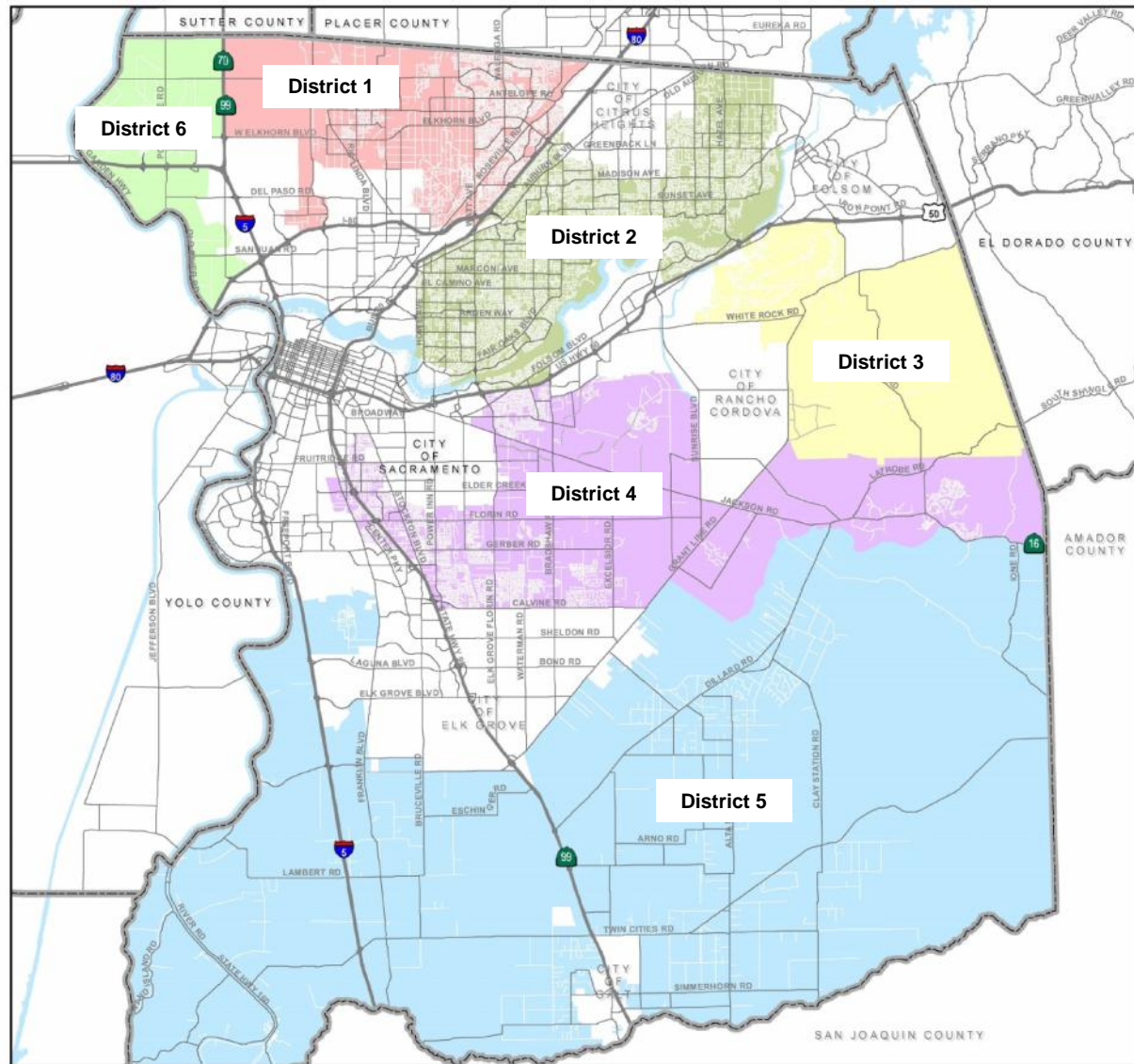
Development Forecasts

- ◆ Base Year 2017
- ◆ Thirty year horizon (approximately 2050) travel demand forecasts prepared using SACOG's regional SACSIM model
- ◆ Residential growth rate countywide (including cities) is consistent with SACOG 2012 to 2036 growth rate
- ◆ 2050 SCTDF scenario includes buildout of all major specific plans in unincorporated areas

SCTDF includes Buildout of Major Specific Plans in Unincorporated Areas

- ◆ North Vineyard Station
- ◆ Florin-Vineyard
- ◆ Vineyard Springs
- ◆ Antelope
- ◆ Elverta
- ◆ Metro Airpark
- ◆ Cordova Hills
- ◆ Easton–Glenborough
- ◆ New Bridge
- ◆ Jackson Township
- ◆ West Jackson Highway
- ◆ Mather South

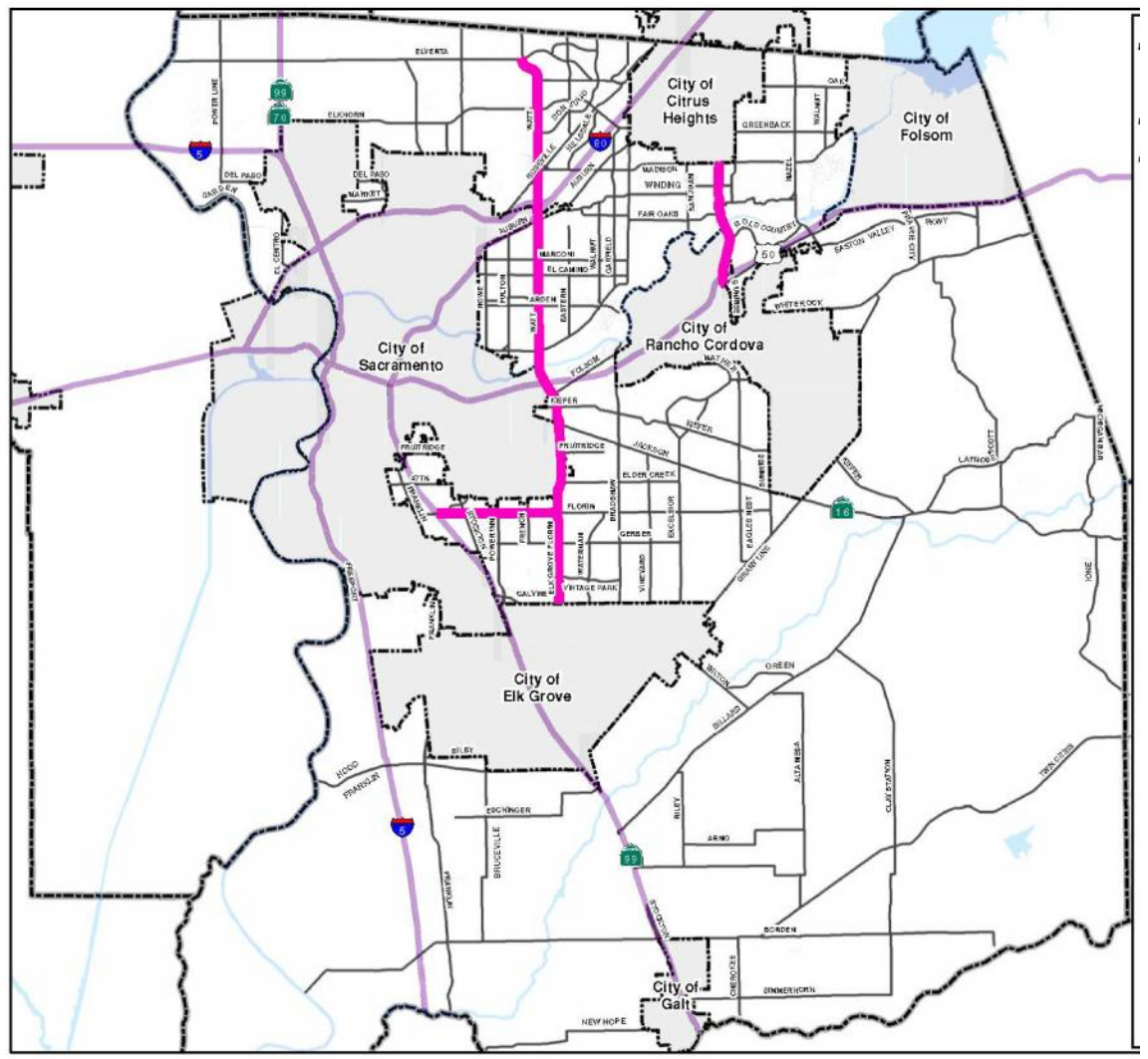
Fee Districts



Agenda Item # 11 – Slide 6 only - Revised 1/14/19

Transit improvements in 2010 SCTDF

Full funding for three BRT Corridors

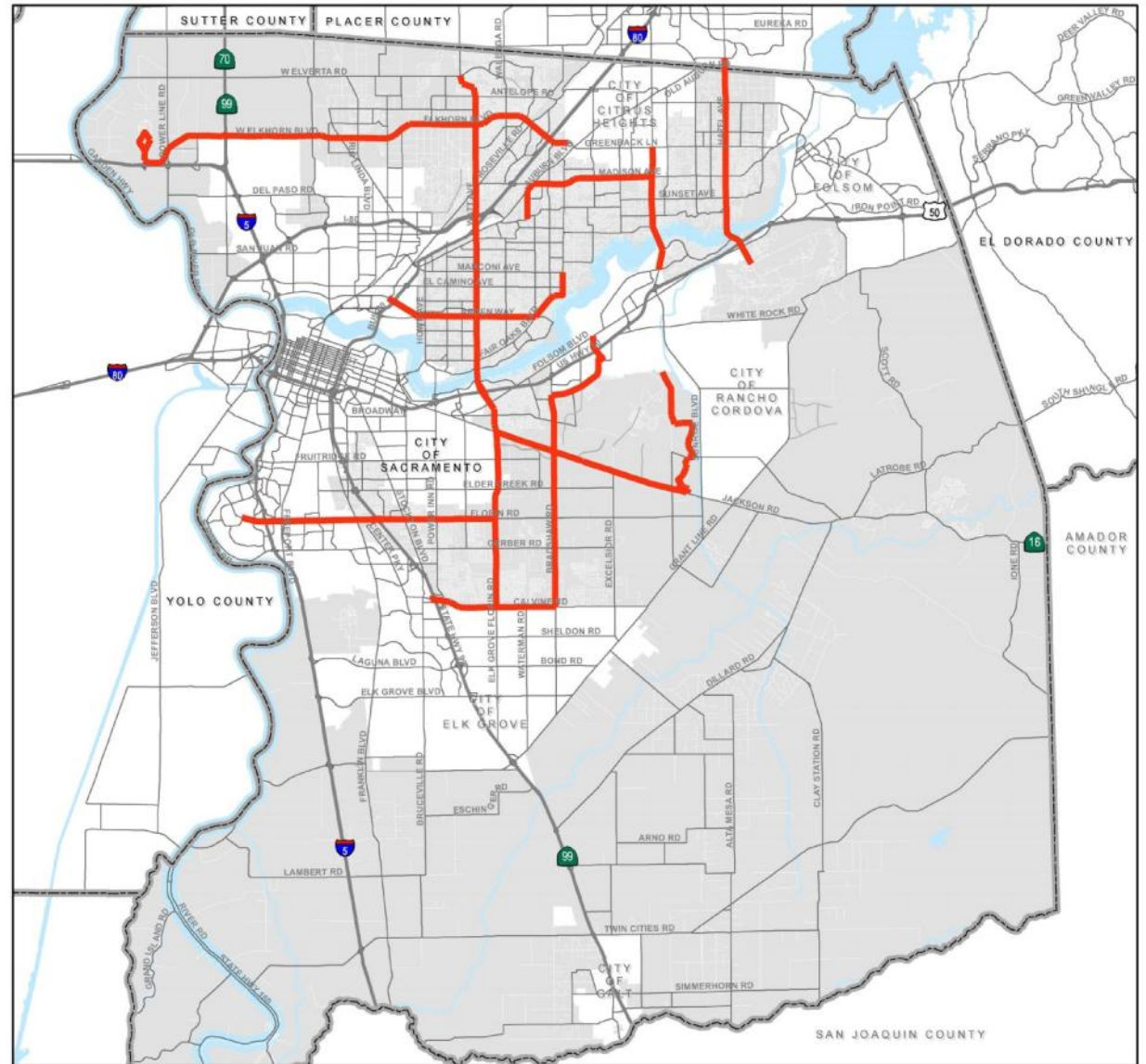


Transit Improvements in Update

- ◆ Bus Route Optimization
- ◆ High Bus Corridors
 - ▶ Buses and Stations – SacRT
 - ▶ Queue jumps and fiber - County
- ◆ Circulator Bus Expansion
- ◆ Paratransit Expansion
- ◆ Bus Maintenance Facility 2
- ◆ Folsom Gold Line Enhancements
- ◆ Horn LRT Station
- ◆ Metro Light Rail Yard Expansion

High Bus Corridors

Congested
planned
High Bus
corridors
serving
unincorporated
areas



Cost Estimates

- ◆ High Bus Corridors
 - ▶ Estimates of number of stops/stations
 - ▶ Estimates of number of queue jumps (congested intersections)
 - ▶ Estimates of miles of fiber communications
- ◆ Cost of other transit improvements were provided by SacRT based on Capital Improvement Plan

Cost Allocation Process

- ◆ Future ridership forecasts were made using SACOG's SACSIM travel demand model
- ◆ Assumed future transit system included:
 - ▶ SACOG's 2036 MTP/SCS transit system
 - ▶ Additional planned "bus circulators"
 - ▶ High Bus - routes in unincorporated areas
- ◆ The cost responsibility based on origins and destinations of riders who use each of the new transit services

Transit Improvement Cost Allocation

Improvement	Total Cost	Cost Allocation		
		Unincorporated Areas		Cities
		Urban	Rural	
Bus Route Optimization	\$2,000,000	\$260,098	\$0	\$1,739,902
High Bus Corridors	\$116,694,000	\$116,577,306	\$116,694	\$0
Circulator Bus Expansion	\$16,000,000	\$1,456,000	\$0	\$14,544,000
Bus Maintenance Facility 2	\$61,650,577	\$13,131,573	\$123,301	\$48,395,703
Paratransit Expansion	\$32,415,563	\$14,614,646	\$0	\$17,800,917
Folsom Gold Line Enhancements	\$159,000,000	\$38,319,000	\$0	\$120,681,000
Horn LRT Station	\$10,200,000	\$1,989,000	\$0	\$8,211,000
Metro Light Rail Yard Expansion	\$10,521,000	\$1,818,522	\$5,646	\$8,696,832
Total	\$408,481,140	\$188,166,145	\$245,641	\$220,069,354

Transit Impact Fee

- ◆ Urban areas (Districts 1-4, 6)
\$1,004 per DUE
- ◆ Rural areas (District 5)
\$95 per DUE

RESOLUTION NO. 19-01-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

January 14, 2019

APPROVING THE TRANSIT PORTION OF THE NEXUS STUDY FOR THE 2018 UPDATE OF THE SACRAMENTO COUNTY TRANSPORTATION DEVELOPMENT FEE PROGRAM (SCTDF) AND APPROVING THE MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE COUNTY OF SACRAMENTO AND THE SACRAMENTO REGIONAL TRANSIT DISTRICT RELATING TO DISTRIBUTION OF TRANSIT IMPACT FEES

WHEREAS, in 1988, the County of Sacramento (COUNTY) enacted a transportation development fee program for new residential, commercial and industrial development, which included funding for transit impacts associated with new development;

WHEREAS, in 2008, COUNTY adopted Sacramento County Code (“SCC”) No. 1406 (“SCTDF Ordinance”), which established the Sacramento County Department of Transportation Development Fee Program (“SCTDF Program”) to fund improvements to COUNTY’s major roadway, transit, bicycle and pedestrian facilities needed to accommodate travel demand generated by new development through 2032;

WHEREAS, the Nexus Study for the 2018 Update of the SCTDF Program prepared by DKS Associates (“Nexus Study”) identified impacts to transit service from proposed new development and the allocation of developer fees to specified SacRT transit projects to mitigate those impacts; and

WHEREAS, COUNTY and SacRT desire to delineate their respective obligations and responsibilities concerning the administration, collection, disbursement, and expenditure of the TIF.

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby adopts the transit portion of the Nexus Study and commits to prosecute the projects set out in the Nexus Study as funding is available.

THAT, the Memorandum of Understanding by and between the County of Sacramento and the Sacramento Regional Transit District relating to Distribution of Transit Impact Fees, whereby County agrees to impose and collect a Transit Impact Fee as part of its Sacramento County Transportation Development Fee Program and transmit those funds to SacRT semi-annually, and SacRT commits to prosecute the projects set out in the Nexus Study as funds are available, is hereby approved.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary