

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, DECEMBER 11, 2024**

MINUTE ORDER NO. 3

SUBJECT: RECEIVE TRANSPORTATION IMPACT FEE AND REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FISCAL YEAR 2023-24 COMPREHENSIVE ANNUAL AND FIVE-YEAR MITIGATION FEES REPORT AND RELATED CEQA FINDING (DISTRICTS: ALL)

OVERVIEW

The County of San Diego's infrastructure improvement fee programs are designed to equitably distribute the costs associated with new development by charging fees that correspond to the impacts of development projects. These programs help fund necessary infrastructure improvements while alleviating the financial burden on taxpayers. This approach ensures that the growth in the community is sustainable and that essential public services are maintained. By linking fees directly to development impacts, the County aims to create a balanced framework that supports both growth and community needs.

The State of California's Mitigation Fee Act (Act) (Section 66000-66025) establishes requirements that jurisdictions must follow when imposing fees on developers that are intended to mitigate impacts from those developments. The Act requires agencies collecting these types of fees to review and make available to the public an annual report accounting for the development fees held by the agency. The Act also requires that the agency review to confirm that fees collected more than five years ago are still needed for the improvements for which the fees were collected. An annual report and five-year findings are required by the Act to be consolidated into a single report made available to the public within 180 days after the last day of each fiscal year, which is December 28, 2024, for the current reporting period.

This letter describes two mitigation fees that the County of San Diego (County) collects and is accompanied by a report required by the Act in Attachment A. One fee is the Transportation Impact Fee and the other is the Regional Transportation Congestion Improvement Program fee. These fees are both collected from developers to mitigate impacts from traffic associated with their development projects. The County also maintains a third traffic impact mitigation fee program which was established on June 19, 1973 (94) called Board Policy J-25 (J-25), Participation of Individuals, Organizations, Private Developers, or other Jurisdictions in the Implementation of Intersection Betterments. The J-25 fee differs from the two fees described in this letter mainly in that J-25 fees are collected on an ad hoc basis according to the level of traffic impact a development is expected to cause as opposed to a set fee schedule. A letter and accompanying report submitted to the County Board of Supervisors at the December 11, 2024 hearing describes the J-25 fee and includes reporting information required by the Act.

The County's Transportation Impact Fee (TIF) was established to enable developers of large and small development projects to mitigate cumulative traffic impacts in accordance with California Environmental Quality Act (CEQA) guidelines by paying into the TIF program instead of constructing physical road improvements. The TIF program was based on traffic impacts using traffic congestion as a measure under CEQA. Senate Bill (SB) 743 changed how traffic impacts are measured under CEQA, which are now measured by how much extra driving a project generates, referred to as Vehicle Miles Traveled, or VMT, instead of measuring congestion. As a result of this change to CEQA, after July 1, 2020, new projects that are not able to rely on or tier from a previous environmental analysis adopted

prior to VMT, may not mitigate traffic impacts under CEQA using the TIF program. Fees that are held by the County are subject to guidelines from the TIF program and can only be used for projects on the approved list of roads in unincorporated communities as identified in the TIF Transportation Needs Assessment Report published September 2012. These guidelines ensure that road improvements will serve the communities associated with the development project for which fees were paid.

In addition to TIF, the County collects the Regional Transportation Congestion Improvement Program (RTCIP) fee. Fees from RTCIP ensure future development projects contribute their proportional share of funding needed to mitigate regional transportation impacts. RTCIP fees may only be spent on improvements on Regional Arterial System roads as required by the TransNet Extension Ordinance.

Today's request is for the Board of Supervisors to receive the Transportation Impact Fee and Regional Transportation Congestion Improvement Program Fiscal Year 2023-24 Comprehensive Annual and Five-Year Mitigation Fees Report, which contains the Mitigation Fee Act annual report and five-year Findings

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the receipt of the Transportation Impact Fee and Regional Transportation Congestion Improvement Program Fiscal Year 2023-24 Comprehensive Annual and Five-Year Mitigation Fees Report is not subject to the California Environmental Quality Act (CEQA), as specified under Section 15060(c)(3) and Section 15378 of the CEQA Guidelines and Section 21065 of the Public Resources Code, because it involves an administrative review of a fiscal report with no commitment to any specific project that may have a significant effect on the environment, and is not a project.
2. Receive the Transportation Impact Fee (TIF) and Regional Transportation Congestion Improvement Program (RTCIP) Fiscal Year 2023-24 Comprehensive Annual and Five- Year Mitigation Fees Report and adopt the findings included therein.

EQUITY IMPACT STATEMENT

Fees collected in accordance with the Traffic Impact Fee program and Regional Transportation Congestion Improvement Program fund improvements are needed to mitigate traffic impacts arising from private development. This helps ensure a transportation system that is safe and accessible for all road users and modes of transportation, and for people of all income levels, races, ethnicities, ages, and abilities.

SUSTAINABILITY IMPACT STATEMENT

The proposed actions in today's request support the County of San Diego's (County) sustainability goals to align the County's available resources with services to maintain fiscal stability. The fund balances are used to help ensure the County can provide road improvements that maintain safe, reliable, and efficient travel for all modes of transportation in the unincorporated areas of the county. As funds are used for projects, the improved roads and intersections will incorporate features that reduce storm runoff, enhance pedestrian and cyclist safety, and improve operations to reduce idling and emissions, which aligns with the County's sustainability goal of reducing greenhouse gasses.

Additionally, staff are exploring practical strategies for facilitating residential development in vehicle miles traveled (VMT) efficient and infill areas. Following the conclusion of the analyses, staff will evaluate the future use of fee program funds to support these initiatives and associated findings.

FISCAL IMPACT

There is no fiscal impact associated with these recommendations. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Desmond seconded by Supervisor Vargas, the Board of Supervisors took action as recommended, on Consent.

AYES: Vargas, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: Anderson

State of California)
County of San Diego)

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter