



CITY OF EMERYVILLE

MEMORANDUM

DATE: December 2, 2014

TO: Sabrina Landreth, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Approving The Traffic Facilities Impact Fee Program Report For The City Of Emeryville Through June 30, 2014**

STAFF RECOMMENDATION

It is recommended that the City Council approve the attached resolution to accept the Traffic Facilities Impact Fee Program Report through June 30, 2014, attached as Exhibit A to the resolution.

BACKGROUND

The City is required by law to review its traffic impact fee program on an annual basis. California Government Code Section 66000 et. seq. (the "Mitigation Fee Act") requires each local agency to make public a report on developer fees within 180 days of the close of each fiscal year. The report is to include fee descriptions collected from developers, the amount of the fee, the beginning and ending balance of the account or fund and the amount of fees collected and the interest earned. The Mitigation Fee Act also requires each local agency to review the report at a public meeting not less than 15 days after the information is made available to the public.

The report relative to the Traffic Facilities Impact Fee Program ending June 30, 2014 (the "Report") was made available to the public as part of the agenda for the November 18, 2014 regular meeting of the City Council. A copy of the November 18, 2014 Report is Exhibit A to the attached resolution. In accordance with the Mitigation Fee Act, the purpose of this item is to allow for public review and comment on the Report at a public meeting.

DISCUSSION

TRAFFIC FACILITIES IMPACT FEE PROGRAM REPORT ("REPORT")

Attachment 1 of the Report is a Revenue & Expenditure spreadsheet for the City of Emeryville Traffic Impact Fee Fund for the period ending June 30, 2014. This spreadsheet shows that since the beginning of Fiscal Year 1999 (i.e. July 1, 1998) through the end of Fiscal Year 2014 (i.e. June 30, 2014) the City of Emeryville has collected revenues totaling

\$6,362,124, and deposited them in the Traffic Impact Fee Fund. The \$6,362,124 is broken down as follows: \$5,739,066 of traffic impact fees, \$661,274 of interest earnings, less \$275,197 of “net” reimbursements paid out to private developers for their contribution to specific improvements required as mitigation for project specific impacts, plus \$236,982 from the General Fund to subsidize the preparation of an update to the Traffic Facilities Impact Fee Program¹.

With these monies, the City has expended \$5,993,019 to complete improvements identified in the Traffic Facilities Impact Fee Program adopted by the City Council pursuant to Resolution No. 98-167. Accordingly, the Traffic Impact Fee Fund has a remaining fund balance of \$369,106 as of June 30, 2014.

Traffic Impact Fee Program Activities From 7/1/98 to 6/30/14	Amount
Traffic impact fees	\$5,739,066
Interest earnings	661,274
“Net” reimbursements to private developers for their contribution to specific improvements	(275,197)
General Fund subsidy for update to the Traffic Facilities Impact Fee Program	236,982
Sub-total	6,362,124
Completed improvements identified in the Traffic Facilities Impact Fee Program	<u>(5,993,019)</u>
Ending Balance at June 30, 2014	\$369,106

The improvements provided for in the Traffic Facilities Impact Fee Program are more particularly depicted and described in Figures A-K, Appendix B to the Traffic Facilities Impact Fee Program, copies of which are included as Attachment 3 of the Report. Completed improvements include Figures A (65th Street Traffic Signal), C, D and E (Shellmound Loop and Shellmound Corridor Improvements/Intersection Modifications/Signal Timing/Striping), F (Horton Street Extension), G (Powell/Hollis Intersection Improvements), H (Hollis Street Signal Interconnect) and J (40th Street Signal Interconnect).

¹ The City Council updated and renamed the Transportation Facility Impact Fee by Resolution No. 14-105 on July 15, 2014, effective September 13, 2014. The update identifies the traffic facility impacts of contemplated future development, the need for new public facilities and improvements and the costs of implementing the recommended traffic improvements, with an emphasis to provide facilities for all modes of transportation (pedestrian, bicycle, transit and automobile), as called for in General Plan. This report covers the fiscal year ending on June 30, 2014, before the updated fee was adopted, and thus covers the TIF that was in effect prior to September 13, 2014, not the updated and renamed Transportation Facility Impact Fee that took effect on that date.

Improvements that have not been completed include Figures B (Powell Street & I-80 Eastbound off-ramp), K (40th Street and San Pablo Avenue Widening), and I (40th Street and Horton Street Intersection Modifications).

FISCAL IMPACT

There are no new fiscal impacts associated with this report, as it is for reporting purposes only.

APPROVED AND FORWARDED TO THE EMERYVILLE CITY COUNCIL

A handwritten signature in dark ink, appearing to be 'S. Landreth', written over a horizontal line.

Sabrina Landreth
City Manager

Attachment: Resolution Approving Traffic Facilities Impact Fee Program Report Through June 30, 2014, including Exhibit A: Annual Traffic Mitigation Fee Report – Fiscal Year 2013-2014, dated November 18, 2014

RESOLUTION NO.14-162

Resolution Of The City Council Of The City Of Emeryville Approving The Traffic Facilities Impact Fee Program Report For The City Of Emeryville Through June 30, 2014

WHEREAS, in September 1990, the City Council of the City of Emeryville adopted Ordinance No. 90-008, creating and establishing the authority for imposing and collecting a Traffic Facilities Impact Fee ("Impact Fee") to be deposited in the Traffic Facilities Impact Fee Fund ("Impact Fee Fund"); and

WHEREAS, pursuant to that authority, the City Council adopted Resolution No. 98-167 on October 6, 1998, imposing an Impact Fee on all new development within the City of Emeryville to help fund approximately \$11,552,400 worth of traffic facility improvements for eleven different traffic facility improvement projects, as more particularly described in the City of Emeryville Traffic Mitigation Fee Study dated September 24, 1998, attached as Exhibit A to Resolution No. 98-167 (the "Fee Study"); and

WHEREAS, California Government Code Section 66000 et. seq. (the "Mitigation Fee Act") requires each local agency to make public a report on developer fees within 180 days of the close of each fiscal year, to include fee descriptions collected from developers, the amount of the fee, the beginning and ending balance of the account or fund and the amount of fees collected and the interest earned; and

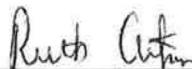
WHEREAS, the Mitigation Fee Act also requires each local agency to review the report at a public meeting not less than 15 days after the information is made available to the public; and

WHEREAS, attached as Exhibit A is the Traffic Facilities Impact Fee Program Report for the period ending June 30, 2014 for the City of Emeryville ("Report"), which provides the necessary information required by California Government Code Section 66000, et. seq.; and

WHEREAS, the Report was made available to the public on November 8, 2014 in connection with the agenda for the regular meeting of the City Council of the City of Emeryville held on Tuesday November 18, 2014, and for public comment at a properly noticed public meeting held on Tuesday, December 2, 2014; now, therefore, be it

RESOLVED, that the City Council of the City of Emeryville, after considering the public comment, the Traffic Facilities Impact Fee Program Report dated November 18, 2014, as well as the staff report dated December 2, 2014, does hereby approve the Traffic Facilities Impact Fee Program Report dated November 18, 2014, attached hereto as Exhibit A.

ADOPTED by the City Council of the City of Emeryville at a regular meeting held on Tuesday, December 2, 2014.



MAYOR

ATTEST:

APPROVED AS TO FORM:



CITY CLERK

CITY ATTORNEY





CITY OF EMERYVILLE

MEMORANDUM

DATE: November 18, 2014

TO: Sabrina Landreth, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: Annual Traffic Mitigation Fee Report – Fiscal Year 2013-2014

STAFF RECOMMENDATION

Section 66000 *et. seq.* of the California Government Code (the “Mitigation Fee Act”) requires each local agency to make public a report on developer fees within 180 days of the close of each fiscal year. The Mitigation Fee Act also requires each local agency to review the report at a public meeting not less than 15 days after the information is made available to the public. The purpose of this item is to comply with this reporting requirement relative to the City of Emeryville Traffic Impact Fee for fiscal year 2013-2014.

No action is requested of the City Council at this time, as this report is required to be available to the public at least 15 days prior to City Council action. The report will be brought back for City Council consideration at the December 2, 2014 meeting.

BACKGROUND

In 1989 the Legislature passed the Mitigation Fee Act which added Section 66000 *et. seq.* to the California Government Code. This legislation added a new chapter on fees imposed on development projects and sets forth a number of requirements that local agencies must follow if they are to exact fees from developers to defray the cost of the construction of public facilities related to development projects.

In 1990 the City of Emeryville adopted Ordinance No. 90-8 to create and establish the authority for imposing and charging a Traffic Facilities Impact Fee (the “Traffic Impact Fee” or “TIF”) to be deposited in the Traffic Facilities Impact Fee Fund (the “TIF Fund”). Thereafter, the City adopted a Traffic Mitigation Fee Study (the “Fee Study”), amended by Resolution No. 98-167 adopted October 6, 1998, which established the existence of a reasonable relationship between the need for the public facilities and the impacts of the types of development described in the Fee Study for which the Impact Fee is charged, and that there is a reasonable relationship between the Traffic Impact Fee’s use and the type of development for which the Traffic Impact Fees are charged. Note that the City Council updated and renamed the Transportation Facility Impact Fee by Resolution No. 14-105 on July 15, 2014, effective September 13, 2014. This report covers the fiscal year ending on June 30, 2014, before the updated fee was adopted, and thus covers the TIF that was in

effect prior to September 13, 2014, not the updated and renamed Transportation Facility Impact Fee that took effect on that date.

DISCUSSION

As noted above, the City of Emeryville collects Traffic Impact Fees that are subject to the reporting requirements of the Mitigation Fee Act. Reporting requirements relative to mitigation fees that the local agency must adhere to are as follows:

1. Create separate capital facilities funds or accounts for each improvement funded with impact fees (Government code Section 66006(a)).

As noted, with Ordinance No. 90-8, the City established the TIF Fund into which Traffic Impact Fees are deposited and accounted for. A spreadsheet detailing TIF Fund revenues and expenditures for the five-year period of July 1, 2009 through June 30, 2014 is attached. It should be further noted that capital improvements identified in the Fee Study are also identified in the City's Capital Improvement Program and separate project accounts are established by the Finance Division for each such improvement in order to properly account for project costs and funding sources.

2. Remit all interest income earned by the fees to the same fund; interest income must be spent solely on the purpose for which the fee was originally collected (Section 66006(a)).

Please refer to the attached spreadsheet detailing TIF Fund activities.

3. Within 180 days after the close of the fiscal year, prepare a public report concerning each impact fee fund. *As of June 30, 2014, the City of Emeryville maintained only one impact fee, for traffic facilities.* Such report must include (i) a brief description of the type of fee in the account, (ii) the amount of the fee, (iii) the fund's beginning and ending balance for the fiscal year, (iv) amount of fees collected and interest earned and deposited into the fund for the fiscal year, (v) a description of each expenditure from the fund for that year, including identification of the improvement being funded and the percentage of the cost of the public improvement that was funded with the fee, (vi) an identification of the date by which construction of a public improvement will commence if the City determines that sufficient funds have been collected to complete financing on any incomplete project, (vii) a description of any interfund transfers or loans, and (viii) identification of any fees to be refunded (Section 66001(2)(a)).

- (i) *As discussed above, the type of fee in the TIF Fund account is for financing traffic facilities that are needed to mitigate the impacts of residential, commercial and industrial development, which fees are established upon issuance of a building permit and collected from such development projects upon issuance of a certificate of occupancy.*

- (ii) *The amount of the Traffic Impact Fee is set forth in greater detail for different types of uses in Table 7 of the Fee Study, a copy of which is attached. Examples include: \$972 per live-work unit; \$819 per single family dwelling unit; \$438 per unit for multi-family dwelling developments; \$3,523 per 1,000 square feet of general retail developments that are less than 100,000 square feet; \$2,199 per 1,000 square feet of general retail developments that are between 100,000 square feet and 300,000 square feet; \$1,850 per 1,000 square feet of general retail developments that are greater than 300,000 square feet; \$1,968 per 1,000 square feet of office development that are less than 100,000 square feet; \$1,010 per 1,000 square feet of office development that are between 100,000 square feet and 500,000 square feet; \$895 per 1,000 square feet of office development that are greater than 500,000 square feet; and \$730 per 1,000 square feet of light industrial development.*
- (iii) *The beginning balance on July 1, 2013 was \$373,494 and the ending balance on June 30, 2014 was \$369,106, as detailed in the attached spreadsheet detailing TIF Fund activities.*
- (iv) *Please refer to the attached spreadsheet detailing TIF Fund activities under the heading of "REVENUE". The amount of Traffic Impact Fees collected from July 1, 2013 through June 30, 2014 and deposited into the TIF Fund was \$22,089 and the amount of interest earned and deposited into the TIF Fund was \$2,420. There were no reimbursements to private developers for their contribution to specific improvements required as mitigation for project specific impacts between July 1, 2013 and June 30, 2014.*
- (v) *Please refer to the attached spreadsheet detailing TIF Fund activities under the heading of "EXPENDITURES".*
- (vi) *As noted above, an updated and renamed Transportation Facility Impact Fee was adopted on July 15, 2014, effective September 13, 2014. Incomplete projects from the previous TIF program have been carried forward into the new program. While the TIF Fund shows a balance of \$369,106, the 28 projects that make up the new program have not yet been prioritized, so the date by which construction of a public improvement will commence cannot be estimated at this time.*
- (vii) *There are currently no interfund transfers or loans.*
- (viii) *There are currently no fees to be refunded (Section 66001(2)(a)).*

4. The report is required to be reviewed by the City at a regularly scheduled public meeting not less than 15 days after the report is released to the public (Section 66006(b)(2)).

This report is being released to the public no later than November 8, 2014 in connection with the agenda for the November 18, 2014 regular meeting of the City Council and is scheduled for approval by the City Council at its regularly scheduled meeting on December 2, 2014.

5. For the fifth fiscal year following the first deposit of Traffic Impact Fees into the TIF Fund, and every five years thereafter, if fees remain unexpended, the local agency must make

findings identifying the purpose to which the fee is to be put, demonstrate that there remains a reasonable relationship between the current need for the fees and the purpose for which it is charged, identify all sources and amounts of funding contemplated to complete financing of incomplete improvements, and designate the approximate dates on which the contemplated funding is expected to be deposited into the TIF Fund (Section 66001(d)).

The first deposit of Traffic Impact Fees into the TIF Fund occurred in January 1995. The fifth fiscal year following that first deposit was the fiscal year of 2000/2001; the next five year cycles were the fiscal year of 2005/2006 and the fiscal year of 2010/2011. The next one will be the fiscal year of 2015/16 (two years hence). As noted above, an updated and renamed Transportation Facilities Impact Fee was adopted by Resolution No. 14-105 on July 15, 2014, effective September 13, 2014. When the fiscal year 2015/16 annual report is prepared, it will include the required information, based on the new Transportation Facilities Impact Fee.

6. Refund to current owner of the development project or projects any fees, with accrued interest, for which continued need cannot be demonstrated (Section 66001(e)).

There are no funds in the TIF Fund to be refunded for projects that are no longer needed.

7. A local agency must not co-mingle fees with any other revenue, except for temporary investment purposes (Section 66006(a)).

No Traffic Impact Fees are co-mingled with any other revenues of the City and are deposited and maintained in a separate fund, designated as the Traffic Facilities Impact Fee Fund.

FISCAL IMPACT

This report is for information purposes. There is no fiscal impact.

APPROVED AND FORWARDED TO THE EMERYVILLE CITY COUNCIL



Sabrina Landreth
City Manager

Attachments:

1. Exhibit A: Traffic Impact Fee Fund Revenues & Expenditure Report – FY10 to FY14
2. Table 7 of Traffic Mitigation Fee Study adopted October 6, 1998 by Resolution No. 98-167
3. Appendix B of Traffic Mitigation Fee Study adopted October 6, 1998 by Resolution No. 98-167

EXHIBIT A

**City of Emeryville
Traffic Impact Fee Fund
Revenues & Expenditures
Through June 30, 2014**

	FY10	FY11	FY12	FY13	FY14	Total FY92-FY14
REVENUE:						
Traffic Impact Fees	356,440	8,366	99,062	7,707	22,089	5,739,066
Interest	27,025	4,012	3,917	2,358	2,420	661,274
Reimbursements	(2,583,363)	-				(275,197)
General Fund Subsidy for New Study		236,982				236,982
Total	(2,199,898)	249,359	102,978	10,065	24,509	6,362,124
EXPENDITURES:						
Powell St & I-80 E Off Ramp (Figure B)						34,959
Update Traffic Impact Fee Study		29,113	70,459	16,780	28,897	200,237
Shellmound Loop Improvements (Figure C, D)						1,967,995
Powell/Hollis Intersection Improvements (Figure G)						185,559
Hollis St Interconnect (Figure H)						73,049
Shellmound Signal Timing (Figure C, D)						142,984
40th Street Signal Design (Figure J)						17,403
40th & SPA Widening (Figure K)						7,965
Shellmound Street Striping (Figure C, D)						8,512
Horton Street Extension (Figure F)						2,047,791
65th Street Traffic Signal (Figure A)						1,225,898
Powell Streetscape Design	37,567	21,507	3,058	1,117	-	80,668
Total	37,567	50,620	73,517	17,896	28,897	5,993,019
Revenues Over/(Under) Expenditures	(2,237,464)	198,739	29,461	(7,831)	(4,388)	369,105
Beginning Fund Balance, July 1	2,390,589	153,124	351,864	381,325	373,494	-
Ending Fund Balance, June 30	153,124	351,864	381,325	373,494	369,106	369,105

(References to Figures A, B, C, D, F, G, H, J and K above are those figures which are attached as Appendix B to the City of Emeryville Traffic Mitigation Fee Study dated September 24, 1998, adopted by the City Council pursuant to Resolution No. 98-167)

<p style="text-align: center;">Table 7 Traffic Impact Fee Allocation</p>					
Land Use	ITE Land Use	ITE PM Peak Hour Rate	% Primary Trips⁷	% Diverted & Pass-by Trips⁷	Proposed Traffic Fee⁸
Residential (per dwelling unit)					
Single-Family	210	1.01	86%	14%	\$ 819
Multi-Family	230	0.54	86%	14%	\$ 438
Apartment	220	0.62	86%	14%	\$ 503
Office (per 1,000 sq. feet)					
Standard Office					
Less Than 100,000 sq. feet ¹	710	2.71	77%	23%	\$ 1,968
100,000 to 500,000 sq. feet ²	710	1.39	77%	23%	\$ 1,010
Greater Than 500,000 sq. feet ³	710	1.23	77%	23%	\$ 895
Corporate Headquarters Building	714	1.39	77%	23%	\$ 1,010
Medical Office	720	3.66	60%	40%	\$ 2,071
Hospital	610	0.92	73%	27%	\$ 633
Research & Development Center	760	1.08	77%	23%	\$ 784
Retail/Commercial (per 1,000 sq. feet)					
General Retail					
Less Than 100,000 sq. feet ⁴	820	7.95	47%	53%	\$ 3,523
100,000 to 300,000 sq. feet ⁵	820	4.96	47%	53%	\$ 2,199
Greater Than 300,000 sq. feet ⁶	820	3.63	54%	46%	\$ 1,850
Restaurant (per 1,000 sq. feet)					
Quality	831	7.49	51%	49%	\$ 3,603
High Turnover	832	10.86	51%	49%	\$ 5,224
Fast Food	833	26.15	51%	49%	\$ 12,579
Fast Food with Drive-Thru	834	33.48	51%	49%	\$ 16,105
Service Station (per pump)	844	14.56	21%	79%	\$ 2,884
Self-Service Car Wash (per stall)	847	5.79	46%	54%	\$ 2,512
Supermarket	850	11.51	46%	54%	\$ 4,994
Convenience Market	851	53.73	46%	54%	\$ 23,312
Hotel (per room)	310	0.61	58%	42%	\$ 334
Bank	911	42.02	35%	65%	\$ 13,872

Table 7 (Continued)
Traffic Impact Fee Allocation

Land Use	ITE Land Use	ITE PM Peak Hour Rate	% Primary Trips ⁷	% Diverted & Pass-by Trips ⁷	Proposed Traffic Fee ⁸
Manufacturing (per 1,000 sq. feet)					
Light Industry	110	0.98	79%	21%	\$ 730
Manufacturing	140	0.74	79%	21%	\$ 551
Warehousing	150	0.51	79%	21%	\$ 380
Industrial Park	130	0.92	79%	21%	\$ 686
Other (per 1,000 sq. feet)					
Movie Theatre	444	3.8	66%	34%	\$ 2,366
Tennis Court (per court)	491	3.88	46%	54%	\$ 1,683
Health Club	493	4.3	46%	54%	\$ 1,866
Day Care Center	565	13.2	46%	54%	\$ 5,727
Nursing Home	620	0.36	46%	54%	\$ 156
Live Work (per unit)					
Live Work ⁹		1.03	100%		\$ 972

Note: Retail and commercial developments less than 4,999 square feet shall be evaluated on a case-by-case basis in a manner approved by the Planning Director for the City of Emeryville.

1. Based on Average Rate of 50,000 sq. feet
2. Based on Average Rate of 300,000 sq. feet
3. Based on Average Rate of 700,000 sq. feet
4. Based on Average Rate of 50,000 sq. feet
5. Based on Average Rate of 200,000 sq. feet
6. Based on Average Rate of 500,000 sq. feet
7. Source: San Diego Association of Governments, 1996.
8. Based on a unit cost of \$ 943.24 per peak hour trip
9. Based on Emeryville Traffic Impact Fee Analysis Final Report, 1996 prepared by Korve Engineering, Inc.

APPENDIX B
ROADWAY IMPROVEMENT PROJECTS

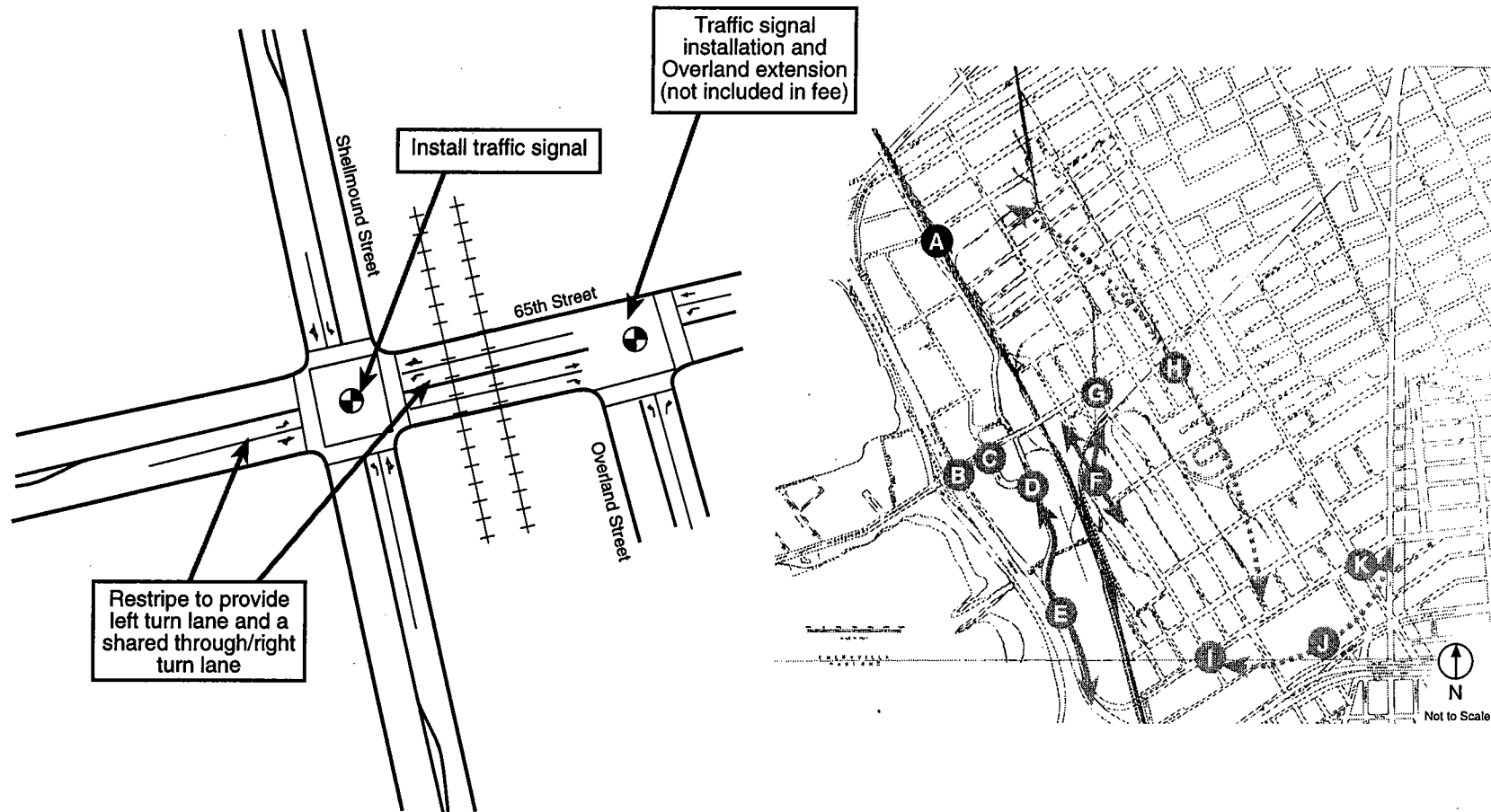


Figure A

1220-31-02

**65TH STREET AND SHELLMOUND STREET
INTERSECTION MODIFICATIONS**



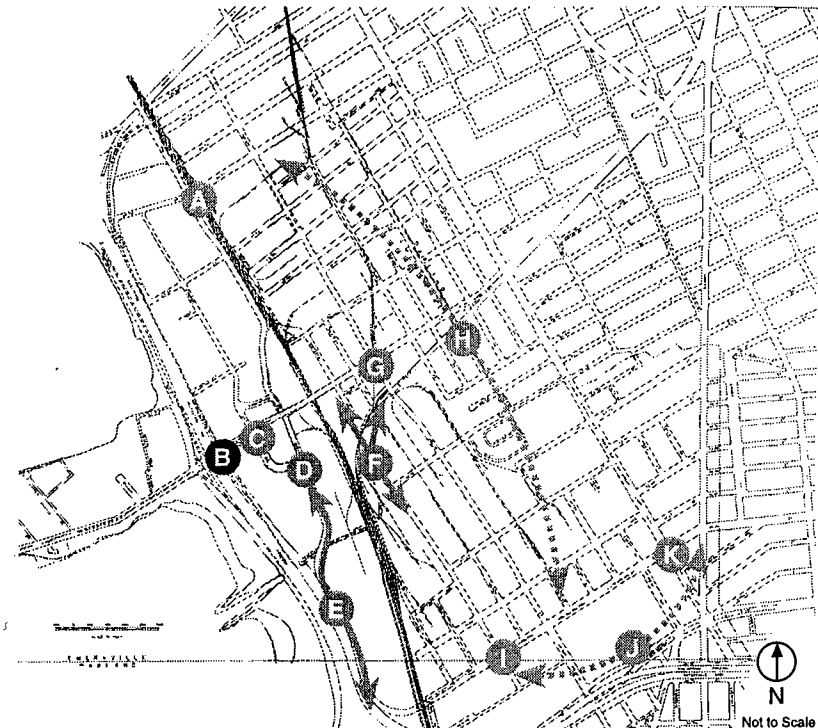
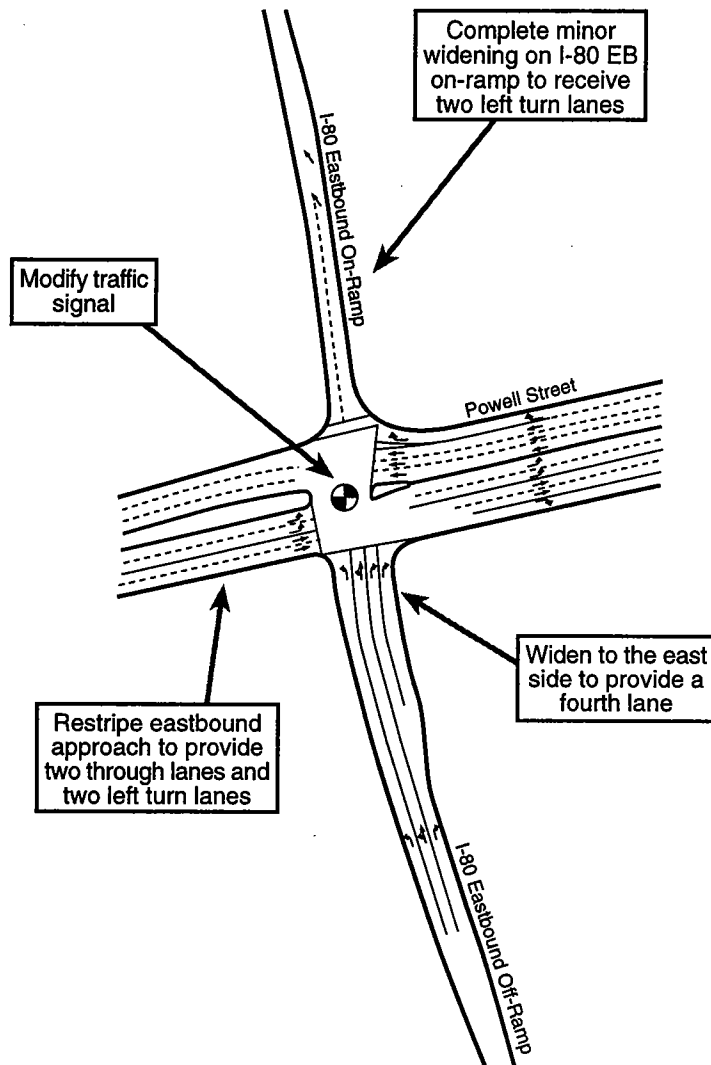


Figure B

1220-32-02

**POWELL STREET AND I-80 EASTBOUND OFF-RAMP
INTERSECTION MODIFICATIONS**



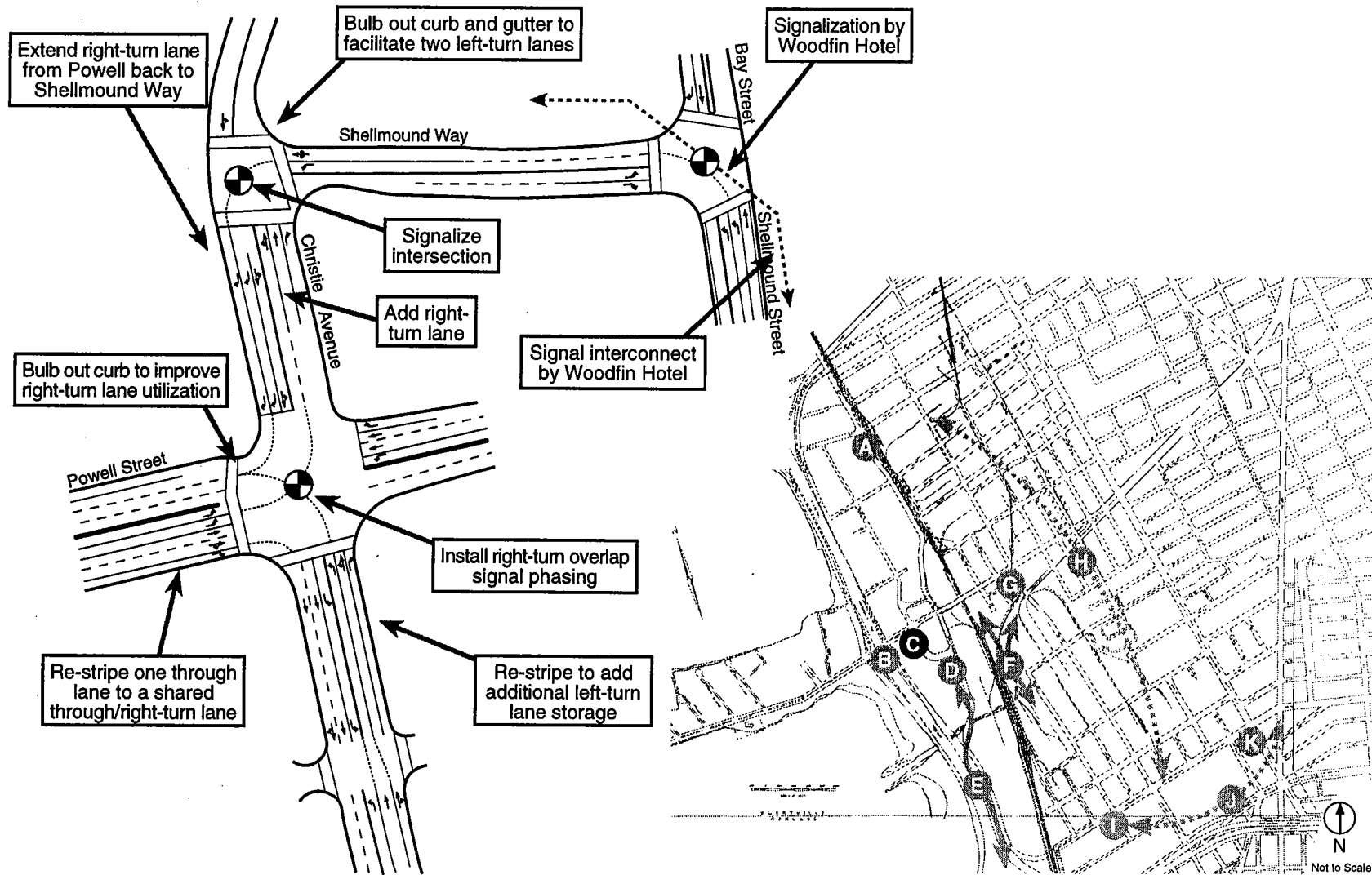


Figure C

1220-24-03

CHRISTIE AVENUE AND POWELL STREET INTERSECTION MODIFICATIONS



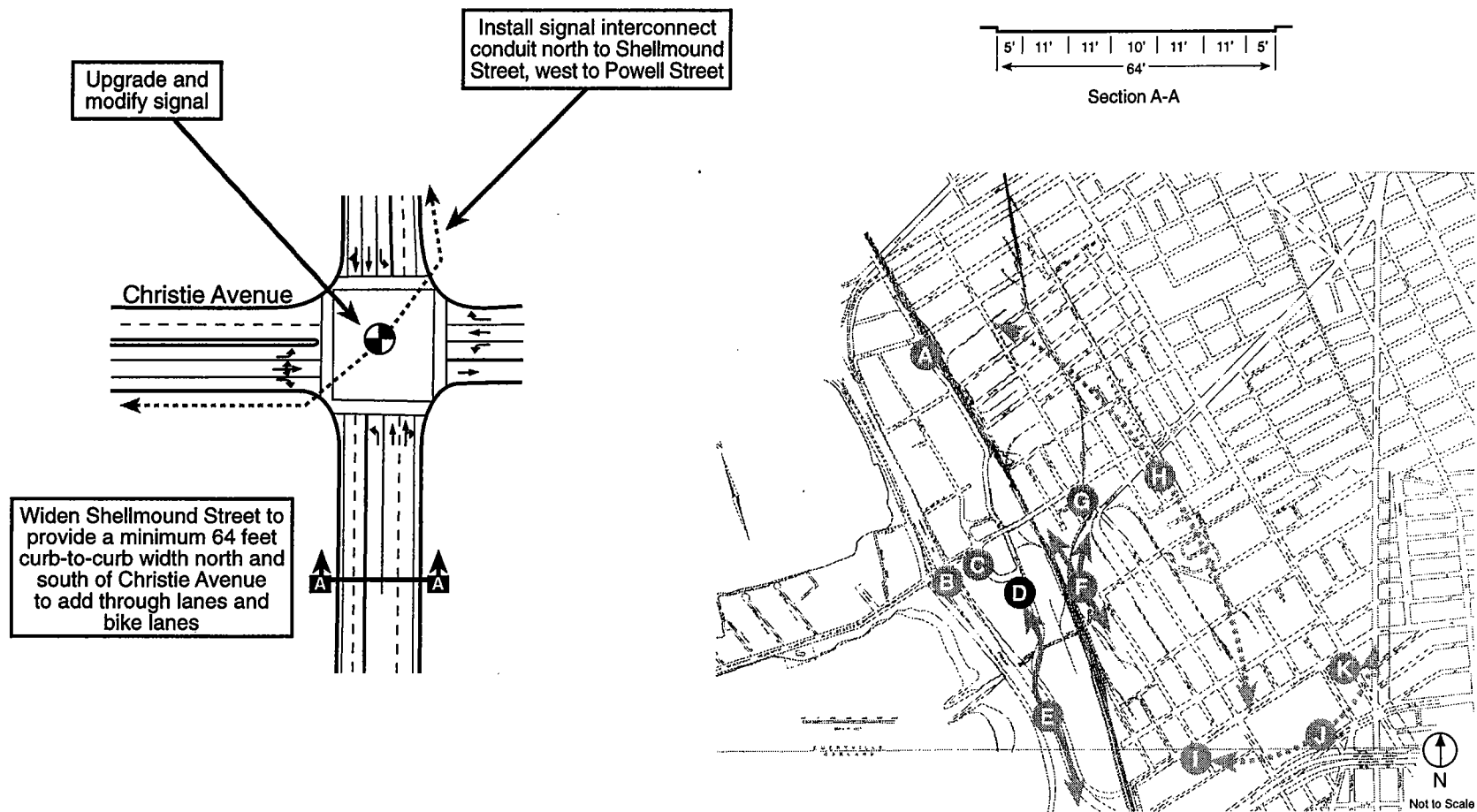


Figure D

1220-23-03

**SHELLMOUND STREET AT CHRISTIE AVENUE
INTERSECTION MODIFICATIONS**



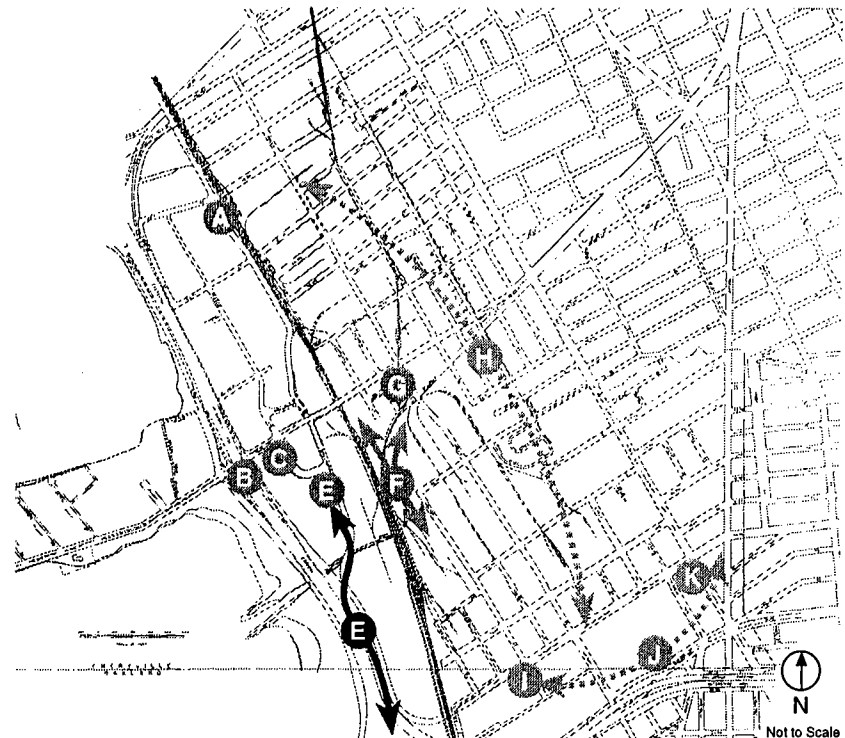
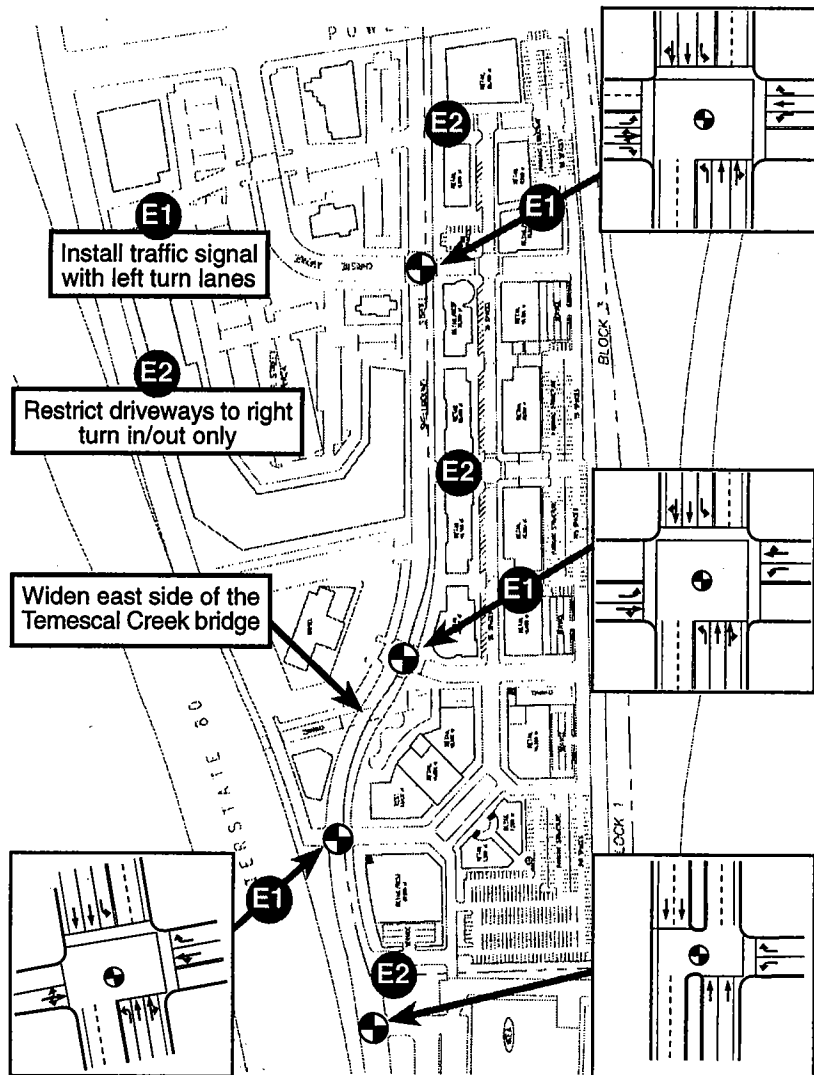


Figure E

1220-25-03

SHELLMOUND STREET CORRIDOR INTERSECTION MODIFICATIONS



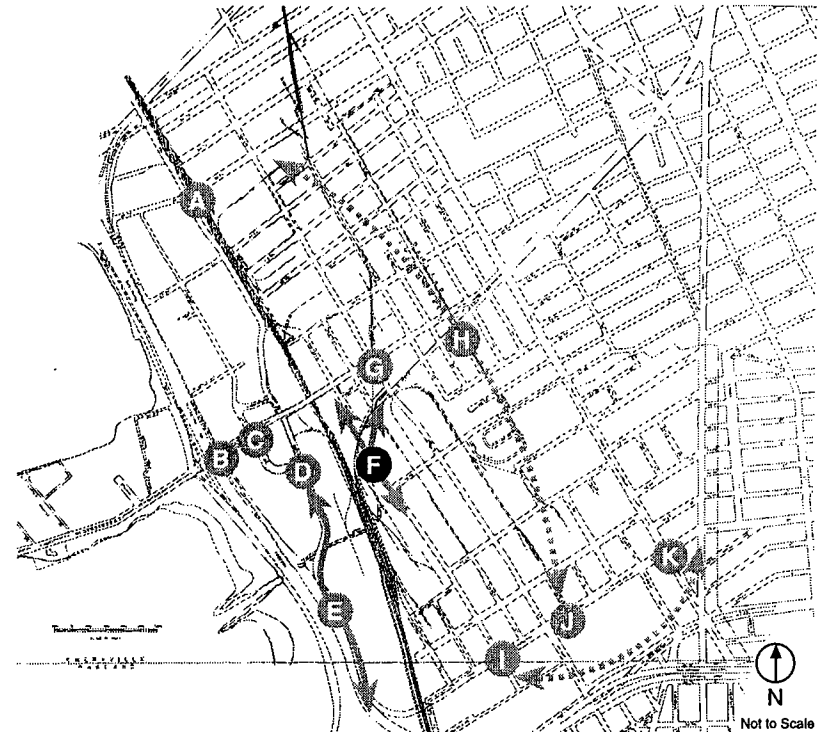
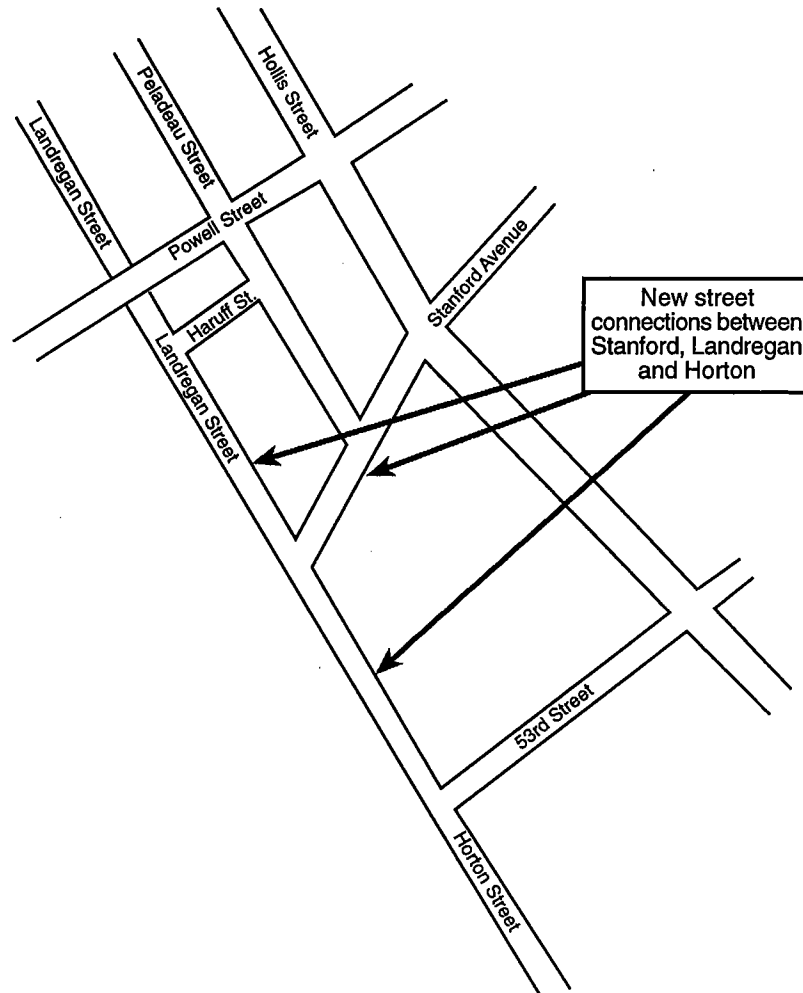
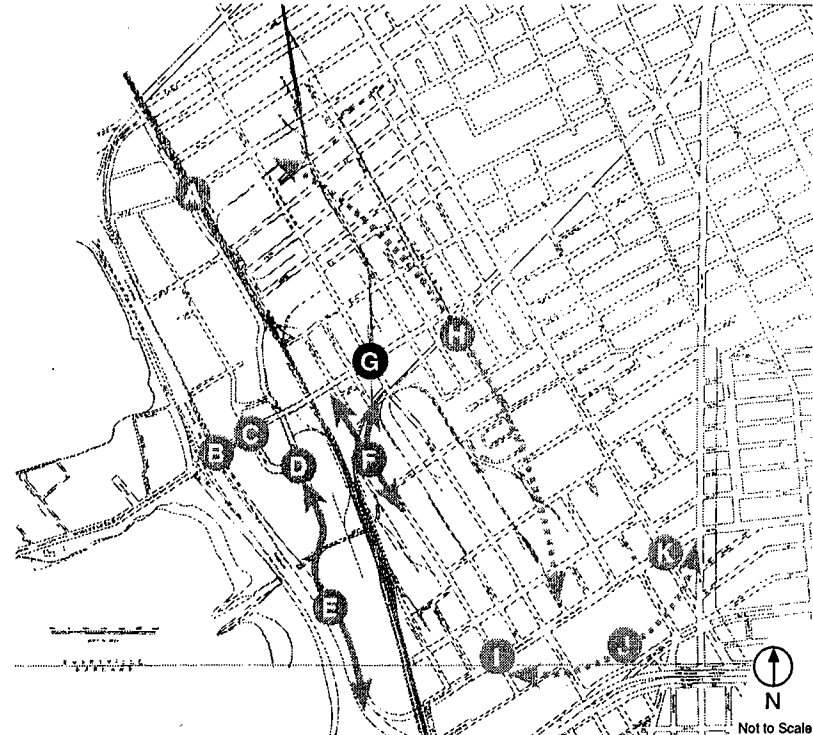
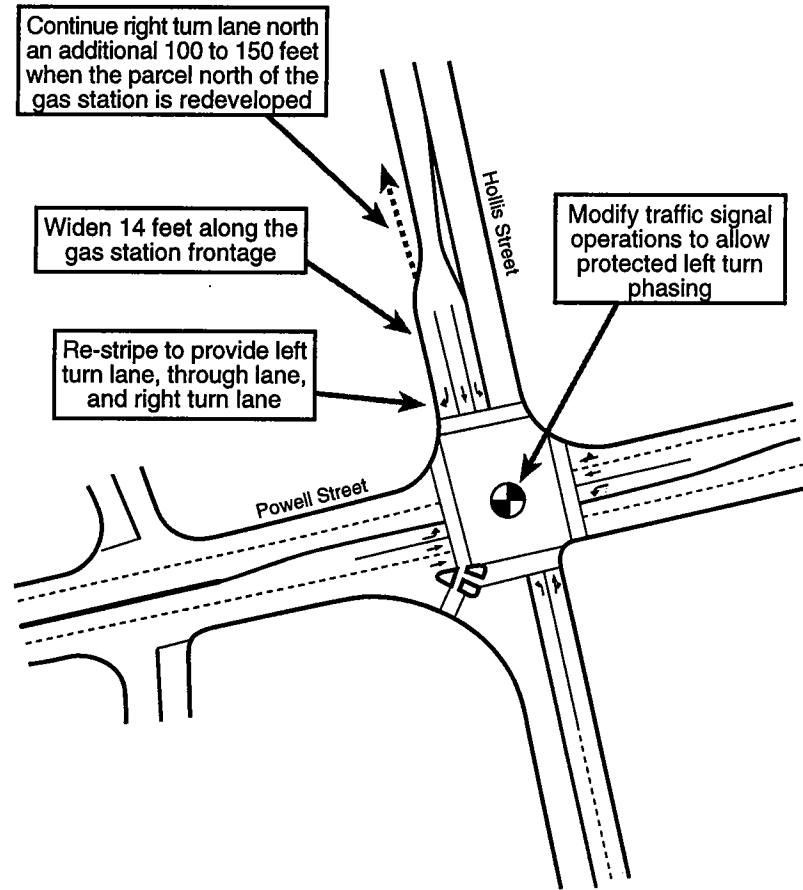


Figure F

1220-37-02

**HORTON - LANDREGAN - STANFORD
CONNECTIONS**





<p>Figure G</p> <p>1220-22-03</p>	<p>POWELL STREET AND HOLLIS STREET INTERSECTION MODIFICATIONS</p>	
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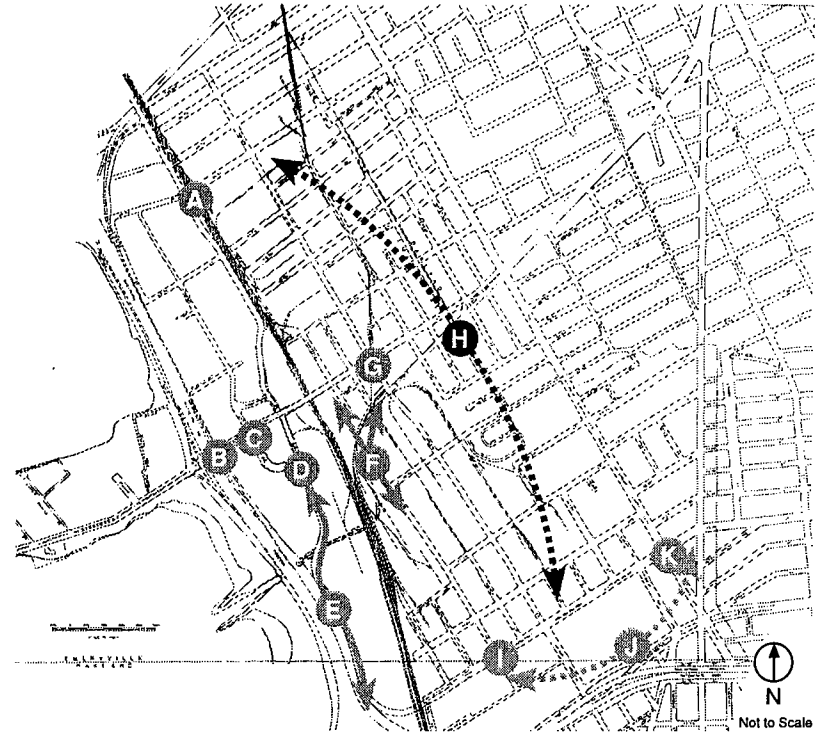
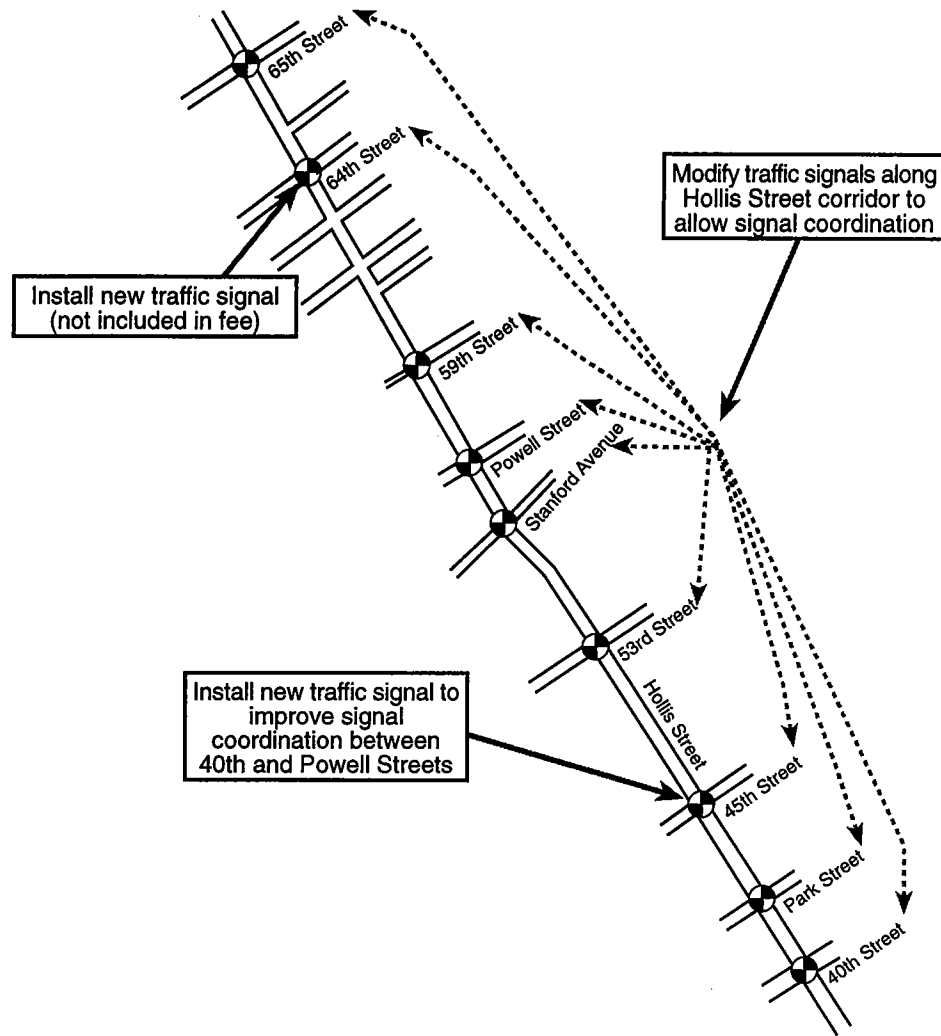


Figure H

1220-35-02

HOLLIS STREET CORRIDOR SIGNAL INTERCONNECT



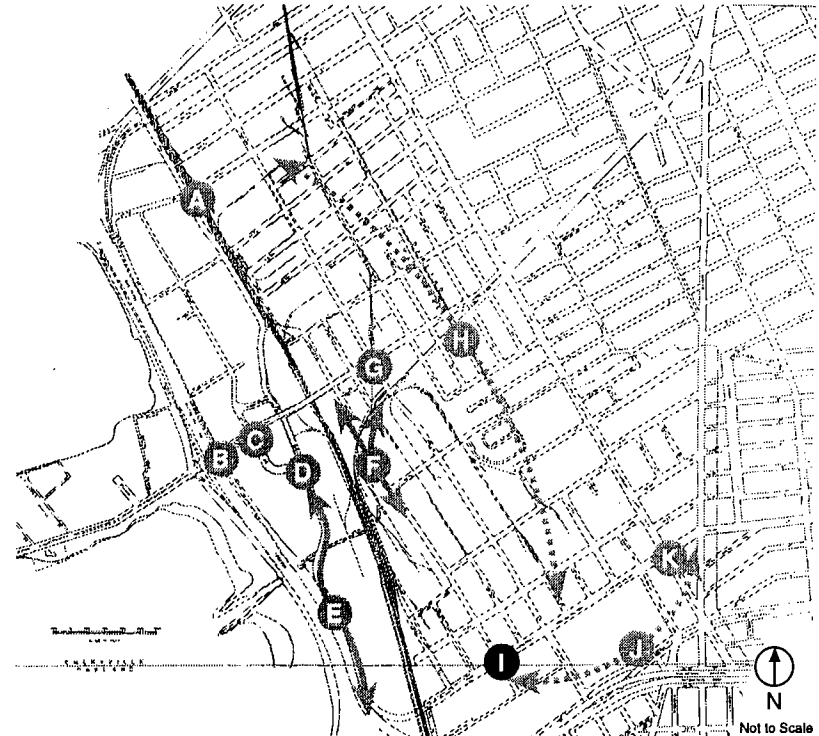
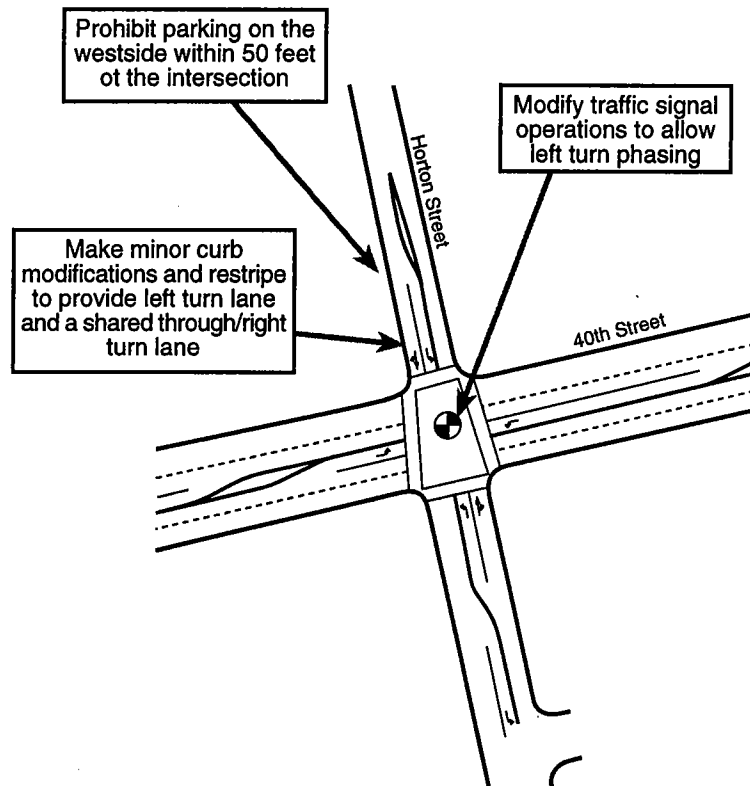


Figure I

1220-34-02

**40TH STREET AND HORTON STREET
INTERSECTION MODIFICATIONS**



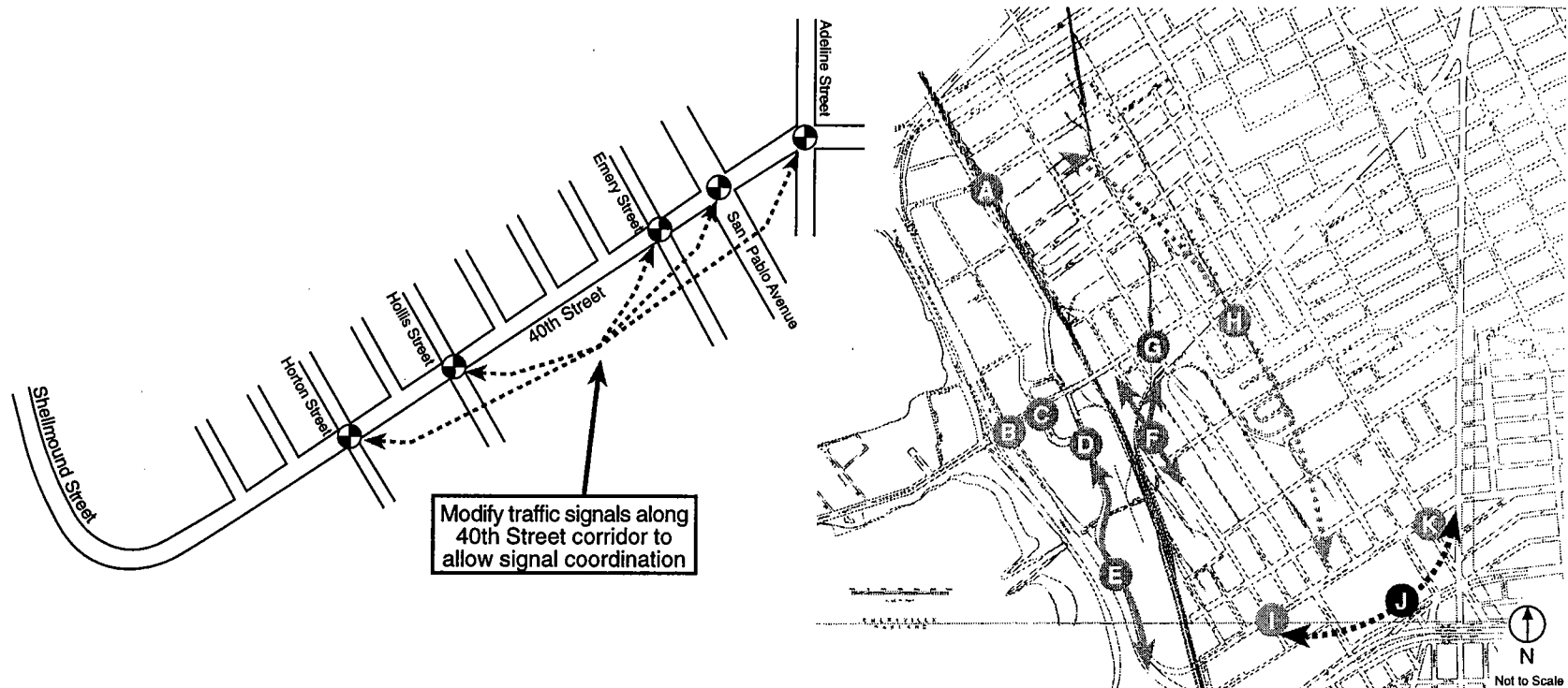


Figure J

1220-33-02

40TH STREET
SIGNAL COORDINATION



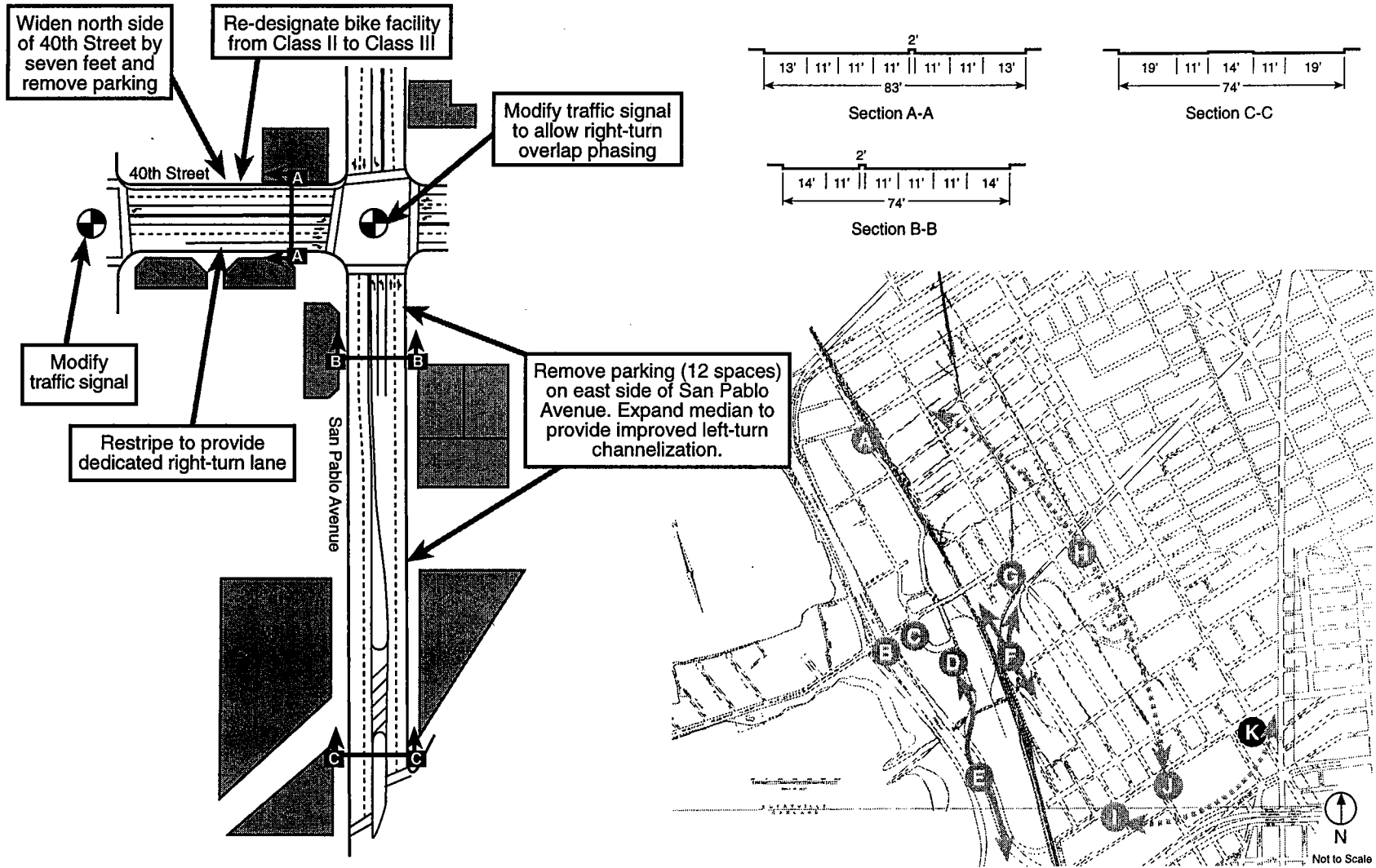


Figure K 1220-26-03	40TH STREET AND SAN PABLO AVENUE INTERSECTION MODIFICATIONS	
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