Economic & Planning Systems

Public Finance
Real Estate Economics
Regional Economics
Land Use Policy

FINAL REPORT

ROAD IMPACT MITIGATION FEE NEXUS STUDY

Prepared for:

Calaveras Council of Governments

Prepared by:

Economic & Planning Systems, Inc.

April 28, 2004

EPS #12555

SACRAMENTO
1750 Creekside Oaks Drive, Suite 290
Sacramento, CA 95833-3647
www.epsys.com
phone: 916-649-8010
fax: 916-649-2070

BERKELEY
phone: 510-841-9190
fax: 510-841-9208

DENVER
phone: 303-623-3557
fax: 303-623-9049

The Calaveras County Road Impact Mitigation (RIM) Fee Program Ordinance and Resolution accompanying this nexus study were introduced by majority vote of the Calaveras County Board of Supervisors on January 23, 2004.

The Board of Supervisors voted to adopt the RIM Fee Program on February 2, 2004 by approving the RIM Fee Program Ordinance and Resolution as introduced. The Fee Program went into effect 30 days later on March 3 and the collection of RIM fees began 60 days later on April 2.

TABLE OF CONTENTS

LIST OF TABLES

PAGE

LIST OF MAPS

LIST OF FIGURES

I. EXECUTIVE SUMMARY

Calaveras County (County) currently charges a small number of road basin development impact fees to fund a variety of roadway improvements in limited areas of the County. However, the County does not have a development impact fee program to fund roadway improvements for the entire unincorporated area of the County. The proposed Road Impact Mitigation (RIM) Fee Program is regional in scope and funds transportation improvements required to serve new development in unincorporated Calaveras County through 2025. The fee program presented in this report is based on a finalized list of roadway improvements and land uses that have been selected for the program by the Calaveras County Board of Supervisors (Board of Supervisors) after meetings held by the Board of Supervisors during the final quarter of 2003.

AUTHORITY

The purpose of this study is to establish the nexus between projected new development in unincorporated Calaveras County and additional transportation facilities required to serve new development through 2025. This nexus will serve as the basis for requiring development impact fees under AB1600 legislation, as codified by the Mitigation Fee Act (Act) (California Government Code sections 66000 *et seq*.). This section of the Act sets forth the procedural requirements for establishing and collecting development impact fees. These procedures require that a reasonable relationship, or nexus, must exist between a governmental exaction and the purpose of the condition. Specifically, each local agency imposing a fee must:

- Identify the purpose of the fee;
- Identify how the fee is to be used;
- Determine how a reasonable relationship exists between the fee's use and the type of development project on which the fee is imposed;
- Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed; and
- Demonstrate a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

PURPOSE OF FEE

The RIM Fee will help maintain adequate levels of service on public roads by facilitating road widening, bridge replacement, drainage improvements, new roadway construction, pedestrian and bicycle improvements at the time of road reconstruction, and the addition of safety features such as passing lanes, turn lanes, and adequate roadside shoulders. Improvements to other components of the transportation system, such as public transit systems, are not included in the RIM Fee Program.

New development in the County will increase the demand for safe and convenient road travel. The increased demand for safe and convenient road travel requires that these capital facilities be expanded. The RIM Fee will fund planning, design, and construction of transportation infrastructure required to accommodate new development. It will not be used to correct previously identified deficiencies.

USE OF FEES

RIM fees from new development will be used to fund:

- **Regional transportation improvements**. The proposed RIM Fee will fund needed additions and improvements to regional roadways to accommodate increases in future traffic volumes projected to result from new development. Roadway additions and improvements include but are not limited to road widening, new roadway construction, pedestrian and bicycle improvements at the time of road reconstruction, and the addition of safety features such as passing lanes, turn lanes, and adequate roadside shoulders.
- **Improvements to local roads of regional significance**. The proposed RIM Fee will fund needed additions and improvements to local roads of regional significance to accommodate future traffic volumes projected to result from new development. Roadway additions and improvements include but are not limited to road widening, bridge replacement, drainage improvements, new roadway construction, major and minor realignments, pedestrian and bicycle improvements at the time of road reconstruction, and the addition of safety features such as turn lanes and adequate roadside shoulders.

SUMMARY OF NEXUS FINDINGS

The development fee to be collected for each land use is calculated based upon the proportionate share of the total facility use that each land use represents. With this approach, the following findings are made concerning the proposed RIM Fee Program.

RELATIONSHIP BETWEEN USE OF FEES AND TYPE OF DEVELOPMENT

New development in the County will have both a direct and cumulative impact through increased trips on all roads and highways. Completion of the necessary roadway improvements will ensure that greater traffic volume on the County's roads and highways will not result in decreased service levels or worsen public safety hazards.

RELATIONSHIP BETWEEN NEED FOR FACILITY AND TYPE OF PROJECT

Each new development project will add to the incremental need for countywide roadway capacity. Transportation improvements identified by the County Department of Public Works, the Calaveras Council of Governments, and Fehr & Peers will be necessary to maintain the current level of service by maintaining acceptable traffic flows in the next 20 to 30 years of development.

RELATIONSHIP BETWEEN AMOUNT OF FEES AND COST OF OR PORTION OF FACILITY ATTRIBUTED TO DEVELOPMENT UPON WHICH FEE IS IMPOSED

The portion of roadway improvement costs anticipated to be funded by new development in the County is limited to the traffic impact on those facilities from new development only. Construction of these roadway and intersection improvements will directly serve new development in the County.

EXISTING BASIN FEES

Based on current information from the County's Public Works, Planning, and Building Departments, there are several other development impact fee programs in defined basin areas of unincorporated Calaveras County. The existing fee programs are shown below.

- **Warren Road Benefit Basin Development Impact Fee**—Funds the widening and improvement of a portion of State Route 26 at its intersection with Warren Road.
- **Warren Road General Road Improvement Fee**—Funds the left turn lane on State Route 26 at its intersection with Warren Road.
- **Mangili Road Benefit Basin Development Impact Fee**—Funds the widening and improvement of a portion of State Route 26 at its intersection with Mangili Road.
- **Bret Harte Benefit Basin Development Impact Fee**—Funds the widening and improvement of Bret Harte Drive and a portion of State Route 4 at its intersection with Bret Harte Drive.
- **Copperopolis Benefit Basin Development Impact Fee**—Funds the realignment and reconstruction of the intersection of State Route 4 and Reeds Turnpike/

Hodson Road, the realignment and construction of Reeds Turnpike, and the widening of the shoulder of O'Byrnes Ferry Road from Copper Cove Drive to the Tuolumne County line.

None of the costs for the improvements specified in the benefit basin fees is eligible for funding in the proposed RIM Fee Program because new development in the areas served by the benefit basins has already been allocated improvement costs. Hence, the RIM Fee Program will fund only those facilities that are not funded by existing benefit basin fees.

SUMMARY OF ASSUMPTIONS AND CALCULATIONS

Based on the analysis contained in this study, Economic & Planning Systems, Inc., (EPS) reaches the following major findings:

- **Housing and employment growth will require improvements to transportation facilities in the County**. In order to facilitate future traffic volumes projected to occur through 2025 in unincorporated Calaveras County, it will be necessary to construct and/or replace roadways, bridges, and drainage improvements and widen roadways to accommodate improved shoulders, new passing lanes, and new turn lanes. The RIM Fee Program will be necessary to fund new development's fair share of the total cost of these improvements.
- **Development impact fees provide a mechanism for new development to pay its fair share of the cost of roadway improvements.** Using data from the County's traffic model to allocate costs to different land uses based on the peak-hour vehicle trips generated by each land use, the recommended set of RIM fees is shown in **Table 1.** The fees include four components: regional roadway improvements, improvements to local roads of regional significance, state highway improvements, and fee program administration. These improvement categories are defined fully in **Chapter IV.**
- **Other funding sources are recommended to supplement the proposed RIM Fee**. These additional funding sources include a voter-approved district sales tax, district gasoline tax, special assessment (parcel tax), or a transient occupancy tax (TOT). The RIM Fee Program will provide only $37.8 million of the full $156.5 million required to complete the list of eligible road projects in unincorporated Calaveras County. The County does receive partial State funding for road improvement projects through the State Transportation Improvement Program (STIP) and from the County's share of Regional Improvement Program (RIP) funds. However, these funds are not intended to

fully cover the costs of any given regional road improvement or series of improvements. Estimates of additional funding sources are provided in **Chapter VI**.

Table 1
Calaveras Council of Governments
RIM Fee Nexus Study
Proposed Fee Level by Land Use

Land Use	Fee	Units
Single-Family Residential	$3,300	Per unit
Multifamily Residential	$2,400	Per unit
Nonresidential [1]	$3,300	Per 1,000 sqft

Sources: EPS, Calaveras County, Fehr & Peers, and *ITE Journal*

[1] Assumes a land use with 1.00 equivalent dwelling units (EDUs) per 1,000 square feet. In practice, a range of EDUs are possible for different nonresidential land uses. Industrial development could pay $2,000 per 1,000 sqft (assumes 0.61 EDUs per 1,000 sqft), office development could pay $4,100 per 1,000 sqft (assumes 1.25 EDUs per 1,000 sqft), and shopping centers could pay $1,900 per 1,000 sqft (assumes 0.56 EDUs per 1,000 sqft). The actual fees charged will depend on a fee schedule adopted by the County.

ORGANIZATION OF REPORT

The report is divided into eight chapters, including this Executive Summary. **Chapter II** provides a summary of the nexus methodology and development impact fees**. Chapter III** describes future development expected to occur in the County. **Chapter IV** describes the capital improvements, cost estimates for those improvements, and the cost allocation. **Chapter V** describes how the fees were calculated, and **Chapter VI** details alternative funding sources for eligible improvement costs. **Chapter VII** shows a comparison of the proposed development impact fee to other surrounding jurisdictions' road impact fees. **Chapter VIII** describes the implementation of the fee program and reporting requirements.

II. SUMMARY OF NEXUS METHODOLOGY AND DEVELOPMENT IMPACT FEES

The proposed County RIM Fee funds transportation facilities to serve new development. The fee is set based on a nexus between the facilities to be funded and the benefit received by new development in unincorporated Calaveras County.

This chapter provides a brief overview of the nexus methodology and a summary of the facility costs and the proposed development impact fee. The following chapters describe in greater detail how the facility costs were estimated and then allocated to new development.

The list of transportation facilities was first determined collaboratively by Fehr & Peers and by the RIM Technical Advisory Committee (TAC) of the Calaveras Council of Governments during its work in 2001 and 2002. Follow-up February and September 2003 TAC meetings and October and November 2003 Board of Supervisors meetings on the subject subsequently modified that list. Fehr & Peers constructed a traffic model based on EPS growth projections that projects the increases in peak hour traffic flows through 2025 on key roadways in unincorporated Calaveras County. Cost estimates for each improvement also were prepared. For purposes of this nexus study, EPS has inflated into 2003 dollars all prior year cost estimates by using the *Engineering News Record* construction cost index (CCI) for San Francisco.

The proposed Fee that funds these improvements was determined by following the steps listed below:

1. Based on each land use's rate of vehicle trips during the peak evening hour, the total numbers of new jobs and housing units expected in unincorporated Calaveras County through 2025 were converted into equivalent dwelling units (EDUs). The traffic impacts of each single-family home are set to 1.00 EDUs. Each multifamily unit, because its traffic impact is 31 percent less on average than a single-family home, was given the EDU equivalent of 0.69 EDUs.[1]
2. Nonresidential land uses were assigned EDU equivalence factors associated with the generation of vehicle trips by employees and customers and by other vehicle traffic expected for each land use. The traffic model derived these factors on a per-employee basis for retail, service, and "other" employment categories. The quantity of job-related trips was increased by other "trip attraction" factors

[1] Based on traffic model parameters as communicated to EPS by Fehr & Peers of Roseville, California, May 2003.

related to new homes and total new employees expected through 2025.[2] Subsequently, based on an evaluation of likely household shopping behavior by new County residents, a refinement of the traffic model output was made to properly account for the relationship between residential and retail growth and resulting usage of transportation facilities. Simply stated, trips generated solely by the everyday shopping needs of new residents are allocated to residential growth, as no new retail would be necessary but for this residential growth.[3]

3. The total cost for all improvements was divided by the total number of EDUs expected from new development through 2025 to arrive at a cost per EDU. An allowance was added to the cost per EDU for administration of the fee program (shown in **Chapter V**).
4. The cost per EDU is multiplied by the EDU equivalence factor for each land use category.

Table 2 presents a summary of the facility costs, cost allocation, and calculated fee for the fee program.

---

[2] Based on traffic model parameters as communicated to EPS by Fehr & Peers of Roseville, California, July 2003.

[3] Other sources of vehicle trip data confirm this notion. Among the most important, the Statewide Household Travel Survey finds that shopping trips that originated in Calaveras County and had a destination in the same county represented 83 percent of all shopping trips. New residential development may follow the same travel behavior and generate most of new shopping trips in the County.

Table 2
Calaveras Council of Governments
RIM Fee Nexus Study
Improvement Costs by Land Use

Item	Single-Family	Multifamily	Nonresidential [2]
Share of Total Fee Program Costs [1]	$26,657,936	$4,623,538	$7,396,175
Total EDUs from New Development	8,065	1,354	2,238
EDUs per Unit	1.00	0.69	1.00
Fee Program Costs per Unit or 1,000 Sqft	**$3,300**	**$2,400**	**$3,300**

Sources: EPS, Calaveras County, Fehr & Peers, and *ITE Journal*

[1] Includes costs of regional-road and state-highway improvements, improvements to local roads of regional significance, and administration costs of 2 percent.

[2] Assumes a land use with 1.00 EDUs per 1,000 square feet. In practice, a range of EDUs is possible for different nonresidential land uses. Industrial development could pay $2,000 per 1,000 sqft (assumes 0.61 EDUs per 1,000 sqft), office development could pay $4,100 per 1,000 sqft (assumes 1.25 EDUs per 1,000 sqft), and shopping centers could pay $1,900 per 1,000 sqft (assumes 0.56 EDUs per 1,000 sqft). The actual fees charged will depend on a fee schedule adopted by the County.

III. Calaveras County—Future Development

This chapter describes the results of growth projections made for unincorporated Calaveras County through 2025. To generate projections of growth at a scale required to estimate traffic impacts on unincorporated Calaveras County's major roads (both state highway system routes and other, off-system regional roadways), a jobs-and-housing-allocation model was created for the years 2000, 2015, and 2025. This model uses recent year data from the County Assessor, County Auditor, County Solid Waste Division in the Department of Public Works, and private vendors to estimate where additional residential and nonresidential growth might occur in the County and at what rate.

The growth projections are consistent with growth rates supported in the County's General Plan, County historical building permit data, Calaveras County Water District household water and sewer service data, and County Environmental Health new well permit data. The projections also heavily rely on housing and job additions from development projects that are either proposed or approved but not yet built out.

As shown in **Table 3**, an additional 10,022 residential units and 4,245 jobs are projected for unincorporated Calaveras County by 2025. Because vehicle trip generation of employees and customers varies across land uses, the jobs are segregated into three categories: retail jobs, service jobs, and other jobs. The residential projections are split into two categories: single-family and multifamily units, also for the reason that driving patterns differ between residential development types.

Table 3
Calaveras Council of Governments
RIM Fee Nexus Study
Countywide Housing and Job Growth Projections

Land Use	Units	2000-2025 New Development
Residential		
Single-Family	Units	8,065
Multifamily	Units	1,957
Subtotal, Residential	**Units**	**10,022**
Employment		
Retail	Jobs	890
Service	Jobs	1,679
Other	Jobs	1,676
Subtotal, Employment	**Jobs**	**4,245**

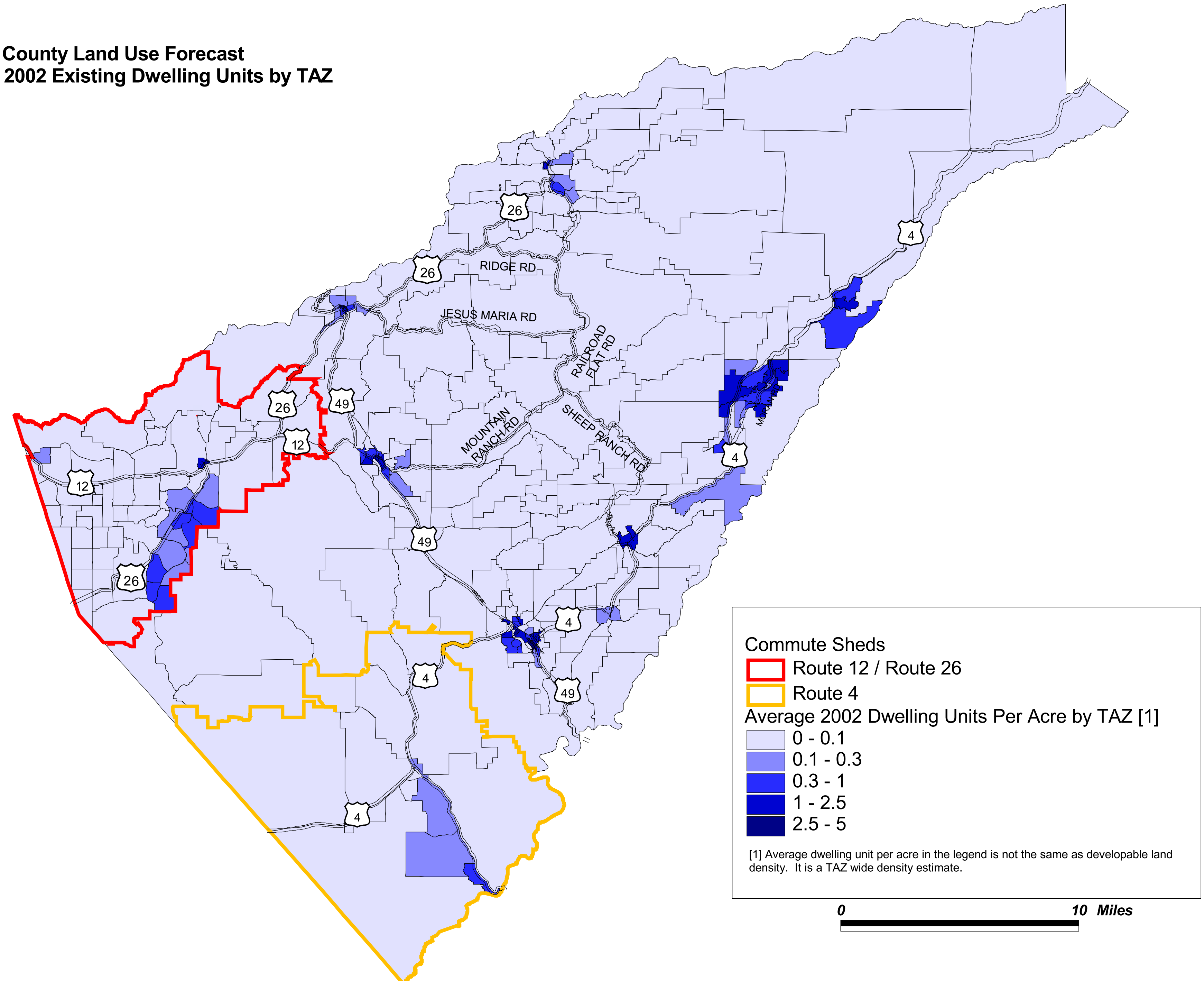
Source: EPS Housing and Job Growth Allocation for Calaveras County, 2003

As shown in the progression from **Map 1** to **Map 2** excerpted from EPS's Land Use Forecast, the growth is distributed primarily in the Copperopolis, Valley Springs, and City of Angels regions, although some growth is projected by the model for nearly every area of the County except those areas with 100 percent federal land ownership such as the Stanislaus National Forest. Planned and approved development projects most often are clustered close to the County's major roads, especially along State Routes 4, 12, 26, and 49.

This growth projection data then was fed into the County's traffic model at the traffic zone level.[4] The traffic model represents vehicle trip patterns across nearly 300 traffic zones in the County. The results of the modeling for the year 2025 are used in the next chapter to allocate new development's fair share of roadway improvement costs.

[4] Project communication from EPS to Fehr & Peers, Inc. in Roseville, California, January 2003.

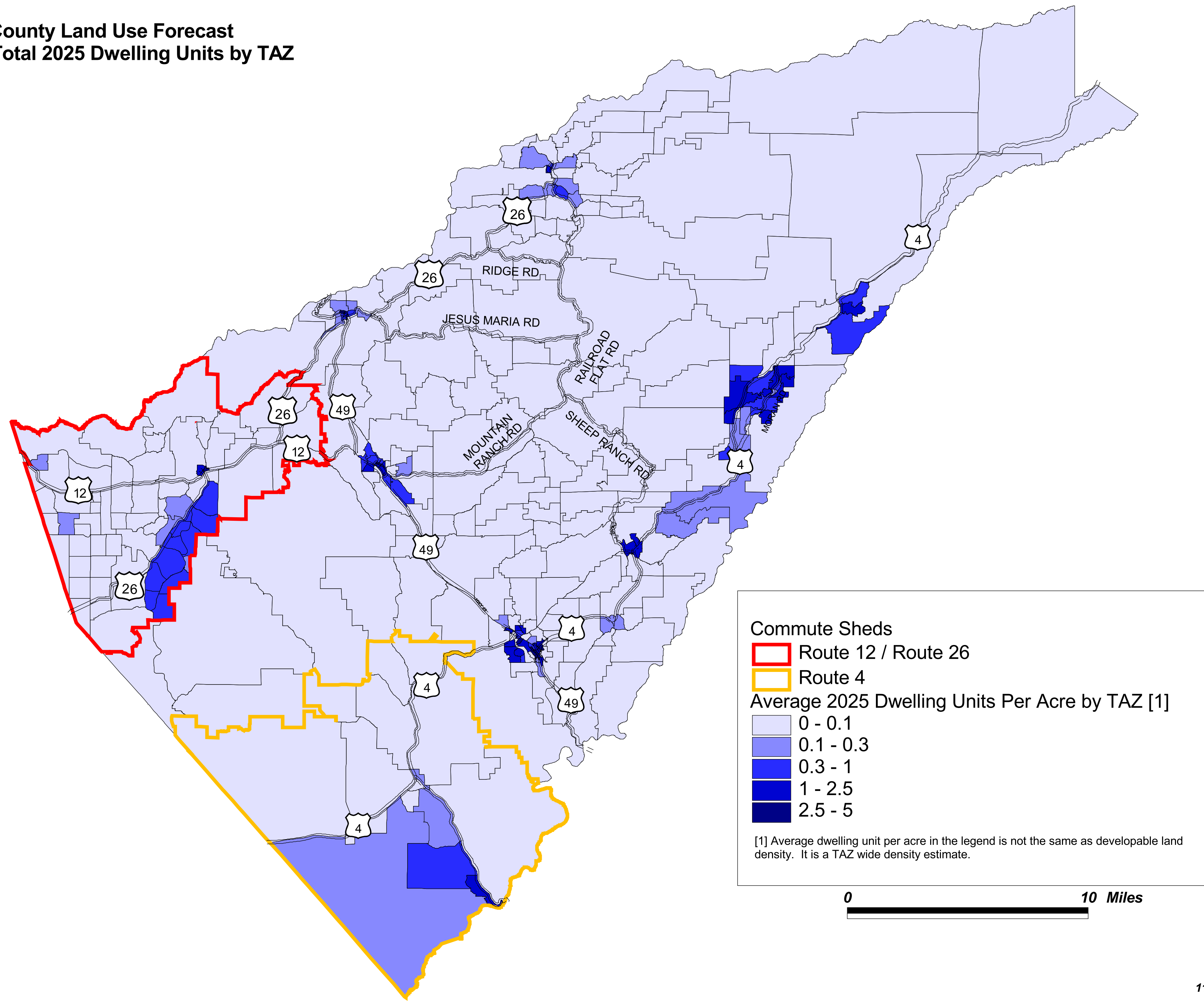
Map 1
Calaveras County Land Use Forecast
Density of 2002 Existing Dwelling Units by TAZ



Prepared by EPS

11536_2002

Map 2
Calaveras County Land Use Forecast
Density of Total 2025 Dwelling Units by TAZ



Prepared by EPS

11536_2025

IV. ROADWAY IMPROVEMENTS

CAPITAL IMPROVEMENTS

This section provides a general description of the improvements to be funded with the proposed development impact fee.

- **Regional transportation improvements**. The proposed RIM Fee will fund needed additions and improvements to regional roadways to accommodate future traffic volumes projected to result from new development. Roadway additions and improvements include but are not limited to road widening, new roadway construction, pedestrian and bicycle improvements at the time of road reconstruction, and the addition of safety features such as passing lanes, turn lanes, and adequate roadside shoulders.
- **Improvements to local roads of regional significance**. The proposed RIM Fee will fund needed additions and improvements to local roads of regional significance to accommodate future traffic volumes projected to result from new development. Roadway additions and improvements include but are not limited to road widening, bridge replacement, drainage improvements, new roadway construction, major and minor realignments, pedestrian and bicycle improvements at the time of road reconstruction, and the addition of safety features such as turn lanes and adequate roadside shoulders.

The list of regional transportation improvements was created by the RIM TAC of the Calaveras Council of Governments during its work in 2001 and 2002 and later modified by the Board of Supervisors. The TAC consists of citizen, business community, County staff, and Board of Supervisors members and serves to guide countywide policy on road improvement funding sources.

The list of improvements to local roads of regional significance was provided to EPS in a memorandum from the County's Department of Public Works in August 2003. Projects on that list were required to satisfy at least one of three major regional transportation-planning criteria. The criteria required each local roadway to offer transportation routes that connect major communities in the County; provide parallel capacity for major transportation routes; or serve as emergency relief in case of accidents, landslides, fires, or other catastrophic reductions in capacity to major transportation routes.

The criteria set forth in the memorandum include references to the major communities and the major transportation routes of the County. Valley Springs, San Andreas, Arnold, the City of Angels, Copperopolis, and Mokelumne Hill are the major communities, and State Routes 4, 12, 26, and 49 are the major transportation routes.

Local roads of regional significance connect these communities or provide parallel capacity and emergency relief for these major roadways. The Board of Supervisors subsequently modified this list in October and November 2003.

Map 3 depicts the locations of both the regional roadway improvements and the improvements to the local roads of regional significance.

COST ASSUMPTIONS

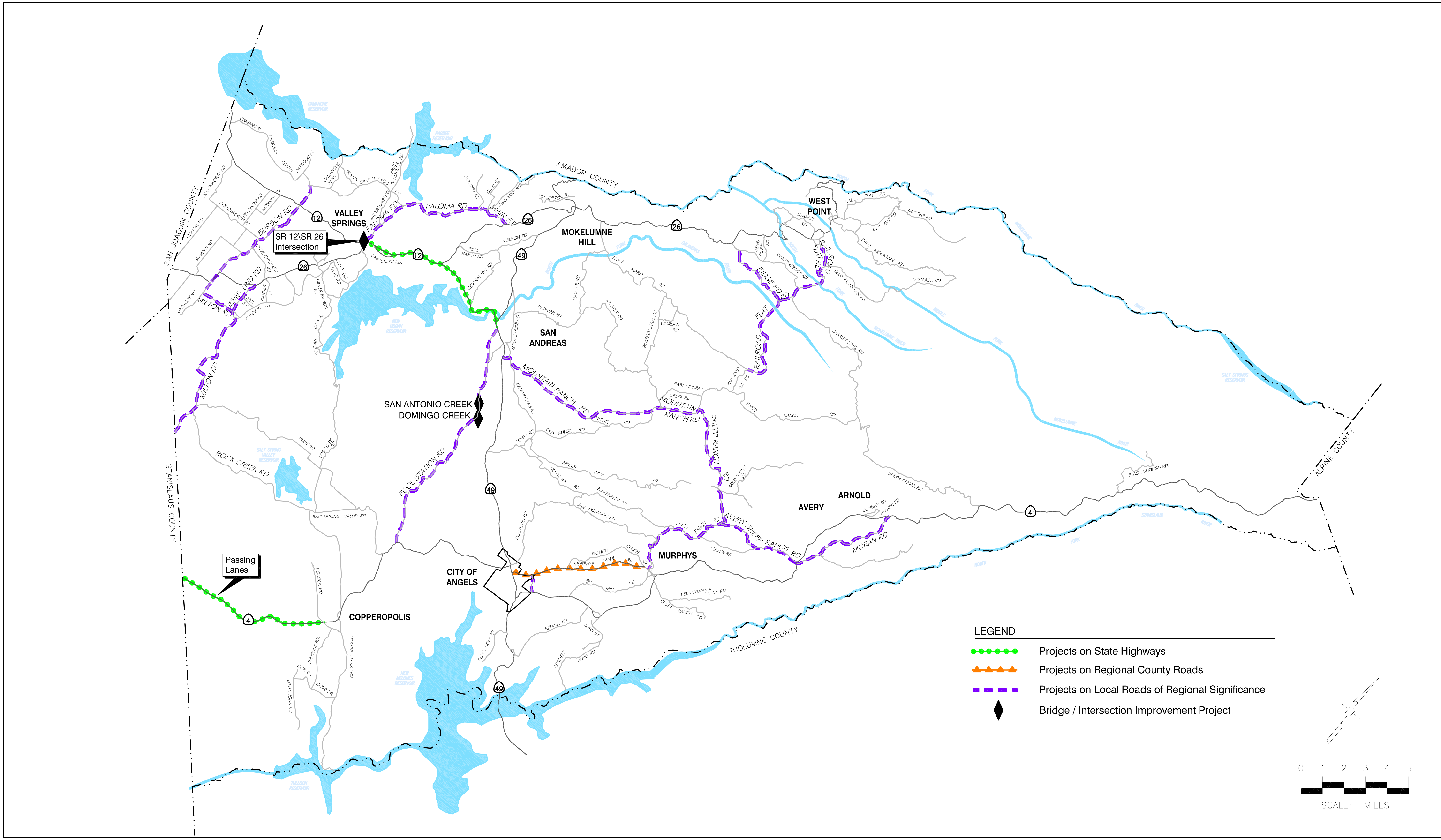
Costs of the recommended traffic improvements needed to serve new development of unincorporated Calaveras County through 2025 have been estimated from several sources. Regional roadway improvement costs were provided by recent year California Department of Transportation (Caltrans) project study reports, Caltrans STIP planning documents, and the County's Department of Public Works. Costs for improvements to local roads of regional significance were provided by the County's Department of Public Works.

Table 4 provides abbreviated details of the 23 projects eligible for RIM Program funding. Listed are improvements for local roads of regional significance and their total estimated costs of $59.8 million. One project in the regional road category (Murphys Grade Road) and its total cost of $5.0 million are listed, as well as five projects in the state highway category and their total estimated costs of $91.7 million. Total costs for all projects include environmental review, project design, right-of-way support and capital, and construction support and capital. In total, the project list contains $156.5 million in capital improvements.

EPS has inflated the 1999 cost estimates determined by the County's Department of Public Works by the *Engineering News Record* CCI for San Francisco so that the cost estimates are in 2003 dollars. Costs for specific project items will be indexed to current dollars at the time those improvements are initiated.

COST ALLOCATION

All of the roadway improvements identified by the TAC and the Board of Supervisors will benefit new development in unincorporated Calaveras County. New development will be allocated a share of the improvement costs based on its share of increased evening peak hour traffic flow for segments of each regional roadway or local roads of regional significance included in the proposed fee program. In the RIM Fee Program, new development will not pay for the correction of existing roadway deficiencies caused by existing development in unincorporated Calaveras County. Regardless of an impact



FEHR & PEERS
TRANSPORTATION CONSULTANTS
Oct 14, 2003 CC
N:\Projects\1032\1784\graphics\map03_rim_imps.dwg

PROPOSED CALAVERAS COUNTY
RIM FEE ROADWAY IMPROVEMENTS
MAP 3

Table 4
Calaveras Council of Governments
RIM Fee Nexus Study
Cost Estimate Summary - All Road Projects

Roadway	Description	Total Cost Estimate	Percent of Cost Allocated to New Development [1]	New Development Cost
Local Roads of Regional Significance [2]				
Avery Sheep Ranch Rd.	Reconstruct roadway for 4.75 miles - SR 4 to Sheep Ranch Road	$2,553,000	17.7%	$451,000
Burson Road	Upgrade to minimum County road standard	$5,724,000	27.9%	$1,599,000
Jenny Lind Rd.	Upgrade to minimum County road standard	$517,000	11.3%	$58,000
Milton Rd.	Upgrade to minimum County road standard	$3,652,000	20.3%	$743,000
Moran Rd.	Upgrade to minimum County road standard (24-foot section for 5.402 mi.)	$1,879,000	39.1%	$736,000
Mountain Ranch Rd.	Reconstruct roadway for 10.20 miles - SR 49 to Sheep Ranch Road	$3,964,000	13.4%	$533,000
Murphys Grade Rd.	Upgrade to minimum County road standard	$1,975,000	22.1%	$436,000
Paloma Rd.	Reconstruct roadway for 7.90 miles - SR 26 to Rose Street	$954,000	26.5%	$253,000
Paloma Rd.	Upgrade to minimum County road standard	$4,270,000	26.5%	$1,132,000
Pool Station Rd.	Upgrade to minimum County road standard	$24,000,000	74.6%	$17,916,000
Railroad Flat Rd.	Upgrade to minimum County road standard - Jesus Maria Road to Ridge Road	$2,672,000	46.6%	$1,245,000
Railroad Flat Rd.	Upgrade to minimum County road standard (full section from Licking Fork Br. to Blizzard Mine Rd.)	$1,016,000	33.8%	$344,000
Ridge Rd.	Upgrade to minimum County road standard	$650,000	11.4%	$74,000
Rolleri Bypass Rd.	Realign int. to std. approach; relocate PG&E drwy.; install french drain, and resurface road	$115,000	75.6%	$87,000
Sheep Ranch Rd.	Upgrade to minimum County road standard (24-foot section for 3.500 mi.)	$1,218,000	30.9%	$377,000
Sheep Ranch Rd.	Upgrade to minimum County road standard (24-foot section for 9.900 mi.)	$3,444,000	30.3%	$1,044,000
SR 12/SR 26 Intersection	Install traffic signal with approach widening to accommodate turn lanes.	$1,149,000	22.7%	$261,000
Subtotal, LRRS Improvements		**$59,752,000**		**$27,289,000**
County Roads, Regional [3]				
Murphys Grade Rd.	Widen and realign roadway for 5 miles - SR 4 to French Gulch Road	$5,000,000	22.1%	$1,105,000
State Highways, Regional				
SR 4	Construct passing lanes from the Stanislaus County Line to west of Reeds Turnpike	$2,400,000	12.7%	$305,000
SR 12	Widen roadway and add passing lanes(s) from West Jct. SR 26 to SR 49	$4,305,000	8.7%	$373,000
SR 4	Construct Wagon Trail Expressway (Phase 1)	$15,900,000	19.2%	$3,053,000
SR 4	Angels Bypass	$31,400,000	9.3%	$2,913,000
SR 12/26	New bypass of Valley Springs	$37,700,000	7.3%	$2,736,000
Subtotal, State Hwy Improvements		**$91,705,000**		**$9,380,000**
TOTAL IMPROVEMENTS		**$156,457,000**		**$37,774,000**

"regional_cost_est"

Sources: Calaveras County, Caltrans, EPS, and Fehr & Peers Associates, Inc.

[1] Of the total 100-percent cost share in each project that can be attributed to new development according to the County's traffic model, 88 percent of costs for projects not marked as state highway projects is allocated to the RIM program. For projects marked as state highway projects, 25 percent of costs that can be attributed to development is allocated to the RIM program.
[2] This classification of County road has been defined by the Calaveras County Public Works Department.
[3] The RIM Technical Advisory Committee has elevated this County road to a regional status on par with state highways in the County.

mitigation fee program, however, the approval of new development and the mitigation of a proposed project's traffic impacts may be subject to other County policies, such as General Plan policies.

The increased peak hour flow is estimated from the County's traffic model assuming the projections for jobs and housing growth through 2025. Fehr & Peers, Inc. provided base year (2003) and 2025 estimates of evening peak hour vehicle counts for each of the roadway segments, and a percent increase in traffic volume is calculated in **Table 5.** This percent increase by road project determines the maximum share of the road improvement cost allocated to new development in unincorporated Calaveras County. Of the maximum cost allocation, 88 percent of the cost of improvements to each of 17 local roads of regional significance and one regional road project and 25 percent of the cost of each of five state highway projects are funded by the RIM fee program.

The two right-hand columns of **Table 4** apply the percentages to the estimated roadway improvement costs for each project. Of the $156.5 million in improvements for all projects, new development in unincorporated Calaveras County will be responsible for $37.8 million, or approximately 24 percent of the total cost.

Table 5
Calaveras Council of Governments
RIM Fee Nexus Study
Project Cost Allocation to New Development

Roadway	Description	Roadway Classification [1]	2000 PM Traffic Volume	2000 PM LOS	2025 PM Traffic Volume	2025 PM LOS	2025 Traffic from New Development	Potential Cost Alloc. to New Dev.
Local Roads of Regional Significance [2]								
Avery Sheep Ranch Rd.	Reconstruct roadway for 4.75 miles - SR 4 to Sheep Ranch Road	MA/MN	16	C	20	C	20.0%	20.0%
Burson Road	Upgrade to minimum County road standard	MA	171	C	250	C	31.6%	31.6%
Jenny Lind Rd.	Upgrade to minimum County road standard	MA	96	C	110	C	12.7%	12.7%
Milton Rd.	Upgrade to minimum County road standard	MA	77	C	100	C	23.0%	23.0%
Moran Rd.	Upgrade to minimum County road standard (24-foot section for 5.402 mi.)	MA	39	C	70	C	44.3%	44.3%
Mountain Ranch Rd.	Reconstruct roadway for 10.20 miles - SR 49 to Sheep Ranch Road	MA	[3]	[3]	[3]	[3]	15.2%	15.2%
Murphys Grade Rd.	Upgrade to minimum County road standard	MA	390	C	520	C	25.0%	25.0%
Paloma Rd.	Reconstruct roadway for 7.90 miles - SR 26 to Rose Street	MA	28	C	40	C	30.0%	30.0%
Paloma Rd.	Upgrade to minimum County road standard	MA	28	C	40	C	30.0%	30.0%
Pool Station Rd.	Upgrade to minimum County road standard	MA	70	C	450	C	84.4%	84.4%
Railroad Flat Rd.	Upgrade to minimum County road standard - Jesus Maria Road to Ridge Road	MA	52	C	110	C	52.7%	52.7%
Railroad Flat Rd.	Upgrade to minimum County road standard (full section from Licking Fork Br. to Blizzard Mine Rd.)	MA	[4]	[4]	[4]	[4]	38.3%	38.3%
Ridge Rd.	Upgrade to minimum County road standard		61	C	70	C	12.9%	12.9%
Rolleri Bypass Rd.	Realign int. to std. approach; relocate PG&E drwy.; install french drain, and resurface road	MN	42	C	290	C	85.5%	85.5%
Sheep Ranch Rd.	Upgrade to minimum County road standard (24-foot section for 3.500 mi.)	MA	65	C	100	C	35.0%	35.0%
Sheep Ranch Rd.	Upgrade to minimum County road standard (24-foot section for 9.900 mi.)	MA	46	C	70	C	34.3%	34.3%
SR 12/SR 26 Intersection	Install traffic signal with approach widening to accommodate turn lanes.		934	n/a	1,257	n/a	25.7%	25.7%
County Roads, Regional [5]								
Murphys Grade Rd.	Widen and realign roadway for 5 miles - SR 4 to French Gulch Road		390	C	520	C	25.0%	25.0%
State Highways, Regional								
SR 4	Construct passing lanes from the Stanislaus County Line to west of Reeds Turnpike		320	C	640	C	50.0%	50.0%
SR 12	Widen roadway and add passing lanes(s) from West Jct. SR 26 ro SR 49		540	C	820	D	34.1%	34.1%
SR 4	Construct Wagon Trail Expressway (Phase 1)		310	C	1,270	D	75.6%	75.6%
SR 4/49	North Angels Bypass		1,060	D	1,670	D	36.5%	36.5%
SR 12/26	New bypass of Valley Springs		750	C	1,050	D	28.6%	28.6%

"cost__alloc"

Sources: Caltrans, Calaveras County, and Fehr & Peers

[1] According to County's General Plan. MA is a major collector. MN is a minor collector.
[2] This classification of County road has been defined by the County's Public Works Dept. using standard transportation planning criteria.
[3] Traffic counts for Mountain Ranch Road are an average of three segments defining the entire project length. Level of service (LOS) is not listed above because it varies for each segment. For the segment of SR 49 to Pope Street, LOS is at Level D and remains there in 2025. For the segment of Pope Street to Rocky Road, LOS is at Level C and remains there in 2025. For the segment of Rocky Road to Sheep Ranch Road, LOS is at Level C and remains there in 2025.
[4] Traffic counts for Railroad Flat Road between Licking Fork Bridge and Blizzard Mine Road are an average of the segments of SR 26 to Ridge Road and Jesus Maria Road to Mountain Ranch Road (both segments are at LOS C now and remain at C through 2025).
[5] The RIM Technical Advisory Committee has elevated this County road to a regional status on par with state highways in the County

V. RIM Fee

This chapter summarizes the calculation of the proposed RIM Fee for improvements to regional roadways, local roads of regional significance, and state highways.

COST PER EDU

The purpose of allocating certain improvement costs among the various land uses is to provide an equitable method of funding required infrastructure. The apportionment methodology reflects these requirements:

1. Demands placed on public facilities are related to land uses paying the fee.
2. Such demands are stated in relative terms for all affected land uses.

It is by relating demand for facilities to land use types that a reasonable nexus, or relationship, can be established to apportion the "fair share" costs to given land uses.

An EDU is a common use factor that allows the allocation of improvement costs among residential and nonresidential land uses. An EDU is defined as the amount of facility use for each land use type relative to a single-family unit, so the EDU for a single-family unit is 1.0.

The RIM Fee calculation is predicated on a cost per EDU for the combination of regional roadway improvements, improvements to the local roads of regional significance, and state highway improvements. The following describes the determination of the cost per EDU for these improvements.

Transportation costs to new development are allocated using data describing increases in traffic flows on roadways in the County because of new development through 2025, and then by EDU in order to determine a cost per EDU for these improvements. The trips-per-EDU factor is based on the average trip-generation factor for single-family homes as provided by Fehr & Peers. The total number of peak hour trips from new residential and nonresidential development is determined using trip generation and attraction factors that vary by land use, multiplied by the amount of new development expected in each land use category by 2025.

Some reallocation of retail trips is made to both single-family and multifamily land uses to account for new retail development that will be constructed to support new residential development. **Table 6** calculates the retail market demand generated by new residential development between 2002 and 2025 in unincorporated Calaveras County. Combined with a projection of new retail employees from the land use forecast cited in

Table 6
Calaveras Council of Governments
RIM Fee Nexus Study
Retail Space Required for New Residents, 2002-2025

Item	Market Assumption/ Calculation
New Households in Unincorporated Calaveras County, 2002-2025	10,022
Average 2002 Household Income, Calaveras County	$41,022
Percent of Household Income Dedicated to Retail Expenditures [1]	40%
Retail Expenditures per Household	**$16,400**
Percent of Retail Dollars Expended Locally [2]	50%
Local Retail Expenditures per Household	**$8,200**
Total Retail Expenditures for New Households in Unincorporated Calaveras County, 2025	$82,180,000
Annual Sales per Square Foot [3]	$275
Supportable Square Feet in Unincorporated Calaveras County, 2025	299,000
Retail Square Feet Supported per New Household, 2025	**29.8**

"ret_demand"

Source: US Bureau of Labor Statistics; US Census Bureau, and EPS.

[1] Derived from the BLS' Consumer Expenditure Survey share of annual household expenditures data for the U.S. Western Region.
[2] Based on EPS' brief analysis of the distribution of retail tenants in Calaveras, Tuolumne, Amador, and San Joaquin Counties.
[3] Annual sales per square foot assumption based on EPS experience with comparable commercial development patterns.

Chapter III, new residential development will support approximately 84 percent of these employees (see **Table 7**).[5] After the allocation, these new trips totals by land use in the County are converted into EDU equivalents based on the trips-per-EDU factor. **Table 8** describes the calculation of total EDUs in the County.

Table 9 shows the cost components for the regional county roadway improvements, the improvements to local roads of regional significance, and state highway improvements. A 2-percent administration fee is added to the total cost per EDU. The administration cost component includes the administrative costs associated with fee collection and accounting. When added to administration costs, the cost per EDU is calculated at $3,300.

RIM FEE

Table 10 shows the fee calculation converted from a per-EDU basis to a per-unit or per-1,000-square-foot basis, allowing for application of the fee to any one of three land uses.

SINGLE-FAMILY RESIDENTIAL

Unincorporated Calaveras County will add 8,065 additional EDUs of road impact by 2025 from single-family home development, or 69.2 percent of the total road impact from new development. This land-use category is allocated 69.2 percent of the total fee program costs, or $26.7 million. On a per-unit basis, the RIM fee is $3,300 for each single-family home.

---

[5] Other sources of vehicle trip data confirm this notion. The Statewide Household Travel Survey finds that shopping trips that originated in Calaveras County and had a destination in the same county represented 83 percent of all shopping trips. New residential development may follow the same travel behavior and generate most of new shopping trips in the County. Furthermore, according to the 2000 Census, approximately 86 percent of the jobs in Calaveras County are filled by County residents. This percentage has remained relatively constant since 1990 when the percentage was 87 percent. Census survey data was not readily available to determine what percentage of travel for other purposes such as shopping or recreation was made in the County by County residents. Trips from home to work (and the reverse) are estimated to represent about 20 percent of all daily trips in Calaveras County. Given that much of the commercial development in Calaveras County is focused on serving existing residents, the percentage of trips made in the County by County residents for other purposes may be similar to that measured for work-related trips.

Table 7
Calaveras Council of Governments
RIM Fee Nexus Study
Local Retail Market Absorption from New Residents

Item	Units	Assumption/ Calculation
New Residential Units in Calaveras County, 2002-2025 [1]	Housing Units	10,022
Total Commercial Space Needed [2]	Sqft per Housing Unit	29.8
Total New Retail Space Needed for New Residential Development	**Sqft**	**299,000**
Space per New Retail Employee	Sqft	400
New Retail Employees Required, 2002-2025	**Employees**	**748**
New Retail Employees Projected, 2002-2025 [1]	**Employees**	**890**
Percent of Retail Needed to Support New Development	**Percent**	**84%**

"realloc"

Source: EPS

[1] EPS Land Use Forecast
[2] Based on estimate of retail space needed per household.

Table 8
Calaveras Council of Governments
RIM Fee Nexus Study
Estimated New Residential Units, Employees, Daily Trips, and EDUs, 2002-2025

Item	Residential		Nonresidential			Total
	Single-Family	Multifamily	Retail	Other	Service	
	--Units--		*--Employees--*			
New Development, 2002-2025 [1]	**8,065**	**1,957**	**890**	**1,679**	**1,676**	
	--Trips per unit--		*--Trips per employee--*			
Peak P.M. Trip Generation Factors						
Traffic Model Peak P.M. Trip Factor [2]	0.86	0.59	1.47	0.19	0.35	
Retail Trips Generated by New Res. Development, 2002-2025 [3]			-1.23			
Reallocation of Retail Trips to Res. Land Uses [3]	0.25	0.17				
Reallocated Peak P.M. Trip Factor	**1.11**	**0.77**	**0.24**	**0.19**	**0.35**	
New Peak P.M. Trips, 2002-2025						
Trips Generated by New Units or Employees	8,933	1,500	209	320	579	**11,541**
Other Trips Generated by New Development [4]			112	690	567	**1,370**
Total New Trips, 2002-2025	**8,933**	**1,500**	**321**	**1,010**	**1,147**	**12,911**
Peak P.M. Trips per EDU Equivalent	1.11	1.11	1.11	1.11	1.11	1.11
New EDUs, 2002-2025	**8,065**	**1,354**	**290**	**912**	**1,036**	**11,657**

"transp_EDUs"

Sources: Fehr & Peers, EPS, and Calaveras County

[1] Derived from analysis of traffic analysis zone (TAZ) data for Unincorporated Calaveras County. Data for all TAZs was originally reported in EPS Memo to George Dondero on Growth Allocation dated January 30, 2003.
[2] Factors are based on Fehr & Peers Associates, Inc. estimates of peak hour trips per job type. This table assumes each retail, service, and other job requires 400, 425, and 450 square feet, respectively.
[3] Assumes as shown in Table 7 that 84% of retail trips generated are required by new residential development. These trips are reallocated to residential land uses by increasing the single-family and multifamily trip generation factor so that the total number of trips remains unchanged.
[4] Other trips are attracted to nonresidential land uses based on 0.25 times the total numbers of employees and 0.16 times the total numbers of new dwelling units.

Table 9
Calaveras Council of Governments
RIM Fee Nexus Study
Calculation of RIM Fee per EDU

Item	Cost
Local Roadway Facilities Cost [1]	$27,289,000
Regional County Roadway Facilities Cost [1]	$1,105,000
Total RIM Program Funded Improvements	**$37,774,000**
Administration Costs of 2%	$755,480
TOTAL RIM Fee Funded Costs	**$38,529,480**
New EDUs, 2002-2025	**11,657**
RIM Fee per EDU	**$3,300**

"fee_per_edu"

Source: EPS and Calaveras County

[1] Of the total 100 percent cost share in each project that can be attributed to new development according to the County's traffic model, 90 percent is allocated to the RIM program.

Table 10
Calaveras Council of Governments
RIM Fee Nexus Study
RIM Fee Calculation by Land Use

RIM Fee Program	Residential		Nonresidential	Total
	Single-Family	Multifamily		
Total New EDUs, 2002-2025	8,065	1,354	2,238	**11,657**
Percent of Total	69.2%	12.0%	19.2%	**100.0%**
Share of Fee Program Costs [1]	69.2%	12.0%	19.2%	**100.0%**
Fee Program Costs Allocated [1]	$26,657,936	$4,623,538	$7,396,175	**$38,529,480**
Fee per EDU	$3,300	$3,300	$3,300	
EDUs per Unit or 1,000 Sqft [2]	1.00	0.69	1.00	
Fee per Unit or 1,000 Sqft	**$3,300**	**$2,400**	**$3,300**	

"dev_fee_lu"

Sources: EPS and Fehr & Peers

[1] Fee program costs include estimated costs of Regional Roadway improvements, improvements to Local Roads of Regional Signficance, and adminstration.
[2] Based on trip generation rates specific to each land use. Non-residential factor is a blended rate for retail, service commercial, highway commercial, industrial, office, warehouse, and other commercial land uses. Some uses will have an EDU factor lower than 1.00; others will have an EDU factor higher than 1.00.

MULTIFAMILY RESIDENTIAL

Unincorporated Calaveras County will add 1,354 additional EDUs of road impact by 2025 from multifamily residential development, or 12 percent of the total road impact from new development. This land use category is allocated 12 percent of the total fee program costs, or $4.6 million. On a per-unit basis, the RIM fee is $2,400 for each multifamily unit.

NONRESIDENTIAL DEVELOPMENT

Unincorporated Calaveras County will add 2,238 additional EDUs of road impact by 2025 from nonresidential development, or 19.2 percent of the total road impact from new development. This land use category is allocated 19.2 percent of the total fee program costs, or $7.4 million. On a per-1,000-sqft basis, the RIM fee is $3,300 per 1,000 sqft of new building space, assuming 1.0 EDUs per 1,000 sqft.

As a matter of applying the RIM fees to proposed development in the County, the $3,300-per-1,000-sqft-fee level would not apply across all nonresidential land uses. In practice, a range of EDUs are possible for different nonresidential land uses.[6] For instance, industrial development could pay $2,000 per 1,000 sqft (assumes 0.61 EDUs per 1,000 sqft), office development could pay $4,100 per 1,000 sqft (assumes 1.25 EDUs per 1,000 sqft), and shopping centers could pay $1,900 per 1,000 sqft (assumes 0.56 EDUs per 1,000 sqft). The actual fees charged will depend on a RIM fee schedule to be adopted by the County after consideration of the findings of this nexus study.

[6] One reference source commonly used to derive EDU factors that vary by land use is the Institute of Transportation Engineers' *Trip Generation Manual*.

VI. ADDITIONAL FUNDING SOURCES

This report identifies a significant funding responsibility for the County in the form of regional-roadway and state-highway improvements and improvements to local roads of regional significance. These include improvements that are related to demand generated by existing development, the costs for which cannot be passed on to new development based on the restrictions of Government Code sections 66000 *et al.* (AB1600). As discussed in this chapter, the total cost of all improvements, including improvements required support new development, is estimated at $156.5 million.

Some of the estimated cost may be funded using the County's share of identified STIP dollars, if the project in the proposed RIM Program is eligible for STIP funding as well. Other portions of selected project costs may be funded by State RIP dollars. However, a large share, most probably more than $85 million, of the $156.5 million in total roadway improvement costs remains unfunded.

The following funding sources are recommended for further consideration by the County to assemble this required funding.

- **District Gasoline Tax**. The County should consider trying to establish an additional quarter-cent, half-cent, or full-cent tax on gasoline sales in unincorporated Calaveras County. Fuel sales taxes require a two-thirds vote of the electorate and are difficult to pass. Based on Caltrans consumption models, nearly 874 million gallons of gasoline is projected to be sold in the County (limitations in data reporting include consumption for the City of Angels in this total) between 2004 and 2025. As shown in **Table 11**, a quarter-cent increase in per-gallon sales taxes on gasoline would yield $2.2 million, a half cent would yield $4.4 million, and a full cent would yield $8.7 million in revenues for the RIM Program. An advantage of this tax is that visitors purchasing fuel in the County would assist in paying for roadway improvements.
- **District Sales Tax.** The County should consider trying to establish an additional quarter-cent or half-cent sales tax on all taxable goods sold in unincorporated Calaveras County. District sales taxes require a two-thirds vote of the electorate and are difficult to pass. Based on Board of Equalization data that estimates a yearly increase of 6.13 percent in nominal taxable sales, taxable sales between 2004 and 2025 are projected to total $6.7 billion in unincorporated Calaveras County. As shown in **Table 12**, a quarter-cent increase in the sales tax rate would yield $16.8 million over that period, and a half cent would yield $33.7 million in revenues for the RIM Program. San Joaquin County currently levies a half-cent Measure K sales tax that is dedicated to transportation funding.

Table 11
Calaveras Council of Governments
RIM Fee Nexus Study
Gasoline Consumption and Tax Revenue Projections For Calaveras County

Item	Amount
2000 Consumption (Gallons)	19,021,000
2020 Projected Consumption (Gallons)	44,529,000
Average Annual Growth in Gallons Consumed, 2000-2020	4.34%
Total Gallons Consumed, 2004-2025	803,846,000
Gasoline Tax Revenue in $2004, Projected 2004-2025 [1]	
Quarter-Cent Per Gallon Increase ($0.0025)	$1,412,000
Half-Cent Per Gallon Increase ($0.005)	$2,824,000
Full-Cent Per Gallon Increase ($0.01)	$5,647,000

"gas_rev"

Source: California Department of Transportation.

[1] Assumes an inflation rate of 3%.

Table 12
Calaveras Council of Governments
RIM Fee Nexus Study
Taxable Sales Revenue Projections For Unincorporated Calaveras County

Item	Amount
2001 Taxable Sales [1]	$189,302,000
Average Annual Growth in Taxable Sales, 1997-2001	6.13%
Total Taxable Sales in $2004, Projected 2004-2025 [2]	$6,868,575,000
District Sales Tax Revenue in $2004, Projected 2004-2025	
Quarter Cent ($0.0025)	$17,171,000
Half Cent ($0.005)	$34,343,000

"tax_rev"

Source: State of California Board of Equalization.

[1] Taxable sales revenue is for Unincorporated Calaveras County only and excludes revenue from Angel's Camp.
[2] Assumes an inflation rate of 3%.

- **Parcel Tax.** The County should consider trying to establish a parcel tax or non-*ad valorem* property tax for landowners in unincorporated Calaveras County. Parcel taxes require two-thirds of the electorate and are difficult to pass. As shown in **Table 13**, a $25-per-parcel annual tax would yield $22.7 million between 2004 and 2025, a $50-per-parcel tax would yield $45.4 million, and a $75-per-parcel tax would yield $68.1 million in revenues for the RIM Program. An advantage of this tax is that the median per capita charge is small (less than $100 per year), because the tax is spread across a large land base.
- **Transient Occupancy Tax.** The County should consider trying to increase the 6-percent TOT currently levied on short-term lodging receipts in unincorporated Calaveras County. TOT increases require a two-thirds vote of the electorate and are difficult to pass. Based on County Auditor data, unincorporated Calaveras County is projected to bring in $146.8 million in lodging receipts between 2004 and 2025. As shown in **Table 14**, an additional 2-percent tax on lodging revenues would yield $2.9 million over the same period, an additional 4-percent tax on lodging would yield $5.9 million, and an additional 6-percent tax on lodging would yield $8.8 million in revenues for the RIM Program through 2025. An advantage of this option is that visitors who purchase nights of hotel, motel, or B&B rooms and drive in unincorporated Calaveras County would assist in funding roadway improvements.

If new funding sources are not established, the County will have only fee revenue and the County's share of identified STIP or RIP dollars with which to pay for these improvements. Without additional local funding sources, the County will need to remove some of the improvements from the RIM Program's project list during a periodic program review and update. In that case, fewer road improvements will be made using RIM Program dollars by 2025.

Table 13
Calaveras Council of Governments
RIM Fee Nexus Study
Estimate of Parcel Tax Revenues, 2004-2025

Special Tax Rate	Approx. Number Of Parcels, Current [1]	Time Period 2004-2025	Total Revenue [2]	Total Revenue
	a	*b*	*c=a*b*	*$2004*
$25 Tax Per Parcel	41,286	22 years	$22,707,000	$15,769,000
$50 Tax Per Parcel	41,286	22 years	$45,415,000	$31,539,000
$75 Tax Per Parcel	41,286	22 years	$68,122,000	$47,308,000

"tax_est"

Source: Calaveras County Assessor's Office.

[1] Includes both improved and vacant parcels.
[2] Nominal dollars.

Table 14
Calaveras Council of Governments
RIM Fee Nexus Study
Transient Occupancy Tax Revenue Projections for Unincorporated Calaveras County

Item	Amount
2001 Lodging Receipts Subj. to Transient Occupancy Tax (TOT) [1]	$4,878,459
Average Annual Growth in TOT Revenue, 1997-2001	5.09%
Lodging Receipts Subject to TOT in $2004, Proj. 2004-2025 [2]	$140,793,000
Additional TOT Revenue in $2004, Projected 2004-2025 [3]	
2% TOT increase	$2,816,000
4% TOT increase	$5,632,000
6% TOT increase	$8,448,000

"TOT_rev"

Source: Calaveras County Assessor's Office.

[1] Transient Occupany Tax revenue is for Unincorporated Calaveras County only and excludes revenue from Angel's Camp.
[2] Assumes an inflation rate of 3%.
[3] Current Transient Occupany tax rate is 6% in the unincorporated County.

VII. RIM DEVELOPMENT IMPACT FEE COMPARISON

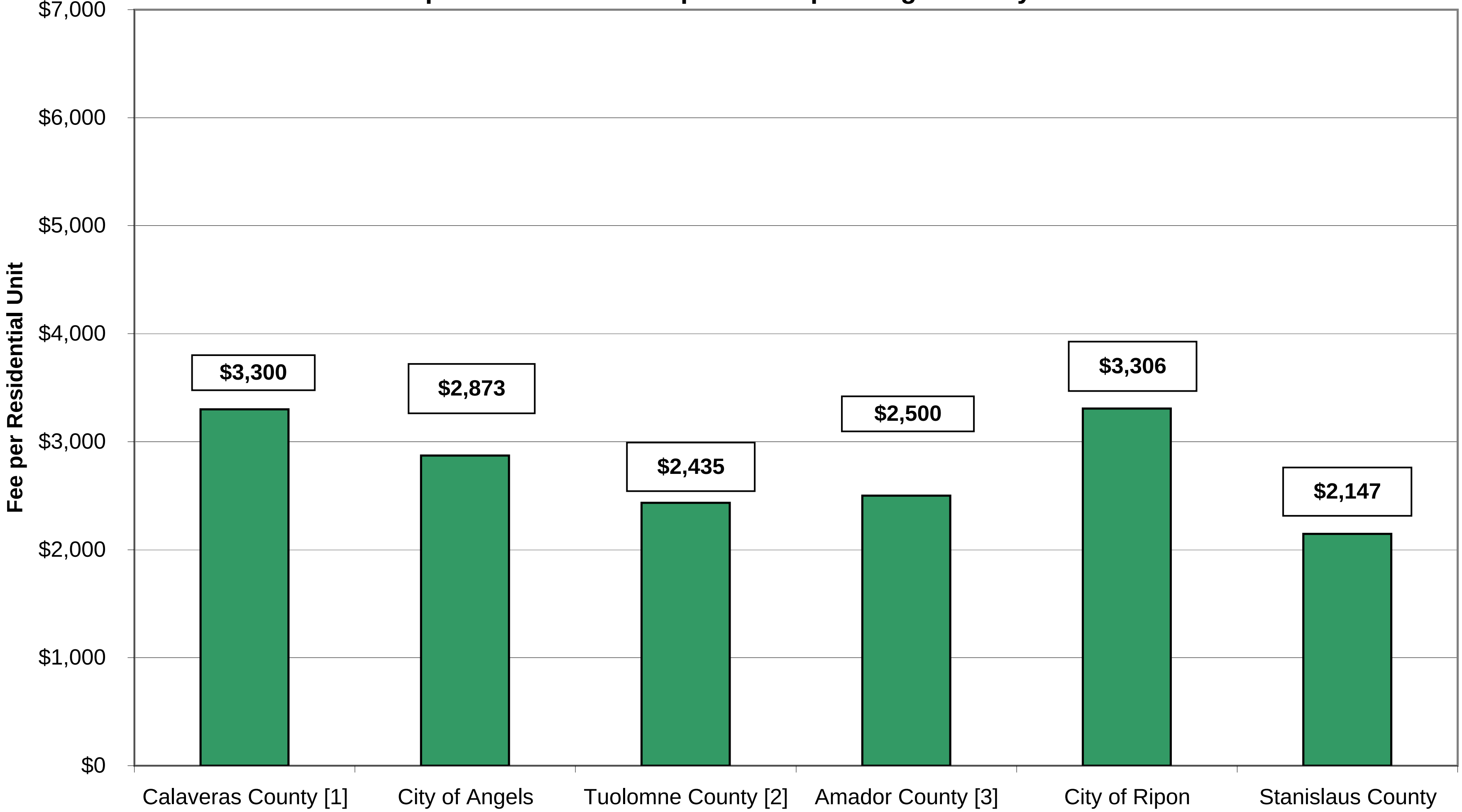
A fee comparison of development impact fees for roadway improvements was conducted by EPS that compares the recommended unincorporated Calaveras County RIM Fees to fees charged by surrounding jurisdictions. The proposed Fee was compared to three counties and two cities: Tuolumne, Amador, and Stanislaus Counties, the City of Angels, and the City of Ripon.

Figure 1 presents the fee comparison for a single-family, low-density unit. The proposed fees for the County are shown at $3,300. The proposed fee falls in the high range of the fees for roadway improvements from the other jurisdictions. The City of Ripon's fee, at $3,306 per single-family unit, is comparable to the proposed Calaveras County fee. The road impact fee is lowest in Stanislaus County at $2,147 per single-family unit.

Figure 2 presents a similar comparison for a 10,000-sqft retail store in a newly built neighborhood shopping center. The fees are shown per 1,000 sqft of building space. At $1,900 per 1,000 sqft of retail, the proposed fees for the County are in the low range for jurisdictions shown. Other jurisdictions charge from $1,800 per 1,000 sqft (Amador County) to $4,904 per 1,000 sqft (City of Angels).

At this time, San Joaquin County is studying the adoption of a countywide transportation impact fee for new development that, if passed, would be set at $2,500 per single-family home and $4,000 per 1,000 sqft for retail projects, amounts that would be added to the fees paid in the City of Ripon for any proposed single-family or retail project.

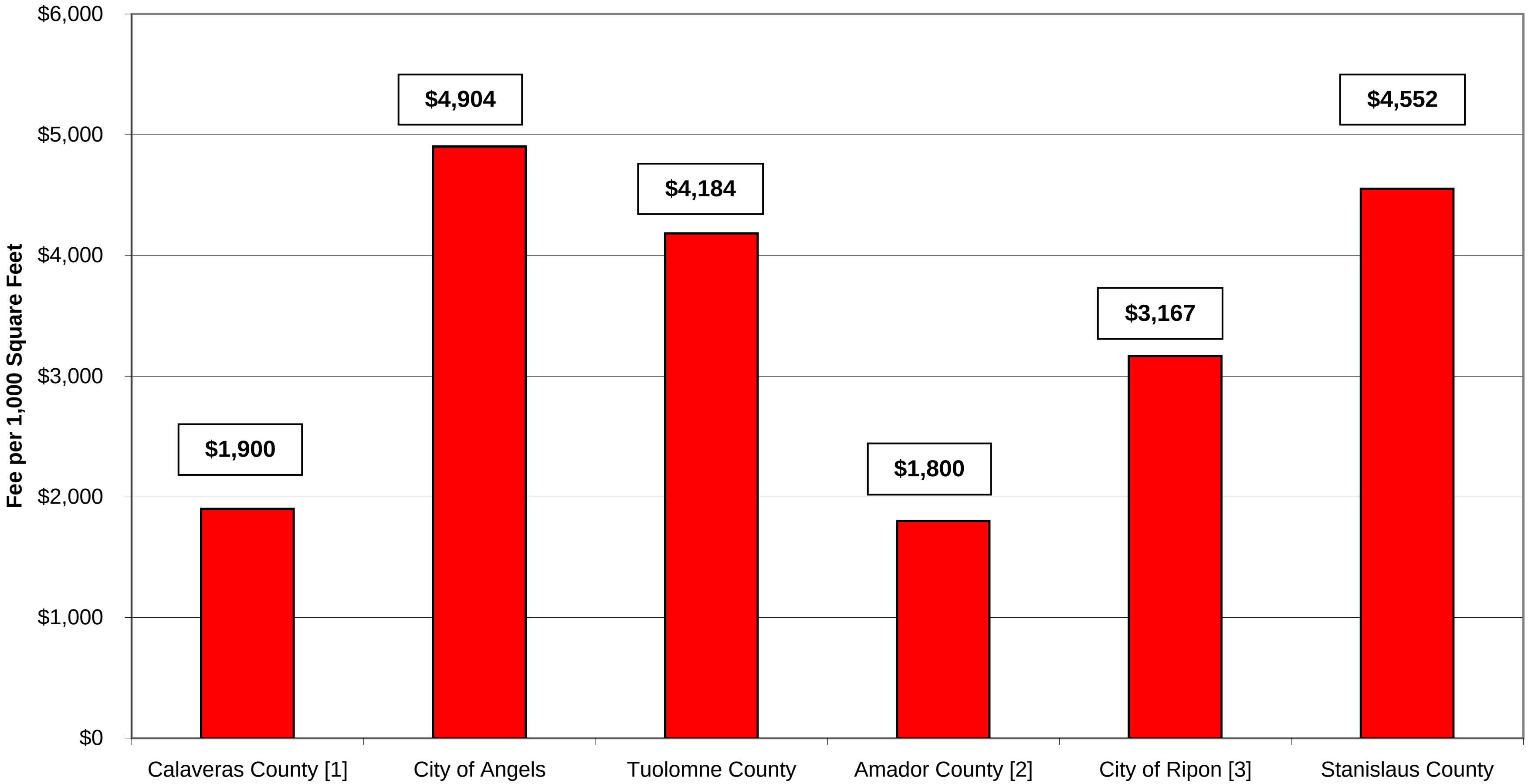
Figure 1
Calaveras County RIM Fee Nexus Study
Comparison of Traffic Impact Fees per Single-Family Unit



[1] This is a proposed fee based on the Calaveras Council of Governments RIM Fee Nexus Study dated January 2004.
[2] Fee for Tuolomne County will be discussed by the Board of Supervisors in early 2004. Actual fee adopted may differ from the one shown.
[3] Fee shown for Amador County is proposed for Winter 2003/04. The adopted fee may differ from the one shown.

Prepared by EPS *12555 Traffic Fees2.xls 4/27/2004*

Figure 2
Calaveras County RIM Fee Nexus Study
Comparison of Traffic Impact Fees per 1,000 Sqft for 10,000 Sqft Retail Project



[1] This is a proposed fee based on the Calaveras Council of Governments RIM Fee Nexus Study dated January 2004.
[2] Fees for Amador County are estimates of proposed fees. Actual fees adopted may differ from those shown.
[3] San Joaquin County is considering the adoption of a countywide traffic impact fee of $4,000 per 1,000 sqft for retail.

VIII. IMPLEMENTATION

The proposed fee presented in this report is based on the best transportation improvement cost estimates, administrative cost estimates, and land use information available at this time. If costs change significantly, if the type or amount of new projected development changes, if other assumptions significantly change, or if other funding becomes available (as a result of legislative action on state and local government finance, for example), the fee program should be updated accordingly.

After the fees presented in this report are established, the County should conduct periodic reviews of roadway improvement costs and other assumptions used as the basis of this nexus study. Based on these reviews, the County may make necessary adjustments to the fee program.

The cost estimates presented in this report are in constant 2003 dollars. When the County does not adjust the fee by reviewing facility costs or other assumptions, the County may adjust the costs and fees for inflation each year as outlined in this chapter.

IMPLEMENTING ORDINANCES/RESOLUTIONS

The proposed fee would be adopted by the County through one or more ordinances authorizing collection of the fee and through one or more fee resolutions establishing the fee. The fee will be effective 60 days following the County's final action on the ordinances authorizing collection of the fee and on the fee resolutions establishing the fee. The new ordinances and/or resolutions should reference the inflation adjustment factor discussed in this chapter.

FEE COLLECTION AND EXEMPTIONS

All developments shall pay the amount of the RIM Fee in effect at the time a building permit is issued. If a Mello-Roos district or similar financing district is established, only the portion or component of the Fee not included in the financing district shall be collected at building permit issuance.

EXEMPTIONS FROM THE FEE

The Board of Supervisors may waive any and all portions of the Fee if it can be determined that a proposed project will not impact any facility for which the Fee is collected. Exemption criteria will be established by the County at the time of enactment of the fee ordinance(s) and/or resolution(s). Examples of the types of development that may be fully or partially exempted from the Fee include additions to residential and nonresidential structures, construction of housing for low- or very low–income occupants, replacement of damaged or destroyed structures, public facilities, and agricultural storage facilities.

The County reserves the authority to reduce the RIM Fee for projects under certain circumstances if necessary. Any reduction in the fees will be based upon the County's independent analysis and review of the particular project.

FEES REQUIRED

Here are examples of instances in which the Fee may be required for land uses that could be potentially classified as exempt from the fees.

1. Any project listed as exempt but which nonetheless, in the opinion of the Board of Supervisors, increases the demand upon County facilities funded by the Fee. The Board of Supervisors may pro rate the amount of the fee based upon the project's anticipated impact upon the subject facility or facilities.
2. Illegal facilities and buildings, constructed prior to the adoption of the Fee, which consequently obtain a building permit to legitimize the facility or building, may be subject to the applicable Fee.
3. Shell buildings:
   a. The full Fee can be made payable at the time the building permit for the shell building is obtained.
   b. The incremental difference between the intended and actual use of any shell building may be collected on any building permit for tenant improvements.
4. Accessory residential structures that are converted to a separate residential dwelling unit may be subject to the Fee as long the primary residence remains on the property.
5. Temporary buildings that are authorized for more than thirty (30) days in any calendar year may be subject to the Fee when converted to permanent use.
6. Duplexes and Triplexes:
   a. Duplex: each of the two units is typically subject to the multifamily fee.
   b. Triplex: each of the three units is typically subject to a multifamily fee.

ADMINISTRATION OF FEE PROGRAM

This section covers procedures related to inter-fund loans, fee credits, developer/ landowner reimbursements, fee deferrals, fee payment plans, and development agreements.

INTERNAL LOANING OF FUNDS

Inter-fund loans may be used from time to time to facilitate the construction of RIM Fee Program facilities. Any such loan shall be made in accordance with applicable law, as interpreted by the County Counsel of Calaveras County, and all funds shall be placed in accounts segregated by groupings of the eligible roadway improvement projects. The additional following requirements are placed on inter-fund loans.

1. Funds may be transferred between accounts to expedite the construction of critical projects/facilities.
2. A mechanism to repay accounts shall be established.
3. Inter-fund loan repayments shall take precedence over reimbursements to developers.

FEE CREDITS/REIMBURSEMENTS

As is typical with development impact fee programs, many of the public infrastructure facilities are needed up-front, before adequate revenue from the fee collection would be available to fund such improvements. Consequently, some type of private funding is necessary to pay for the public improvements when they are needed. This private financing may be in the form of land-secured bonds, developer equity, or other form of private financing.

When this circumstance occurs, development impact fee programs need a mechanism to address situations in which developers privately fund public facilities that would normally be funded by the fee program. To address this issue, the nexus study enables fee credits and reimbursements to provide the necessary link between collection of the RIM Fee and the private construction and dedication of eligible transportation infrastructure improvements.

Developers/landowners who fund construction of eligible roadway improvements will be eligible for reimbursements against the appropriate fee or fees. Fee credits/ reimbursements will be available for the facility construction cost as shown in this nexus study. Fee credits/reimbursements will be adjusted annually by the inflation factor used to adjust the fee program. Once fee credits have been determined, they will be used at the time the respective fees would be due.

Conditions for Fee Credit/Reimbursement

Fee Credits/reimbursements for constructing eligible roadway facilities will be provided under the following conditions.

1. Developer-installed/acquired improvements shall be considered for reimbursement from the fee program. The various County fee accounts shall not be commingled to reimburse a developer. For example, only funds collected from the RIM Fee Program shall be used to reimburse a developer who builds a roadway improvement identified in the nexus study (or subsequent updates). While accounts shall not be commingled, inter-fund loans may occur.
2. The value of any developer-installed/acquired improvements for reimbursement/ fee credit purposes shall not exceed the total cost estimate (as updated) used to establish the amount of the fees.
3. The use of accumulated fee revenues shall be used in the following priority order: (1) critical projects, (2) repayment of inter-fund loans, and (3) repayment of accrued reimbursement to private developers. A project is deemed to be a "critical project" when failure to complete the project prohibits further development.

Credit for Replacement of Existing Buildings

Portions of the County are already developed. New development that replaces existing development is eligible for a Fee credit to the extent that the facilities to be funded by the new development are already provided to the existing development. For example, a four-unit apartment complex that is replaced by an eight-unit apartment complex could receive up to a 50-percent credit in the Fee (4/8 = 50 percent). The County Official will determine the amount of the Fee credit at the time a site plan is submitted to the County.

Implementation Process

Once all criteria are met, fee credits may be taken against fees when payable at building permit issuance. To obtain fee credits, the public facility projects must meet all criteria, and developers must apply to the County Official before payment of fees on the first unit associated with final development approval. The County maintains the flexibility to allocate fee credits in a manner it chooses. Fee credits granted shall be on a per-unit basis for single-family and multifamily development or on a per-1,000-sqft basis for nonresidential development projects.

Reimbursements will be due to developers who have advance funded a facility (or facilities) in excess of their fair share of that (those) public facility cost (or facilities costs). In this instance, developers would first obtain fee credits, up to their fair share requirement for a facility, and then await reimbursement from fee revenue collections from other fee payers.

Reimbursement priority will be determined on a "first in and first out" basis. For each public facility type, the County Board of Supervisors anticipates prioritizing County accepted public facilities on a year-by-year basis. For example, if one roadway improvement project receives County approval in February while another receives County approval in September, each of the projects has equal weighting in terms of priority for reimbursement.

When funds are available, reimbursements will be paid to the first developer or group of developers awaiting reimbursement until that developer is paid in full. Then reimbursements accrue to the next developer or group of developers awaiting reimbursement until paid in full.

To obtain reimbursements, developers must enter into a reimbursement agreement with the County. When funds are available, reimbursements will be paid quarterly, semi-annually, or as otherwise determined by the County. As noted, reimbursements will be paid only after the County accepts public facility improvements. It is important to note that reimbursements are an obligation of the RIM Fee Program and not an obligation of the County General Fund or other operating funds.

Cost Schedule

Excluding special exceptions, developers will be eligible for fee credits/reimbursements up to 100 percent of the fee excluding administration. Eligible public facility costs, which are used to determine fee credits/reimbursements, will be based on cost schedules in this nexus study or actual construction costs if the fees are updated to include the actual costs. A general description of those facilities can be found in **Table 4**.

Using the procedures set forth in California Government Code Section 66017, cost schedules in the nexus study may be adjusted annually by the inflation factor described in this chapter.

FEE DEFERRAL OR FEE PAYMENT PLAN

At the County's option, the RIM Fee Program may offer fee deferrals or payment plans for nonresidential development. Conditions for these fee options would be established through fee ordinance(s)/resolution(s).

DEVELOPMENT AGREEMENTS

Developers may negotiate any portion of the Fee, including its application and implementation, through a Development Agreement.

FEE PROGRAM UPDATE

The RIM Fee Program is subject to annual inflation adjustments, periodic updates, and a 5-year review requirement. The purpose of each update is described in this section.

ANNUAL INFLATION ADJUSTMENT

The proposed Fee may be adjusted by the County annually to account for the inflation of construction, right-of-way acquisition, and environmental or design costs.

The nexus study recommends that in March of each calendar year, using the procedures set forth in California Government Code Section 66017, the Fee should be increased by the annual average San Francisco CCI published by *Engineering News Record*.

PERIODIC FEE UPDATE

The proposed Fee is subject to periodic update based on changes in developable land, cost estimates, or outside funding sources. The County will periodically review the costs and fee to determine if any updates to the fee are warranted. During the periodic reviews, the County will analyze these items:

- Changes to the required facilities listed in the nexus study;
- Changes in the cost to update and/or administer the fee;
- Changes in costs greater than inflation;
- Changes in assumed land uses; and
- Changes in other funding sources.

Any changes to the fee based on the periodic update will be presented to the Board of Supervisors for approval prior to an increase or decrease in the fee.

The Board of Supervisors also may specify during a periodic update which improvements should receive funding from the RIM Fee Program before other improvements. Based on roadway level of service evaluations, the location of approved new development that will add significant housing or jobs, or other considerations, the County has the ability to spend the fee revenues on any of the projects identified in the RIM program regardless of project location and the location of collected fees.

FIVE-YEAR REVIEW

Fees will be collected from new development in the County immediately; use of these funds, however, may need to wait until a sufficient fund balance can be accrued. Per Government Code Section 66006, the County is required to deposit, invest, account for, and expend the fees in a prescribed manner. The fifth fiscal year following the first deposit into the Fee account or fund and every 5 years thereafter, the County is required to make all of the following findings with respect to that portion of the account or fund remaining unexpended:

- Identify the purpose for which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete plan area improvements; and
- Designate the approximate dates on that the funding referred to in the above paragraph is expected to be deposited in the appropriate account or fund.

The County must refund the unexpended or uncommitted revenue portion of the fee for which a need could not be demonstrated in the above findings, unless the administrative costs exceed the amount of the refund.