



For Agenda Of:

March 9, 2006

**ITEM # 5**

To: Sacramento Transportation Authority

**Subj: Workshop on the Draft Sacramento Countywide Transportation Mitigation Fee Program**

RECOMMENDATION

Receive a presentation and discuss with consulting financial advisors the *New* Measure A Draft Development Impact Fee Study

DISCUSSION

The *New* Measure A Ordinance approved by voters in November 2004 calls for the implementation of a new Countywide transportation mitigation fee effective April 1, 2009. The fee amount will be \$1,000 for each new single family home. A fee will also be charged to new multi-family units, retail building space, office space, and industrial space proportionate to the trip generation rate of the respective land use relative to the trip generation rate of a single family unit. The Draft *New* Measure A Plan of Finance presented in Item #4 on today's agenda recommends that the estimated \$2.4 billion (inflated) that the fee will generate between 2009 and 2039 be pledged as debt service to partially finance the *New* Measure A capital program.

The consulting financial advisors' charge includes the unique task of validating the uniform development mitigation fee component of *New* Measure A—consistent with state law—and integrating it with existing city and County development fee programs.

The attached draft fee study addresses the first of these tasks. California Government Code requires that an implementing public agency identify the additional public infrastructure (future facilities) required by new development and determine the suitable level of fees that may be imposed. Since voters effectively set the fee rate when they approved the *New* Measure A Ordinance, the study's objective is to validate the rate relative to the approved capital program and anticipated development. At today's meeting, consultants will conduct a workshop with Board members on this matter.

Many of the specifics on how the Countywide fee program will be implemented are still pending. Staff and special counsel will coordinate over the next few months with local agency staff to develop an implementation protocol that satisfies both the provisions of the Ordinance and the administrative requirements of local jurisdictions. Before we can approach the financial markets with notes or bonds, the County and cities will need to take action to confirm their intent to collect the fee on behalf of the STA.

Based on the discussion today and on subsequent review and discussion with local agency staff, we will finalize the development impact fee study for subsequent Board review and adoption later this Spring.

Respectfully Submitted,

Brian A. Williams  
Executive Director

Enclosure