

From: Lisa Vorderbrueggen lvorderbrueggen@biabayarea.org
Subject: Today's TRANSPAC meeting ..
Date: Jul 13, 2017, 7:27:15 AM
To: Karen Mitchoff
Bcc: Julie Pierce

Hi Karen,

I planned to attend this morning's TRANSPAC meeting but my back has gone out and I am, unfortunately, going nowhere for a few days.

Here are the details of what I planned to address at the TRANSPAC meeting today.

Specifically, BIA is very concerned about the draft 2017 Contra Costa Countywide Plan's call to expand the regional fee mitigation program to include ongoing maintenance and operations and transit service.

Expanding the regional mitigation fee potentially adds thousands of dollars to the already impossibly high cost of new housing and burdens new homebuyers and renters at disproportionately higher levels of financial responsibility for the maintenance and operations of the transportation system than existing residents. It would also price more families out of Contra Costa's housing market, exacerbating congestion as they buy in less expensive areas such as San Joaquin and Solano counties and commute into the Bay Area. The regional mitigation fee in East Contra Costa, for example, is already \$18,000 for a single-family home.

BIA|Bay Area will be asking the Contra Costa Transportation Authority to remove the references to the expansion of the regional mitigation fee from the 2017 CTP.

First, Gov't Code Section 65913.8 (attached) expressly prohibits the use of development fees charged for capital facility improvements on maintenance or operations:

"A fee, charge or other form of payment imposed by a governing body of a local agency for a public capital facility improvement related to a development project may not include an amount for the maintenance or operation of an improvement when the fee, charge, or other form of payment is required as a condition of the approval of a development project, or required to fulfill a condition of the approval."

The first reference to the fee mitigation expansion appears in Volume 1 on

page ES-12 and it does not appear to reflect state law:

"The 2017 CTP includes new strategies to establish effective preventive maintenance and reduce the backlog of transportation rehabilitation and maintenance needs. Creating a stable funding source for long-term maintenance costs is a Plan priority. With this in mind, the Authority intends to expand the Regional Transportation Mitigation Program to ensure that fees collected cover the costs of ongoing maintenance. New facilities should not be built if they cannot be maintained."

The second reference is on page 1-5. This would appear to add transit service to what has been a capital improvements fee program and again does not reflect the statute:

"Investigating opportunities to extend the Regional Development Mitigation Program to include support for a Transit Mitigation Fund, which could support service expansion, as needed, and programmatic reductions in vehicle miles traveled (VMT) to mitigate the impacts of development."

The third reference appears to suggest that local jurisdictions would be required to condition development approvals on establishment of road maintenance/operations funding agreements as part of the RTMP, which has serious implications for local land-use decision-making authority. The references are on pages 3-21 and 3-22:

"With this in mind, the Authority will be looking at ways to expand the current Regional Transportation Mitigation Program (RTMP) to ensure that fees include the costs of ongoing maintenance for a stated period of time if assessment districts or other funding arrangements will not be in place. The basic idea is that local jurisdictions should not build new transportation facilities if they cannot take care of them. More complicated, as noted in Strategies 4.2 and 4.3, is funding the backlog for pavement rehabilitation and related projects."

... What the Authority can do to ensure long-term maintenance of all new improvements. One option is to require commitments to long-term maintenance of new improvement as a condition of approval of a development mitigation program. Modifications of the RTMP program

requirements would be needed to accomplish this."

... What the Authority can do to assist with deferred maintenance of existing facilities. Funding will be available through the Local Streets Maintenance and Improvements (LSM&I) Program and subregional programs created to meet the needs of specific areas within Contra Costa. The Authority also will provide guidance on best practices and may require commitments to putting in place policies and procedures for long-term maintenance as a condition of continuing eligibility for LSM&I Program funds."

The fourth reference is on Page 3-25. To my knowledge, there are no prohibitions on using existing fee revenues on streetscape infrastructure or bicycle facilities (as long as there is a nexus and the projects are analyzed in the nexus studies) but the law does not permit the fees to be used for ongoing operations costs:

"To bolster Measure J sales tax revenues, the Authority will investigate the feasibility of augmenting its Regional Transportation Mitigation Program (RTMP), so additional revenues could be used to support transit services as well as street and highway improvements and also be available to pay for bicycle facilities and streetscape infrastructure. If, based on public input, this initiative seems worth pursuing, the Authority could commission a "nexus" study and an economic feasibility study."

Counties and cities will soon start receiving additional revenues for local streets and roads maintenance.

Gov. Jerry Brown signed SB 1 bill on June 30, 2017, that will raise the gas tax 20 cents a gallon to 36 cents a gallon starting Nov. 1, 2017. Cities and counties will then start collecting tens of millions more dollars a year for local road repairs and maintenance. CCTA may go the polls again in the next two or four years and ask voters to consider a sales tax extension and the expenditure plan will almost certainly -- as it did in 2016 -- include a large percentage of return-to-source money for the cities and the county to use on local road maintenance.

Granted, neither of these taxes will bring in enough money. There is never enough money, it seems, for transportation. But making housing even more

expensive will not close the transportation funding gap and it will worsen an already horrific housing crisis.

Feel free to call or email if you would like to talk about this in more detail. I am preparing a detailed comment letter for CCTA and will speak at the CCTA meeting on July 19, 2017.

Thanks! LisaV

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