

SECTION VII

TRANSPORTATION SDC

The City's existing transportation SDCs are based on the projected number of peak hour trips generated by land use. Specifically, new development is charged a transportation SDC equal to the added number of peak hour trips multiplied by the transportation SDC unit cost. The existing transportation SDC unit cost is \$775.54 per peak hour trip.

A. CAPACITY BASIS

DKS Associates prepared the City's Transportation System Plan (TSP) in 2008, providing the cost estimates for the transportation capital plan and estimating growth in the number of PM peak hour trips. The TSP identified additional 7,481 PM peak hour trips resulting from household and employment increases in the City by 2025.

B. REIMBURSEMENT FEE COST BASIS

It is important to first recall that the transportation infrastructure has been funded largely by general tax sources, leaving only unused capacity in SDC-funded infrastructure eligible for reimbursement. In order to estimate the cost of unused capacity in the existing transportation system – the numerator in the reimbursement fee calculation – the following approach was taken.

- City staff provided a history of past SDC expenditures (improvement fee only) from FY 1999/2000 through FY 2007/2008, totaling \$741,264.
- FCS GROUP estimated remaining unused capacity from these expenditures by reducing the total for each year proportionally by the growth that has occurred since that year. The resulting total of unused capacity in the existing system was \$689,014.
- The total unused capacity in the existing system, \$689,014, became the reimbursement fee cost basis.

C. REIMBURSEMENT FEE CALCULATION

The reimbursement fee was then calculated as the reimbursement fee cost basis, \$689,014, divided by forecasted growth in peak-hour trips, 7,481. The resulting reimbursement fee is \$92.10 per peak hour trip.

D. IMPROVEMENT FEE COST BASIS

The improvement fee cost basis and the resulting fee was calculated as follows:

- The estimated total cost of capital improvement projects is \$12,915,000.
- Total cost of projects correcting the existing deficiencies is estimated to be \$1,819,650.
- After deducting the project costs correcting existing deficiencies, the improvement fee cost basis is calculated. The net improvement fee eligible future cost is \$11,095,350.

E. IMPROVEMENT FEE CALCULATION

The improvement fee was then calculated as follows. The improvement fee cost basis of \$11,095,350 was divided by total forecasted growth in PM peak hour trips, 7,481, to establish the base improvement fee of \$1,483 per peak hour trip.

F. RECOMMENDED SYSTEM DEVELOPMENT CHARGE

The recommended transportation SDC of \$1,601 per peak-hour trip is the sum of the reimbursement fee and improvement fee, adjusted by an administrative cost recovery factor of 1.61%, or \$25. The administrative cost recovery factor was derived by dividing annual SDC program accounting and administrative costs, including the amortized cost of this study, by forecasted annual SDC revenues. The resulting recommended SDCs for a partial list of land uses are provided below in **Exhibit 4**. A more comprehensive list can be found in **Appendix A**. This comprehensive list should be used to apply the recommended charge, as the list includes deductions for pass-by and diverted-linked trips.

Exhibit 4 - Sample of the Proposed Transportation SDCs

| Customer Type | Estimated Daily Trips [1] | SDC | Basis |
|-------------------------------|----------------------------------|------------|-------------------|
| 1 SFR | 1.01 per DU | \$ 1,617 | per DU |
| 2 Apartments | 0.62 per DU | \$ 992 | per DU |
| 3 General Office Bldg. | 1.49 per 1,000 sq. ft. | \$ 2,385 | per 1,000 sq. ft. |
| 4 Specialty Retail | 2.71 per 1,000 sq. ft. | \$ 4,338 | per 1,000 sq. ft. |
| 5 Supermarket | 6.69 per 1,000 sq. ft. | \$ 10,708 | per 1,000 sq. ft. |
| 6 Light Industry | 0.98 per 1,000 sq. ft. | \$ 1,569 | per 1,000 sq. ft. |

[1] Source: Institute of Transportation Engineers, Trip Generation, Seventh Edition.