



Agenda Date: 10/10/2006
Agenda Placement: 8B
Set Time: 10:15 AM PUBLIC HEARING
Estimated Report Time: 15 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Martha Burdick for Robert Peterson - Director
Public Works
REPORT BY: Gail Forward, SENIOR ENGINEERING AIDE , 259-8379
SUBJECT: Annual Review and Fee Adjustment of the Traffic Mitigation Fee Program for the Napa Airport Industrial Area

RECOMMENDATION

Director of Public Works requests the following actions with respect to the Napa Industrial Area Traffic Mitigation Fee Program:

1. Open a Public Hearing for discussion of:
 - a. Annual report on the Traffic Mitigation Fee Program; and
 - b. Adjustment of the Traffic Mitigation Fee.
2. Close the Public Hearing and adopt:
 - a. Resolution making Government Code Section 66006 findings with respect to the mitigation program for the Fiscal Year 2005-2006; and
 - b. Resolution adjusting the traffic mitigation fee for new development within the Airport Industrial Area Specific Plan area for inflation, from \$1,600 to \$2,762 per afternoon peak hour vehicle trip, and updating references to the peak hour methodology document.

EXECUTIVE SUMMARY

The Airport Industrial Area Specific Plan (AIASP) was adopted by the Board of Supervisors on July 29, 1986, to provide for the orderly development of the area around the Napa County Airport. The Road Improvement Program and Development Fee Schedule was adopted by Resolution in December 1990 to fund the Specific Plan area's share of road improvements to accommodate the additional traffic generated by new development.

California Government Code Section 66006(b)(1) requires local government agencies to make a series of financial disclosures regarding the collection and expenditure of the development fees on a yearly basis. In addition, California Government Code Sections 66004 and 65962 provide for the establishment and periodic update of development fees of the type contemplated pursuant to the requirements of Section 66018 and in the manner required by Section 6062(a).

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Mitigation Trust Fund - Airport Industrial Area
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	California Government Code Sections 66004 and 65962 provide for the establishment and periodic update of development fees of the type contemplated by the capital facilities plan to mitigate the road infrastructure impacts anticipated by the Airport Industrial Area Specific Plan (AIASP). Rates are adjusted based upon the CalTrans Construction Cost Index and will be adjusted from the current rate of \$1,600 per P.M. Peak Hour Vehicle Trip to \$2,762 per P.M. Peak Hour Vehicle Trip.
Is the general fund affected?	No
Future fiscal impact:	Future projects which may be constructed from these funds are: the extension of Devlin Road across Fagan Creek to Tower Road, and widening of Devlin Road. The funds are also scheduled to be used to pay for the AIASP area's share of future improvements to the State Highway 29/12 and State Highway 29/221 intersections.
Consequences if not approved:	The fee adjustment is required so that the fees generated by the new developments keep in constant relationship with the cost of construction. If the request is not approved, funding for the capital facilities plan to mitigate the road infrastructure impacts will not be in line with actual costs.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: General Rule. It can be seen with certainty that there is no possibility the proposed action may have a significant effect on the environment and therefore CEQA is not applicable [See Guidelines For the Implementation of the California Environmental Quality Act, 14 CCR 15061(b)(3)].

BACKGROUND AND DISCUSSION

The following information is provided in support of and in compliance with the reporting requirements of Government Code Sections as relates to the Road Improvement Program and Development Fees:

A. Annual Review of the Traffic Mitigation Program

Between Fiscal Years 1990/91 and 2005/06, developers contributed \$3,589,674 to the traffic mitigation program fund; interest earned totaled \$854,506. \$3,097,204 has been expended on approved projects. As of June 30, 2006, the difference between total revenue and expenditures provides for an available balance of \$1,346,976.

Future projects which may be constructed from these funds are the extension of Devlin Road across Fagan Creek to Tower Road, and the widening of Devlin Road. These projects will be completed when there is development in those areas. The funds are also scheduled to be used to pay for the AIASP share of future improvements to the intersections of State Highway 29/12 and State Highway 29/221. Approval of the attached Resolution and Exhibit A is requested to fulfill the Code Section requirements for financial disclosure.

B. Adjustment of the Traffic Mitigation Fee

Section D of the September 1990 Road Improvement Program and Development Fee Schedule requires the County to annually adjust/increase the road development fee to keep pace with the inflationary cost increase in road construction prices. The County uses the California Department of Transportation (DOT) Construction Cost Index. This adjustment for inflation is necessary to maintain the road development fee in constant relationship to the cost of construction. This fee was last adjusted in March 2002 to \$1,600 per afternoon peak hour vehicle trip. The DOT Construction Cost Index has increased dramatically due to cost increases in asphalt concrete pavement, aggregate base, roadway excavation, Class "A" Portland concrete cement structure and reinforcing steel bar. This cost increase requires the fee to be updated to \$2,762 per afternoon peak hour vehicle trip.

C. Monitoring the Rate of Development

An annual comparison of the rate and location of development with that forecasted in the Specific Plan has been completed. This analysis has determined that the assumptions, as to when road improvement projects will be required, are still valid.

The County is also required to actively support and participate in a Countywide transportation task force comprised of public and private entities. The task force is to track State/Federal transportation funding/scheduling issues. The Napa County Transportation Planning Agency (NCTPA) performs these functions.

A notice of this hearing was published in the Napa Valley Register on September 30, 2006 and on October 5, 2006.

SUPPORTING DOCUMENTS

- A . Resolution Updating Fees
- B . Fee History 1991 to 2006
- C . Fee Mitigation Findings Resolution
- D . Exhibit A to Findings Resolution
- E . Exhibit B to Findings Resolution

CEO Recommendation: Approve

Reviewed By: Andrew Carey