

Resolution

Exhibit 2

Addendum I

to the 2003 Development Program (with 2009 Update)

ADOPTED BY BOARD OF SUPERVISORS
ON _____

ADDENDUM I TO THE
2003 DEVELOPMENT PROGRAM REPORT (WITH 2009 UPDATE)
FOR THE
TRI-VALLEY TRANSPORTATION DEVELOPMENT FEE AREA OF BENEFIT

PROVIDING FUNDING FOR CONSTRUCTION OF
REGIONAL TRANSPORTATION IMPROVEMENTS
IN THE TRI-VALLEY AREA

PREPARED PURSUANT TO SECTION 913
COUNTY ORDINANCE CODE

Prepared by:
Contra Costa County
Public Works Department and Department of Conservation and Development,
Community Development Division

October 2009

EXHIBIT 2

ADDENDUM I TO THE 2003 DEVELOPMENT PROGRAM REPORT (WITH 2009 UPDATE)
FOR THE TRI-VALLEY TRANSPORTATION DEVELOPMENT FEE AREA OF BENEFIT
PURSUANT TO THE
BRIDGE CROSSING AND MAJOR THOROUGHFARES FEE AREA POLICY

INTRODUCTION AND PURPOSE

The Tri-Valley Transportation Development (“TVTD”) Fee is a uniform fee on development to fund transportation improvements in the Tri-Valley area, both in Contra Costa County and in Alameda County. The Tri-Valley area consists of the San Ramon Valley, Livermore Valley and Amador Valley. Within this area are portions of southern Contra Costa County and northern Alameda County and the Cities of San Ramon, Livermore, Pleasanton, and Dublin and the Town of Danville, which collectively comprise the Tri-Valley Development Area.

The Tri-Valley Transportation Development Fee Area of Benefit (“TVTD Fee AOB”) is the portion of the Tri-Valley Development Area that is located in unincorporated Contra Costa County.

The purpose of this Addendum I is to describe a proposed change in the TVTD Fee that is charged to developments in the “Other” land use category from the rate shown in Table 2 of the 2003 Development Program Report (with 2009 update) for the Tri-Valley Transportation Development Fee Area of Benefit (“2003 DPR”), dated October 2009 and attached hereto as Exhibit A.

BACKGROUND

The TVTD Fee was first implemented in 1998 by the counties of Alameda and Contra Costa, the cities of San Ramon, Livermore, Pleasanton and Dublin and the Town of Danville, at the recommendation of the Tri-Valley Transportation Council (“TVTC”), a committee made up of representatives from each of these jurisdictions. At that time, the TVTC recommended fee rates for all development categories that were lower than the rates determined in the Tri-Valley Regional Transportation Improvement Fee Program Nexus Analysis (“Nexus Analysis”), which was adopted by the Board of Supervisors in 1998, to be legally justifiable under the Mitigation Fee Act (Gov. Code, § 66000 et seq.)

In 1999, several development applicants raised issues of inequities caused by the fee rate in the “Other” development category. In response, the TVTC recommended that this fee rate be lowered from \$1,526 to \$610.

In 2003, the TVTC recommended additional changes in the TVTD Fees to reduce the rate for multi-family residential developments and increase the rates for office and

industrial developments, to achieve what the TVTC described as a more equitable fee distribution among the various land use categories without increasing the cost of housing.

In response to the above recommendation, Contra Costa County amended its TVTD Fee AOB ordinance in 2003 to reflect the reduction in rates in the Multi-Family Residential development category and increase in rates for Office and Industrial developments.

In July 2009 the TVTC voted to recommend an increase in the "Other" fee rate from \$873 to \$2,181, to be consistent with the original intent of the fee structure.

The basis for this distribution is provided in the Nexus Analysis and the Development Program Report for the Tri-Valley Transportation Development Area of Benefit, dated August 11, 1998. The findings in these reports are the basis for Ordinance 98-35 which is readopted through Ordinance 2009-29.

RECOMMENDED FEES

Consistent with the TVTC's recommendation, an adjustment to the County's TVTD Fee AOB rate in the "Other" development category is now recommended by County staff. With the proposed adjustment, the County's fee rates would be as follows:

<u>Category</u>	<u>Fee Rate</u>
Single-Family Residential	\$2,181 per dwelling unit
Multi-Family Residential	\$1,387 per dwelling unit
Office	\$3.91 per SF of gross floor area
Retail	\$1.46 per SF of gross floor area
Industrial	\$2.65 per SF of gross floor area
Other	\$2,181 per peak hour trip