

ORDINANCE NO. 99-18

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF AMERICAN CANYON
ADOPTING DEVELOPMENT IMPACT FEES
FOR TRAFFIC MITIGATION**

WHEREAS, most communities that anticipate future growth adopt Impact Fees to ensure that growth pays for its fair share of the roads, parks, and other civic facilities triggered by that growth, American Canyon currently has fees for sewer and water (referred to as Connection Fees), and for park improvement and civic facilities. No fees exist to deal with traffic impacts; and

WHEREAS, in order to implement the Roadway and Intersection Improvement projects outlined in the Circulation Element of the General Plan to accommodate the anticipated levels of new development as provided for in the General Plan, the City Council has determined it is necessary to estimate the total costs of those improvements and to assess all new development a pro rata share of the costs of these improvements; and

WHEREAS, the City of American Canyon General Plan identifies the roadway and intersection improvements needed to accommodate the anticipated residents and businesses at build-out. In order to identify the costs for these improvements and recommend an equitable allocation of the costs, the City Council commissioned TJKM Transportation Consultants to prepare the Thoroughfare Master Plan and Traffic Impact Fee Update. City of American Canyon staff have reviewed and modified said update in accordance with accepted planning and engineering principles; and

WHEREAS, in order to encourage new retail or industrial development, two special programs have been provided. The Special Industrial Incentive Program allows a 15% reduction in the Traffic Fees, if the proposed development will significantly contribute to the tax base or add new jobs. The Alternative Commercial Rate acknowledges there is a wide diversity of commercial uses; therefore, the City Council will consider the findings of an independent traffic study, justifying a lesser Traffic Impact Fee; and

WHEREAS, the City Council held a duly noticed public hearing on the proposed Traffic Mitigation Fee on December 2, 1999, at which time all those in attendance were given an opportunity to speak or submit written comments; and

WHEREAS, this Ordinance is adopted pursuant to the authority granted in Government Code Section 66447.

IT IS HEREBY ORDAINED by the City Council of the City of American Canyon to adopt a new Municipal Code Chapter 15.12, Traffic Mitigation Development Impact Fees, as follows:

I. Chapter 15.12
Traffic Mitigation Impact Fees

Section 15.12.010	Purpose
Section 15.12.020	Findings
Section 15.12.030	Definitions
Section 15.12.040	Exemptions
Section 15.12.050	Development Impact Fees
Section 15.12.060	Collection of Fees
Section 15.12.070	In Lieu Contributions
Section 15.12.080	Special Industrial Incentive Program
Section 15.12.090	Alternative Commercial Rate Program
Section 15.12.100	Change of Use
Section 15.12.110	Disposition of Revenues
Section 15.12.120	Refunds
Section 15.12.130	Supplementary Provisions

15.12.010 Purpose. This Chapter has been enacted for the purpose of establishing development impact fees to defray the actual costs of constructing traffic improvements to mitigate impacts resulting from proposed new development identified in the American Canyon General Plan.

15.12.020 Findings.

- A. The American Canyon General Plan Land Use Element identifies projected build-out for the City of American Canyon; and
- B. Each new land development project in the City of American Canyon will generate additional traffic within the City limits of American Canyon, which will cumulatively cause adverse environmental effects if improvements for traffic circulation are not made; and
- C. The American Canyon General Plan Circulation Element identifies the roadway and intersection improvements necessary to accommodate the anticipated levels of development; and
- D. Without a traffic mitigation fee, existing and future sources of revenue will be inadequate to fund a substantial portion of the improvements for traffic circulation which are necessary to avoid the unacceptable level of congestion and related adverse impacts created by expected development within the City of American Canyon; and
- E. It is the intent of the City Council to adopt by this Ordinance a fair and equitable method of securing the revenues necessary to fund the construction and implementation of necessary traffic circulation improvements.

15.12.030 Definitions.

- A. "Construction" shall mean the original construction of a new single-family residence, townhouse, apartment, restaurant, motel or hotel, industrial use, retail use, office use, or institutional use.
- B. "Traffic Improvements" shall mean those roadway and intersection improvements identified in the Circulation Element of the General Plan and Exhibit A of this Ordinance.
- C. "Traffic Mitigation Fee" or "Traffic Impact Fee" or "Traffic Development Impact Fee" shall mean that fee for traffic mitigation for the various land use categories identified in Exhibit B of this Ordinance.

15.12.040 Exemptions. The following projects are exempt from the provisions of this Chapter:

- A. Development for which a vesting tentative map application has been accepted as complete or has been approved prior to the effective date of this amended Ordinance. In such cases, an agreed-upon fee as part of the Conditions of Approval for said application shall remain in effect.
- B. Capital improvements/buildings related to the operation of the City of American Canyon governmental operations.
- C. Temporary uses less than 12 months in duration.
- D. Replacement development on a one-to-one basis for residential, industrial, and commercial construction.
- E. Replacement of commercial units destroyed by fire or natural disaster, provided the floor area is not increased.

15.12.050 Development Impact Fees.

- A. A Traffic Impact Fee is hereby imposed on new construction as set forth herein. The fee shall be in accordance with the cost per unit (e.g., dwelling unit, square feet, hotel/motel rooms, etc.) as identified in Exhibit B and defined herein.
- B. To provide for construction cost increases due to inflation, on July 1st of each year, beginning July 1, 2000, the fees shall be increased on the basis of the percentage annual increase shown by the Construction Cost Index (CCI) in the San Francisco area published in the Engineering News Record (ENR) by McGraw Hill Publishing Company.

Ordinance No. 99-18
Traffic Impact Fees
Page 4

15.12.060 Collection of Fees. The Traffic Impact Fees set forth in this Chapter shall be collected from new construction prior to issuance of a building permit, unless other provisions are adopted as a part of an approved Development Agreement.

15.12.070 In Lieu Contributions.

- A. The traffic impact fee set forth in this Chapter may be reduced by a credit given for construction by a developer of all or a portion of the improvements identified in Exhibit A hereto and/or other on-site and/or off-site traffic improvements, subject to the approval by the City Council in each case.
- B. The amount of the credit for traffic impact fees shall be approved by the City Council upon recommendation by the City Engineer.

15.12.080 Special Industrial Incentive Program. The Special Industrial Incentive Program allows the City Council to approve a 15% reduction in the Traffic Impact Fees, upon making specific finding that the proposed development will significantly contribute to the tax base or add new jobs. For example, manufacturing facilities which employ a large number of skilled workers would be eligible for consideration, while warehouses, which are typically not labor intensive, would not necessarily be eligible.

15.12.090 Alternative Commercial Rate Program. The Alternative Commercial Rate Program recognizes the diversity of commercial uses and the potential differences in Traffic Generation Rates and Peak Hour characteristics. The City Council may consider the findings of an independent traffic study, prepared under the direction of the Planning Director and funded by the applicant, justifying a lesser Traffic Impact Fee.

15.12.100 Change of Use. In the event of change of use in a development for which Traffic Impact Fees were paid in accordance with this Chapter, particularly those projects benefiting from either the Special Industrial Incentive Program or the Alternative Commercial Rate Program, the City Council may require the payment of the difference between the Traffic Impact Fees originally paid and the amount required by this Chapter for new use. The Planning Director and City Engineer shall forward a recommendation to the City Council in each case.

15.12.110 Disposition of Revenues. The fees collected pursuant to this Chapter shall be held in separate accounts as deemed appropriate by the Finance Director and expended solely on the traffic improvements identified herein.

15.12.120 Refunds. Where a building permit has expired with no notable progress and no extension has been granted, a refund of fees paid may be given, provided the claim for refund is made within one (1) year after the expiration date of the building permit.

15.12.130 Supplementary Provisions. The fees required by this Ordinance shall be supplementary to the fees, dedications or conditions imposed on a development of new construction pursuant to City approval, or as is imposed by existing State or local law.

Exhibit A: Project Costs Allocated by Funding Source, Winter 1999

Prj. Nbr.	Project Title	Total Cost		Other Sources		Developer Paid		Impact Fees	
		Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount
1	Flosden & American Canyon Rd, traffic signal	*	165,000	10%	16,500	90%	148,500	0%	0
2	Flosden Rd, widen to 2 lanes, American Canyon Rd to Vallejo City Limits	*	1,000,000	0%	0	70%	700,000	30%	300,000
3	Broadway & American Canyon Rd, traffic signal, road imp. & bridgework	*	1,000,000	0%	0	60%	600,000	40%	400,000
4	Eucalyptus & Hwy 29, re-align traffic signal, including 900' of roadway		785,000	0%	0	25%	196,250	75%	588,750
5	Hwy 29 & Donaldson, traffic signal, land acq. & road re-alignment		680,000	0%	0	75%	510,000	25%	170,000
6	Flosden Extension, 2 lanes from American Canyon Rd to Frisbee Lane		1,860,000	0%	0	75%	1,395,000	25%	465,000
7	Frisbee, 2 lanes from Hwy 29 to Flosden (w/bridge & at-grade RR crossing)		1,720,000	0%	0	80%	1,376,000	20%	344,000
8	Flosden Extension, 2 lanes from Frisbee to Town Center Drive		1,750,000	0%	0	50%	875,000	50%	875,000
9	Town Center Dr, 2 lanes from Hwy 29 to Flosden Ext. (w/at-grade RR crossing)		1,766,000	0%	0	50%	883,000	50%	883,000
10	American Canyon Rd, add 2 lanes from Hwy 29 to Broadway		790,000	0%	0	50%	395,000	50%	395,000
11	Hwy 29 & American Canyon Rd, intersection improvements		165,000	0%	0	0%	0	100%	165,000
12	Green Island Rd., add 1 lane from Paoli Loop to Commerce		1,200,000	0%	0	60%	720,000	40%	480,000
13	Paoli Loop Upgrade (widen shoulders, redesign SW loop radius)		660,000	33%	217,800	34%	224,400	33%	217,800
14	Wetlands Edge Rd, Sunset Meadows portion (w/Bridge, but no trail)	*	575,000	0%	0	58%	333,500	42%	241,500
15	Wetlands Edge Rd, Tapers' portion (w/no trail)	*	264,000	0%	0	58%	153,120	42%	110,880
16	Eucalyptus Rd, improvements west of Oceanview Subdivision		720,000	0%	0	50%	360,000	50%	360,000
17	Eucalyptus Rd, improvements east of Oceanview Subdivision		880,000	0%	0	25%	220,000	75%	660,000
18	Commerce, No. Slough to Eucalyptus (bridge & Emerg. Access Rd.)		1,100,000	0%	0	0%	0	100%	1,100,000
19	Hanna Extension, bridge crossing and related utilities		620,000	0%	0	0%	0	100%	620,000
20	Traffic Enhancements (Ped. Bridge, Grade Separated RR, Landscaping, etc.)		2,085,000	34%	708,900	33%	688,050	33%	688,050
21	Future Traffic Studies		50,000	0%	0	0%	0	100%	50,000
GRAND TOTALS			19,835,000		943,200		9,777,820		9,113,980
Estimated revenue shortfall from Retail/Office/Industrial Incentives					1,500,000				
Adjusted Total for Other Sources					2,443,200				

* Reflects adjustments due to approved or pending Conditions of Approval, as agreed to by the specific developer(s) in question.

Exhibit B: Traffic Impact Fee Calculations, Winter 1999

Land Use Types		Anticipated Growth			Trip Generation Rates					Trip Calculations			Traffic Fee Calculations					
Category	Unit	Current	Buildout	Net Growth	Daily Rate	Pct. New	Trip Dist.	Pct. Intra	Pct. Import	Intra Trips	Import Trips	Total Trips	New Trips Per Unit	Initial Fee	Discount Pct.	Proposed Fee/Unit	Revenue Produced	
Single Family	DU	2,475	5,123	2,648	9.55	100%	10.0	20%	80%	2,529	20,231	22,760	8.60	1,709	0%	\$1,709	\$4,526,542	
Multi-Family	DU	772	1,022	250	6.28	100%	10.0	20%	80%	157	1,256	1,413	5.65	1,124	0%	\$1,124	\$281,025	
Retail/Office	ksf	262	1,172	910	46.80	49%	3.0	67%	33%	6,956	6,956	13,912	15.29	3041	50%	\$1,520	\$1,383,454	
Restaurant	Seat	655	955	300	2.86	79%	2.5	80%	20%	271	136	407	1.36	270	50%	\$135	\$40,443	
Motel/Hotel	Room	0	400	400	6.41	59%	6.4	31%	69%	236	1,040	1,276	3.19	635	50%	\$317	\$126,928	
Industrial	ksf	2,000	6,000	4,000	5.92	92%	5.1	39%	61%	4,272	13,242	17,514	4.38	871	0%	\$871	\$3,483,260	
Totals										14,421	42,861	57,282	Total					\$9,841,651

Notes:

1. **Calculation of Cost per Net New Trip:**

Impact Fee's Share	9,113,980
Net New Trips	45,825
Cost per Net New Trip	\$199

2. **Calculation of Net New Trips:**

Total Projected New Trips	57,282
Less Discount for unrealized growth	20%
Net New Trips	45,825

- Trip Generation Rates** are based on the Institute of Traffic Engineers (ITE) studies and standards.
- Intra Trip** formula: (Daily Rate x Pct. New x Net Growth x Pct. Intra)/2
- Import Trip** formula: (Daily Rate x Pct. New x Net Growth x Pct. Import)
- New Trips Per Unit** formula: (Net Growth / Total Trips)
- Impact Fee** formula: (New Trips Per Unit x Cost per Net New Trip)
- Actual Traffic Impact Fees for Retail/Office and Industrial are based on single square footage, not thousand square feet.
- The discount for Retail and Industrial has been included to encourage those types of land uses, consistent with the City's Economic Development policy. The estimated revenue shortfall caused by that discounting has been included in the "Other Sources" column (see Exhibit A).

Recommended Traffic Impact Fees, December 1999

Land Use Category	Unit	Fee
<i>Single Family</i>	DU	\$1,709
<i>Multi-Family</i> (includes Group Homes, Mobile Homes)	DU	\$1,124
<i>Retail/Office</i> (includes any commercial not listed below)	Sq. Ft.	\$1.52
<i>Restaurant</i>	Seat	\$135
<i>Motel/Hotel</i>	Room	\$317
<i>Industrial</i> (includes warehousing & distribution uses)	Sq. Ft.	\$0.87

DU = Dwelling Unit

Sq. Ft. = Square Foot of building space

Special Industrial Incentive Program

If an Industrial Project will produce significant new jobs or tax revenues, then a 15% reduction in Traffic Mitigation Fees may be allowed. Determination to be made by City Council. Generally, warehousing or distribution facilities would not be eligible.

Alternative Commercial Rate Program

Given the diversity of uses inherent in the Retail/Office category, an applicant may request an Alternative Traffic Mitigation Fee, based upon an independent traffic study, paid for by the applicant.

II. Effective Date

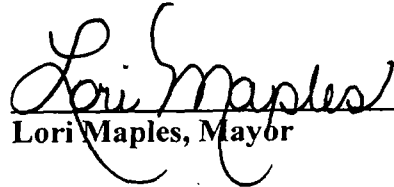
A summary of this Ordinance shall be published once in the Vallejo Times Herald, a newspaper of general circulation serving the City of American Canyon, within fifteen (15) days after its passage and shall become effective sixty (60) days after the date of its adoption.

III. Severability

The provisions of this Ordinance shall be severable. If any portion is found to be unconstitutional, illegal or invalid, the remainder shall survive and remain effective and enforceable.

The foregoing Ordinance was introduced and read at the meeting of December 2, 1999, and was passed and adopted at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 16th day of December, 1999, by the following vote:

AYES: Maples, Colcleaser, Canziani, Anderson, Shaver
NOES: None
ABSTAIN: None
ABSENT: None


Lori Maples, Mayor

ATTEST:


Mark Joseph, City Clerk

APPROVED AS TO FORM:


William D. Ross, City Attorney