

TRAFFIC IMPROVEMENT PROGRAM

Recommended Action

Approve an annual adjustment to the Salinas Traffic Impact Fee to take effect immediately.



James Serrano, Transportation Manager
Public Works
June 3, 2019

Traffic fee ordinance

- Why important?
 - Renewed interest from City Council
 - Financing Tool for the City Transportation System
 - Provides Benefits for Development
 - Prevents use of City General Fund, Gas Tax and local funds

City of
Salinas

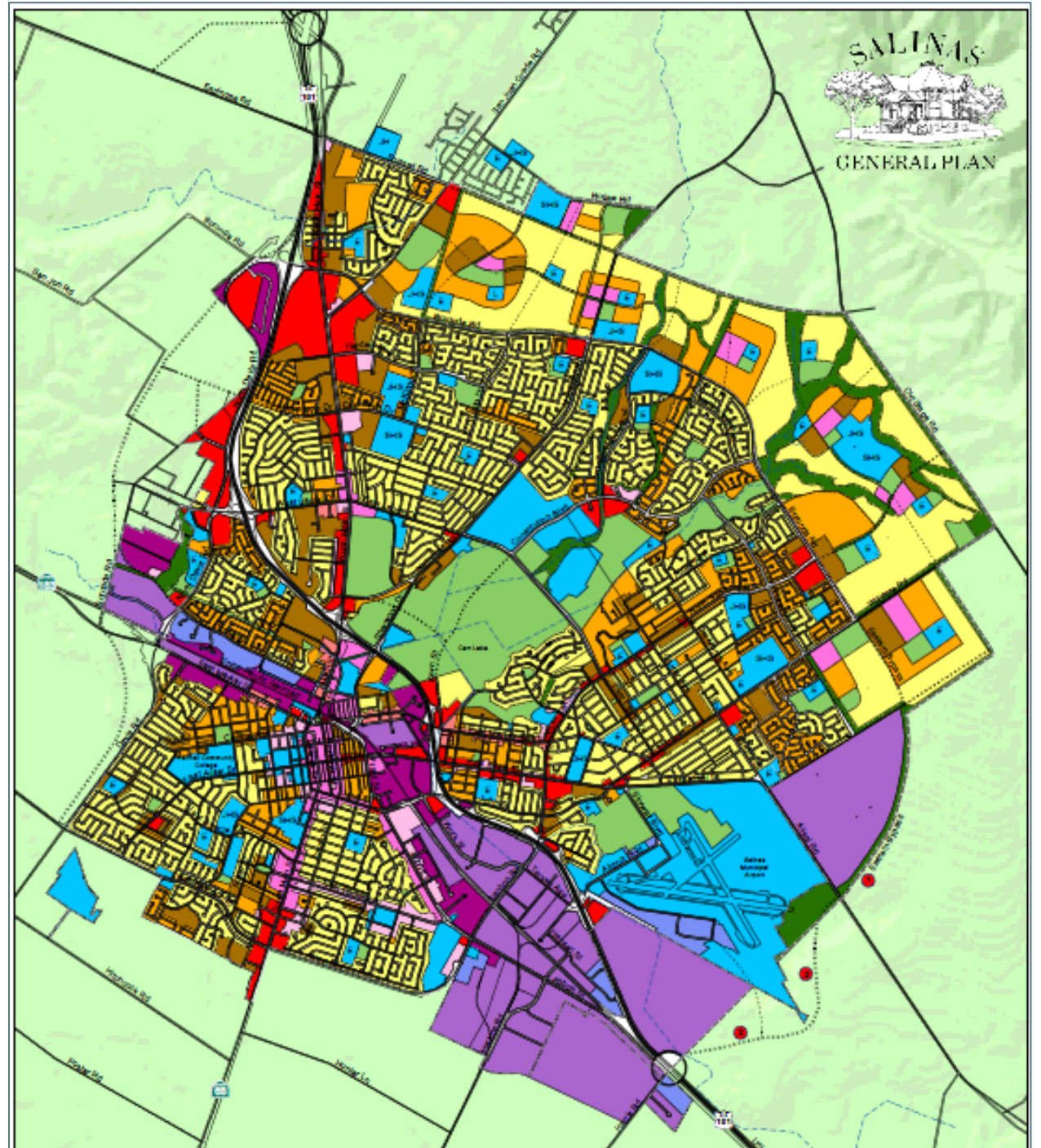


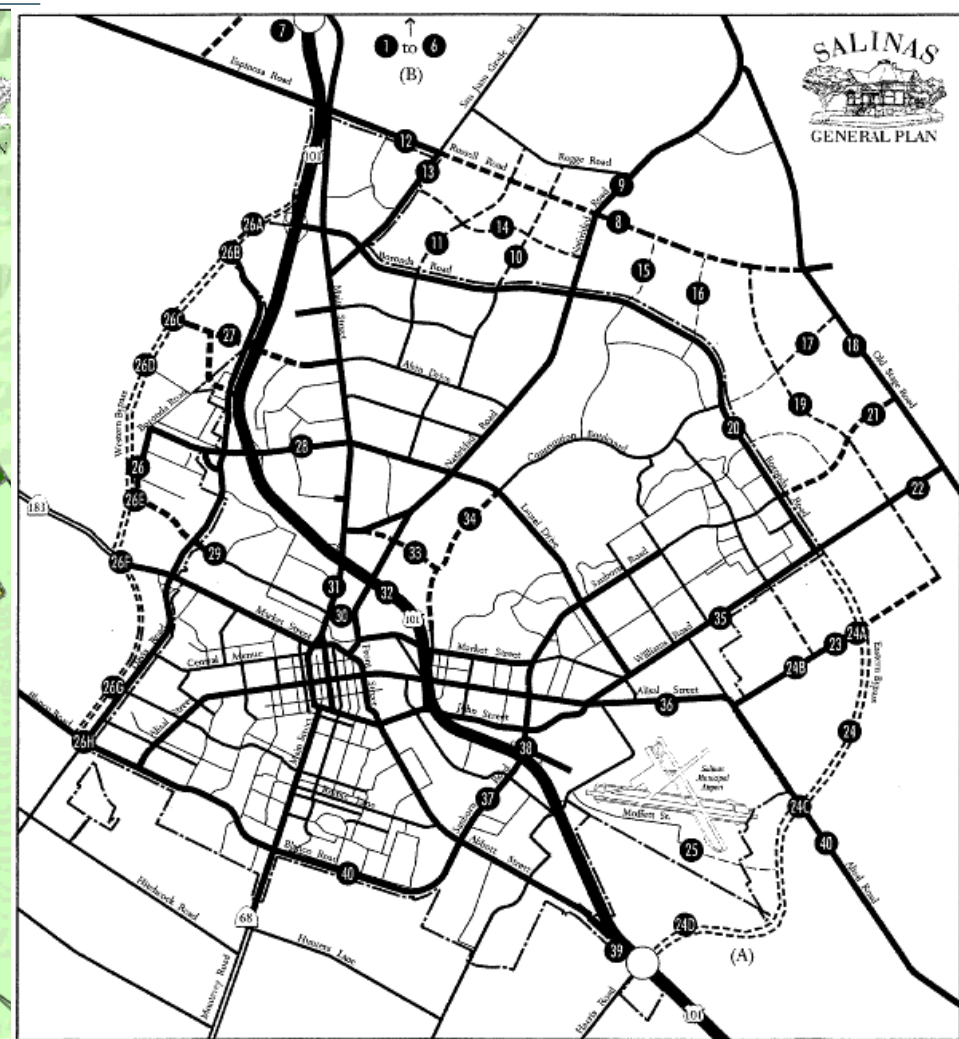
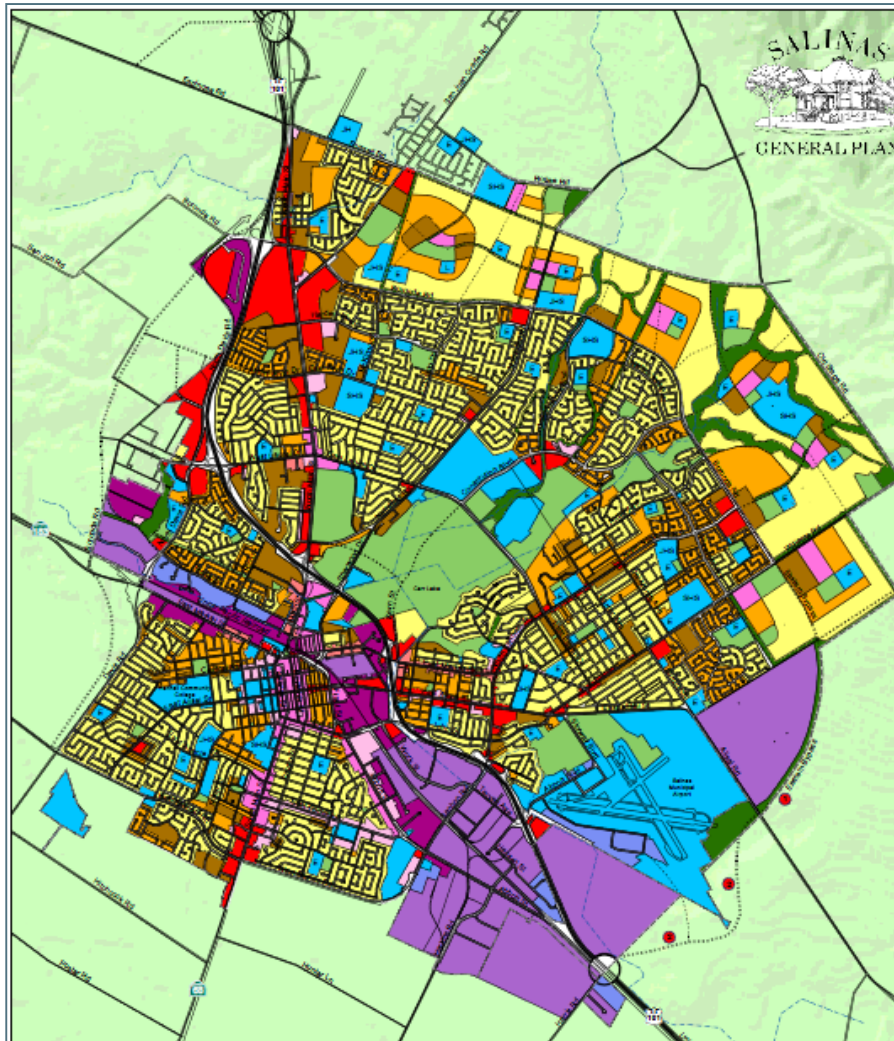
General Plan

Salinas general plan

Adopted in 2002

<http://www.ci.salinas.ca.us/services/commdev/generalplan.cfm>

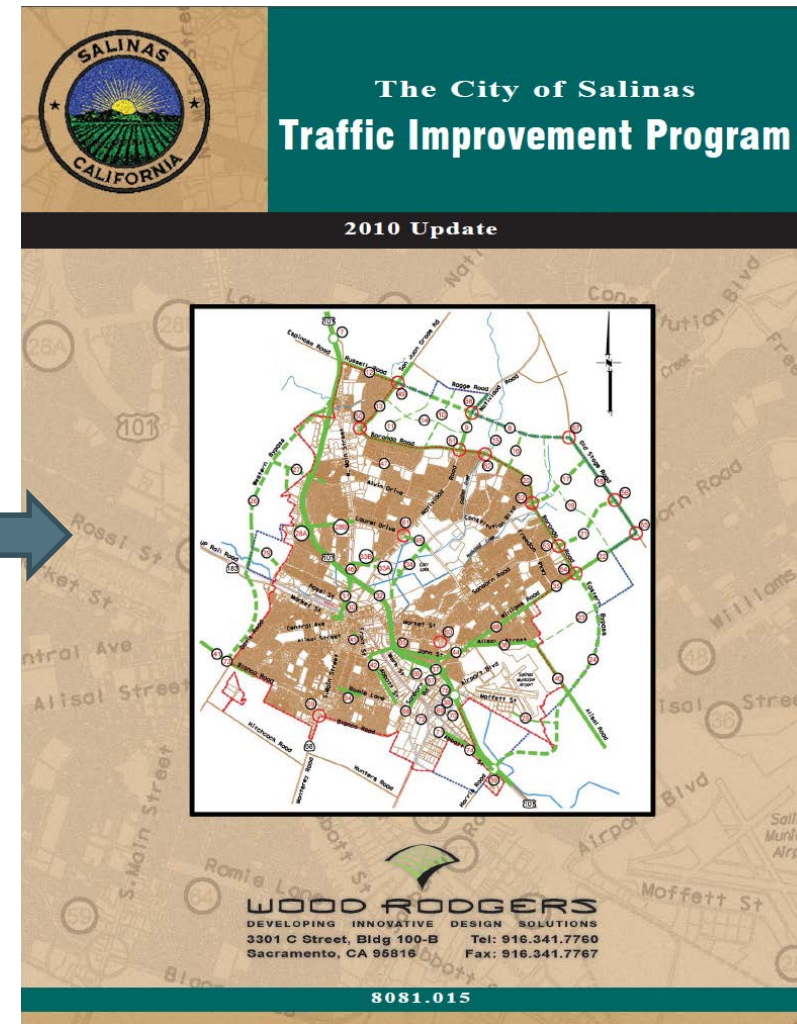
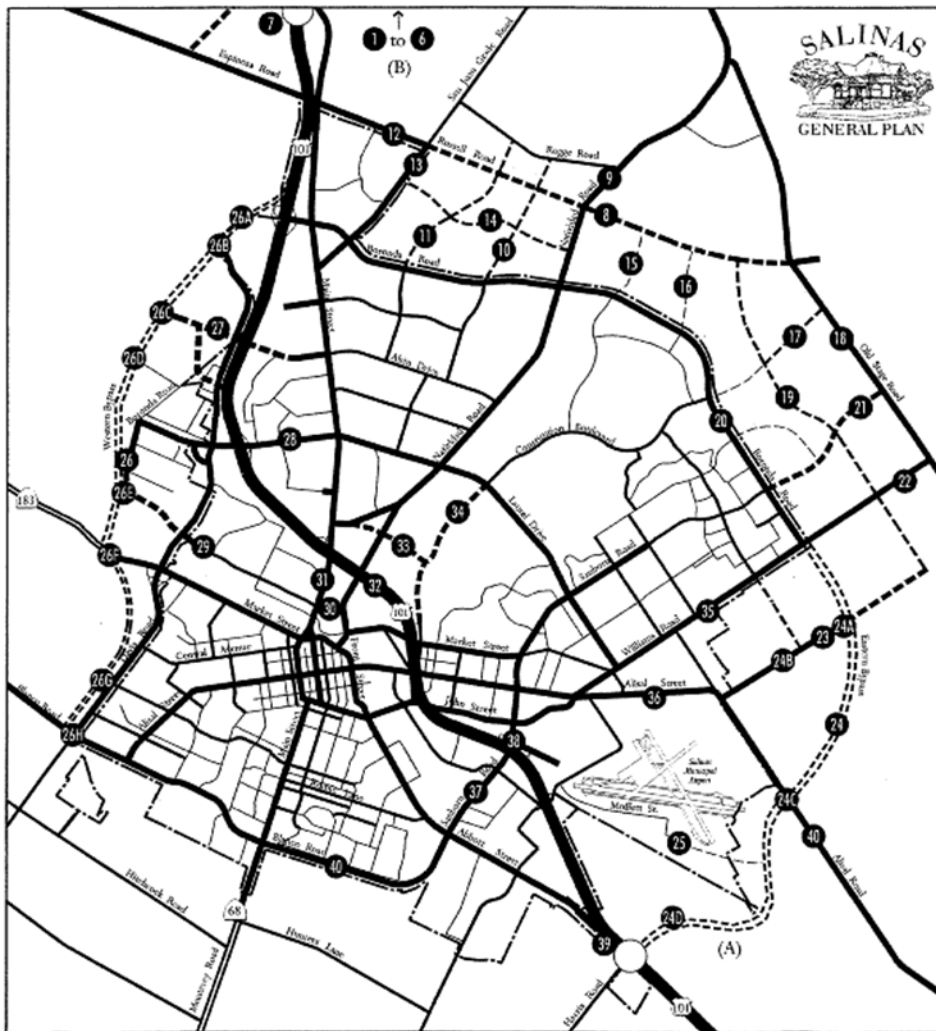




Salinas general plan circulation element

Adopted in 2002

<http://www.ci.salinas.ca.us/services/commdev/generalplan.cfm>



Salinas traffic fee ordinance and traffic improvement program

Financing. Federal, State and local funds to build and improve system.

Ordinance: Article V-B Traffic Fees

Traffic Improvement Program:

http://www.ci.salinas.ca.us/services/engineering/pdf/Salinas2010TFO_FINAL.pdf

Traffic Improvement Program

- Adopted in 2005
 - Community Meetings
 - Three years to develop
 - Supported by Builders, Developers and Chamber of Commerce
 - Infrastructure Supports Development
- Updated in 2010
 - Salinas Ag Industrial Center Development
 - New Projects added

Traffic Improvement Program

- Benefits
 - CEQA Impact Mitigation
 - Quick Assessment of Costs for Development
 - Cost Sharing for needed Improvements
 - Leveraging of funds to complete Improvements

Traffic Improvement Program

- Features

- Two Traffic Benefit Zones. Encourage Infill.
- Downtown Trip Generation Rates. Encourage Downtown development.
- Pass By Trip Reduction. Lower trip generation rates.
- Installment Plan.
- Deferment for affordable housing.
- Allows Development to conduct traffic study if better rate can be justified
- Credits for 20 years on previous use (broad time frame for credits)
- Credits for development construction of improvements

TABLE 6.2 -
SUMMARY OF PROJECT COST ESTIMATES - TWO TIERED FEE

No	Project Name	Project Total	Development Funded	Total Public Funded	Public Funding Source								
					Current Deficiency		Regional		TFO				
					% of Capacity	Contribution Amount	Reg %	Cost	TFO %	Citywide Projects		Future Growth Projects	
										%	Cost	%	Cost
1	New Interchange US 101/Crazy Horse Canyon Road	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
2	Crazy Horse Canyon Road	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
3	US 101/Crazy Horse Canyon Road to Hwy 156/US 101 I/C	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
4	Highway 156/US 101 Interchange	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
5	North Main Street (SR 101)-Russell Rd to Berta Canyon Rd	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
6	New US 101 Alignment	\$ 80,000,000.00	\$ -	\$ 80,000,000.00	0.0%	\$ -	100.0%	\$ 80,000,000.00	0.0%	100.0%	\$ -	0.0%	\$ -
7	New Diamond Interchange on US 101 North of Espinosa Rd	n/a	n/a	n/a	0.0%	n/a	100.0%	n/a	0.0%	100.0%	n/a	0.0%	n/a
8	Russell Road Extension	\$ 14,814,000.00	\$ 5,811,000.00	\$ 9,003,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 9,003,000.00
9	Natividad Road Widening	\$ 3,605,000.00	\$ 1,706,000.00	\$ 1,899,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 1,899,000.00
10	El Dorado Drive Extension	\$ 2,398,000.00	\$ 2,398,000.00	\$ -	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ -
11	McKinnon Street Extension	\$ 3,135,000.00	\$ 3,135,000.00	\$ -	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ -
12	Russell Road Widening	\$ 3,078,000.00	\$ -	\$ 3,078,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 3,078,000.00
13	San Juan Grade Road Widening	\$ 3,190,000.00	\$ 1,115,000.00	\$ 2,075,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 2,075,000.00
14	San Juan-Natividad Collector	\$ 3,052,000.00	\$ 3,052,000.00	\$ -	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ -
15	Independence Boulevard Extension	\$ 1,154,000.00	\$ 1,154,000.00	\$ -	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ -
16	Hemingway Drive Extension	\$ 1,521,000.00	\$ 1,278,000.00	\$ 243,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 243,000.00
17	East Constitution Boulevard Extension	\$ 8,402,000.00	\$ 4,483,000.00	\$ 3,919,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 3,919,000.00
18	Old Stage Road Upgrade	\$ 4,544,000.00	\$ 1,547,000.00	\$ 2,997,000.00	0.0%	\$ -	90.8%	\$ 2,722,000.00	9.2%	0.0%	\$ -	100.0%	\$ 276,000.00
19	Williams-Russell Collector	\$ 6,879,000.00	\$ 6,879,000.00	\$ -	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ -
20	Boronda Road Widening	\$ 13,616,000.00	\$ 5,759,000.00	\$ 7,857,000.00	30.2%	\$ 2,373,000.00	0.0%	\$ -	69.8%	0.0%	\$ -	100.0%	\$ 5,485,000.00
21	Sanborn Road Extension	\$ 5,056,000.00	\$ 3,127,000.00	\$ 1,929,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 1,929,000.00
22	Williams Road Widening	\$ 3,617,000.00	\$ 1,598,000.00	\$ 2,019,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 2,019,000.00
23	Alisal Street Extension	\$ 4,334,000.00	\$ 4,176,000.00	\$ 158,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	20.0%	\$ 32,000.00	80.0%	\$ 127,000.00
24	Eastern Bypass	\$ 17,837,000.00	\$ 3,583,000.00	\$ 14,254,000.00	0.0%	\$ -	5.1%	\$ 727,000.00	94.9%	75.0%	\$ 10,146,000.00	25.0%	\$ 3,382,000.00
25	Moffett Street Extension	\$ 2,542,000.00	\$ 592,000.00	\$ 1,950,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 1,950,000.00	0.0%	\$ -
26	Western Bypass	\$ 29,313,000.00	\$ -	\$ 29,313,000.00	0.0%	\$ -	81.3%	\$ 23,832,000.00	18.7%	95.0%	\$ 5,208,000.00	5.0%	\$ 275,000.00
27	Alvin Drive Extension	\$ 12,325,000.00	\$ -	\$ 12,325,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 12,325,000.00	0.0%	\$ -
28A	Laurel/US 101 Interchange Widening (Davis to Adams)	\$ -	\$ -	\$ -	100.0%	\$ -	0.0%	\$ -	0.0%	100.0%	\$ -	0.0%	\$ -
28B	Laurel Improvements (Adams to Main)	\$ -	\$ -	\$ -	75.4%	\$ -	0.0%	\$ -	24.6%	100.0%	\$ -	0.0%	\$ -
29	Rossi Street Extension	\$ 2,488,000.00	\$ 989,000.00	\$ 1,499,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	25.0%	\$ 375,000.00	75.0%	\$ 1,125,000.00
30	Rossi Street Widening	\$ 300,000.00	\$ -	\$ 300,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 300,000.00	0.0%	\$ -
31	Main Street Widening	\$ 5,059,000.00	\$ -	\$ 5,059,000.00	65.7%	\$ 3,324,000.00	0.0%	\$ -	34.3%	100.0%	\$ 1,736,000.00	0.0%	\$ -
32	US 101 Widening	\$ 50,000,000.00	\$ -	\$ 50,000,000.00	80.5%	\$ 40,250,000.00	11.7%	\$ 5,841,000.00	7.8%	100.0%	\$ 3,910,000.00	0.0%	\$ -
33A	Bernal Drive Extension	\$ 6,025,000.00	\$ -	\$ 6,025,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 6,025,000.00	0.0%	\$ -
33B	Bernal Drive Widening	\$ 1,468,000.00	\$ -	\$ 1,468,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 1,468,000.00	0.0%	\$ -
34	Constitution Boulevard Extension	\$ 2,932,000.00	\$ -	\$ 2,932,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 2,932,000.00	0.0%	\$ -
35	Williams Road Widening	\$ 2,385,000.00	\$ 1,376,000.00	\$ 1,009,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	50.0%	\$ 505,000.00	50.0%	\$ 505,000.00
36	Alisal Street Widening	\$ 2,558,000.00	\$ 319,000.00	\$ 2,239,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 2,239,000.00	0.0%	\$ -
37A	US 101/Sanborn Road/Fairview Avenue Improvements	\$ 726,000.00	\$ -	\$ 726,000.00	54.9%	\$ 399,000.00	3.2%	\$ 24,000.00	41.9%	100.0%	\$ 304,000.00	0.0%	\$ -
37B	Elvee Drive Realignment	\$ 1,171,000.00	\$ -	\$ 1,171,000.00	54.9%	\$ 643,000.00	3.2%	\$ 39,000.00	41.9%	100.0%	\$ 491,000.00	0.0%	\$ -
37C	Sanborn Road Widening	\$ 12,373,000.00	\$ -	\$ 12,373,000.00	54.9%	\$ 6,793,000.00	3.2%	\$ 402,000.00	41.9%	100.0%	\$ 5,179,000.00	0.0%	\$ -
38	Airport Boulevard/US 101 Interchange Upgrade	\$ 74,800,000.00	\$ -	\$ 74,800,000.00	94.2%	\$ 70,462,000.00	0.1%	\$ 48,000.00	5.7%	100.0%	\$ 4,291,000.00	0.0%	\$ -
39	Harris Road/US 101 Interchange	\$ 25,000,000.00	\$ -	\$ 25,000,000.00	0.0%	\$ -	83.8%	\$ 20,950,000.00	16.2%	75.0%	\$ 3,038,000.00	25.0%	\$ 1,013,000.00
40	Alisal Road Upgrade	\$ 7,284,000.00	\$ 2,493,000.00	\$ 4,791,000.00	0.0%	\$ -	23.2%	\$ 1,112,000.00	76.8%	75.0%	\$ 2,760,000.00	25.0%	\$ 920,000.00
41	Blanco Road Widening	\$ 16,122,000.00	\$ -	\$ 16,122,000.00	51.7%	\$ 8,336,000.00	29.2%	\$ 4,712,000.00	19.1%	100.0%	\$ 3,076,000.00	0.0%	\$ -
42	Abbott Street Widening - John St. to Romie Ln.	\$ 1,266,000.00	\$ -	\$ 1,266,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 1,266,000.00	0.0%	\$ -
43	Alisal Street Improvements	\$ 31,000.00	\$ -	\$ 31,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 31,000.00	0.0%	\$ -
44	John Street Improvements	\$ 701,000.00	\$ -	\$ 701,000.00	72.2%	\$ 507,000.00	0.0%	\$ -	27.8%	100.0%	\$ 195,000.00	0.0%	\$ -
45	Laurel Drive Widening	\$ 1,848,000.00	\$ -	\$ 1,848,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 1,848,000.00	0.0%	\$ -
46	Main Street Widening (See also No. 31)	\$ 2,827,000.00	\$ -	\$ 2,827,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 2,827,000.00	0.0%	\$ -
47	McKinnon Street Improvements	COMPLETED	n/a	n/a	0.0%	n/a	0.0%	n/a	100.0%	100.0%	n/a	0.0%	n/a
48	Williams Road Improvements	\$ 1,760,000.00	\$ -	\$ 1,760,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	100.0%	\$ 1,760,000.00	0.0%	\$ -
49	San Juan Grade/Russell Road Intersection	\$ 607,000.00	\$ -	\$ 607,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 607,000.00
50	San Juan Grade/Boronda Road Intersection	\$ 675,000.00	\$ -	\$ 675,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 675,000.00
51	Boronda Road/ Natividad Road Intersection	\$ 497,000.00	\$ -	\$ 497,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 497,000.00
52	Boronda Road/ East Constitution Blvd Intersection	\$ 539,000.00	\$ -	\$ 539,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 539,000.00
53	Boronda Road/ Sanborn Road Intersection	\$ 494,000.00	\$ -	\$ 494,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 494,000.00
54	Boronda Road/ Williams Road Intersection	\$ 564,000.00	\$ -	\$ 564,000.00	0.0%	\$ -	0.0%	\$ -	100.0%	0.0%	\$ -	100.0%	\$ 564,000.00

Traffic Fee Ordinance

Characteristics (Infill Incentives)

- Two-Tier System
- Credits for Existing Use
- Downtown Trip Generation Rates
 - Pass By Trips

TABLE V
CITY OF SALINAS TRAFFIC FEE ORDINANCE
TRIP GENERATION RATES

ITE LAND USE CODE	LAND USE CATEGORY	1987 TFO WEEKDAY TRIP RATES		GROSS 2003 ITE WEEKDAY TRIP RATES		% New Trips	NET 2003 ITE WEEKDAY TRIP RATES		RECOMMENDED 2004 TFO WEEKDAY TRIP RATES	
		TRIPS	PER UNIT	TRIPS	PER UNIT		TRIPS	PER UNIT	TRIPS	PER UNIT
	LODGING									
310	Hotel (convention facilities)	10 per room		9 per occ. room			9 per occ. room		8 per occ. room	
		300 per acre		N.A.			N.A.			
320	Motel	9 per room		9 per occ. room			9 per occ. room		9 per occ. room	
		200 per acre		N.A.			N.A.			
	Hotel (reg.)	6 per room							8 per room	
		100 per acre								
	Hotel (w/Restaurant)	7 per room							8 per room	
		100 per acre								
311	All-Suites Hotel			6 per occ. room			6 per occ. room		8 per occ. room	
312	Business Hotel			7 per occ. room			7 per occ. room		8 per occ. room	
SDAG	Resort Hotel	8 per room		8 per occ. room			8 per occ. room		8 per occ. room	
		100 per acre		N.A.			N.A.			
	RESTAURANTS									
	Quality									
831	Standard	45 per 1,000 s.f.		90 per 1,000 s.f.		66%	59 per 1,000 s.f.		45 per 1,000 s.f.	
	Downtown	21 per 1,000 s.f.		N.A.			N.A.		21 per 1,000 s.f.	
	High Turnover/Sit-down									
832	Standard	82 per 1,000 s.f.		127 per 1,000 s.f.		67%	85 per 1,000 s.f.		85 per 1,000 s.f.	
	Downtown	51 per 1,000 s.f.		N.A.			N.A.		51 per 1,000 s.f.	
	Delicatessen/Restaurant									
	Standard	59 per 1,000 s.f.							59 per 1,000 s.f.	
	Downtown	39 per 1,000 s.f.							39 per 1,000 s.f.	
	Neighborhood	44 per 1,000 s.f.							44 per 1,000 s.f.	
	Fast Food	400 per 1,000 s.f.				40%			160 per 1,000 s.f.	
	Truck stops	20 per 1,000 s.f.								
		88 per site								
	Cafes/Coffee Shops	125 per 1,000 s.f.							85 per 1,000 s.f.	
	Ice cream parlors	200 per 1,000 s.f.							85 per 1,000 s.f.	
836	Bars	8 per seat		N.A.			N.A.		38 per 1,000 s.f.	

Higgins Associates

04 1116 Tbl_5-TripGenerationRates Rev 1 (mod).xls - TripGenTable

Page 4 of 8

RESTAURANTS											
	Quality										
831	Standard	45 per 1,000 s.f.		90 per 1,000 s.f.		66%	59 per 1,000 s.f.		45 per 1,000 s.f.		
	Downtown	21 per 1,000 s.f.		N.A.			N.A.		21 per 1,000 s.f.		
	High Turnover/Sit-down										
832	Standard	82 per 1,000 s.f.		127 per 1,000 s.f.		67%	85 per 1,000 s.f.		85 per 1,000 s.f.		
	Downtown	51 per 1,000 s.f.		N.A.			N.A.		51 per 1,000 s.f.		
	Delicatessen/Restaurant										
	Standard	59 per 1,000 s.f.							59 per 1,000 s.f.		
	Downtown	39 per 1,000 s.f.							39 per 1,000 s.f.		
	Neighborhood	44 per 1,000 s.f.							44 per 1,000 s.f.		

Traffic fee ordinance

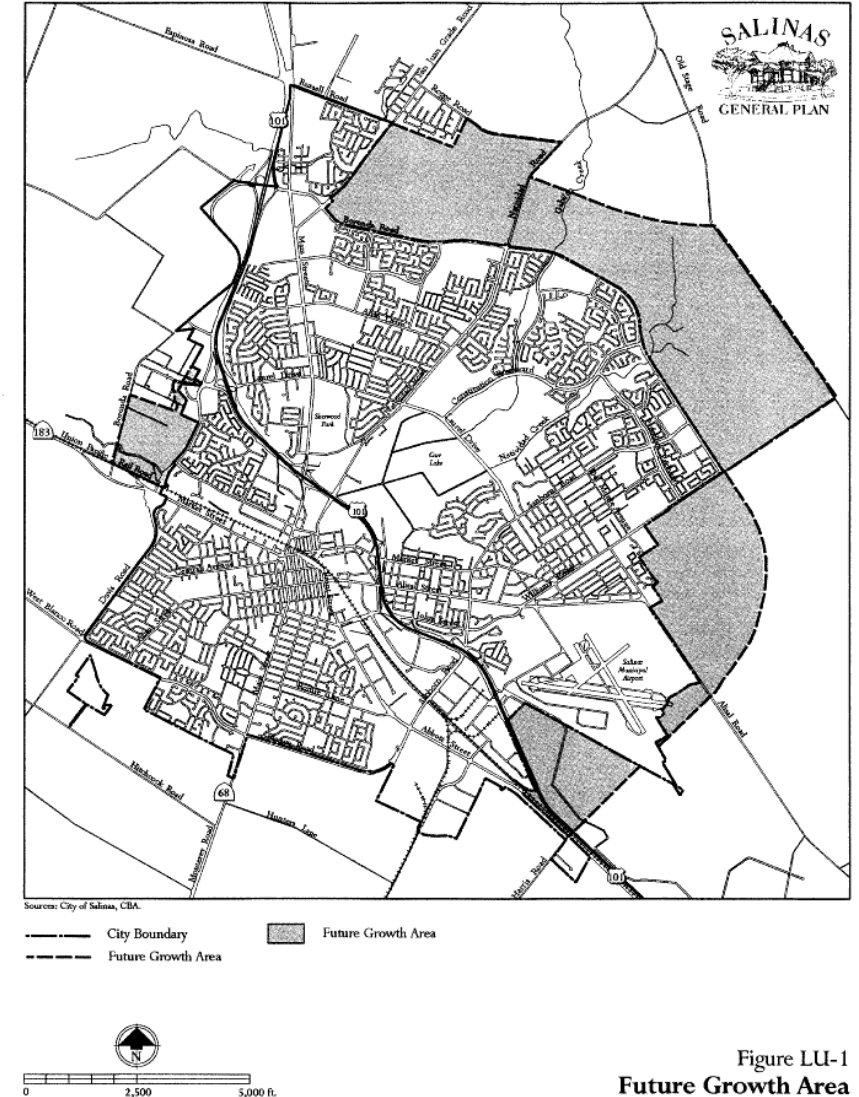
Characteristics (continued)

- Capital Improvements (No Maintenance)
- Annual Index Update (ENR Index)
- Current Fees:

I - \$379

II- \$548

Fees Collected Only for Projects in the Program



Traffic fee ordinance

How is it applied?



$$9 \text{ trips/day} \times \$503 = \$4,527$$

Understanding the 2019 Proposed Rate Update

Traffic Impact Fees				Proposed Rate Update - ENR (3%)	
	Trip Rate	City Wide /Trip	Future Growth/Trip	City Wide /Trip	Future Growth/Trip
		\$ 379	\$ 548	390	564
Residential					
Single Family (Detached)/DU	10	\$ 3,790	\$ 5,480	\$ 3,900	\$ 5,640
Mutli-Family (attached)/DU	7	\$ 2,653	\$ 3,836	\$ 2,730	\$ 3,948
Non-residential					
Commercial (supermarket)/KSF	51	\$ 19,329	\$ 27,948	\$ 19,890	\$ 28,764
Industrial Park/KSF	7	\$ 2,653	\$ 3,836	\$ 2,730	\$ 3,948
General Office/KSF	11	\$ 4,169	\$ 6,028	\$ 4,290	\$ 6,204

		2002	2018	Est 2018	Proposed 2019	Deficiency
Total Program		\$ 461,136,000	69%	\$ 780,221,234.63	\$ 803,627,871.67	
TFO Portion		\$ 121,974,000	69%	\$ 206,374,485.78	\$ 212,565,720.35	\$ 6,191,234.57
FY 2018-19 Estimated				\$ 620,701.25	\$ 639,322.29	\$ 18,621.04

Traffic fee ordinance

- Funds new development mitigation for growth (Development fee)
- Identifies current problems (deficiencies) which will require other sources of funding
- No new growth ➡ No fee collected
- Financing Tool for future needs of the City's Transportation System

Summary of Benefits/Concerns

Benefits to Development

- Enables City and Developers to meet CEQA requirements
- Provides Predictable costs estimates for Prospective Development
- Enables City to claim local match for other funding sources
- Infrastructure Supports Development

Concerns

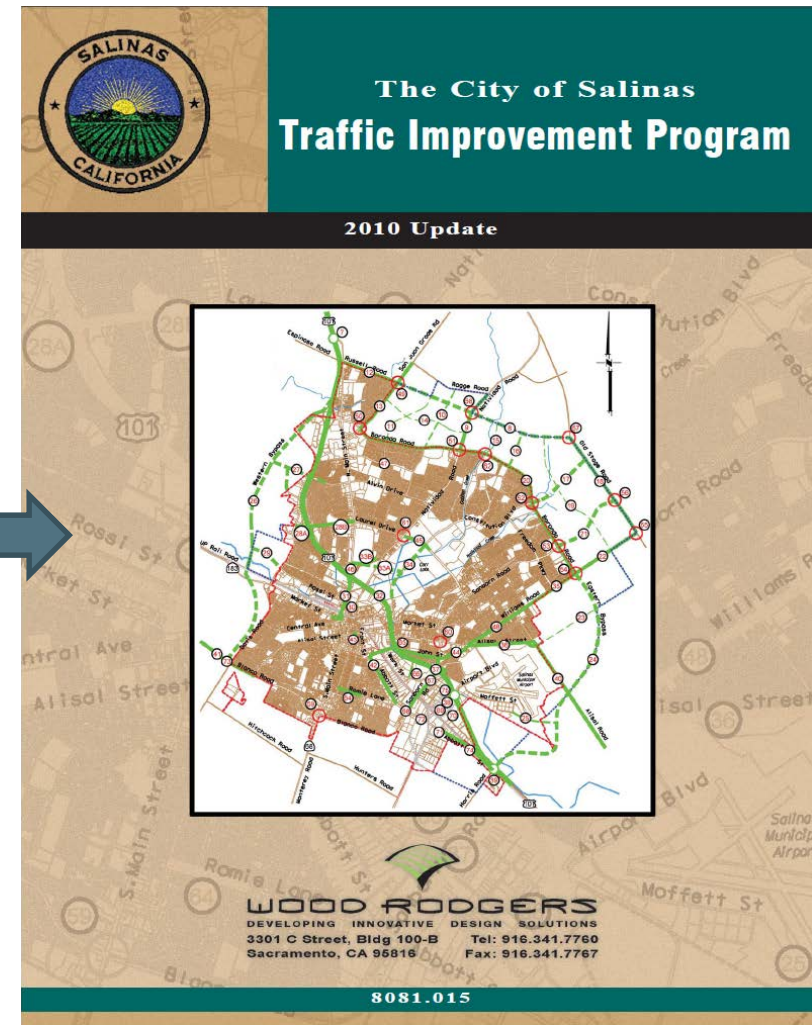
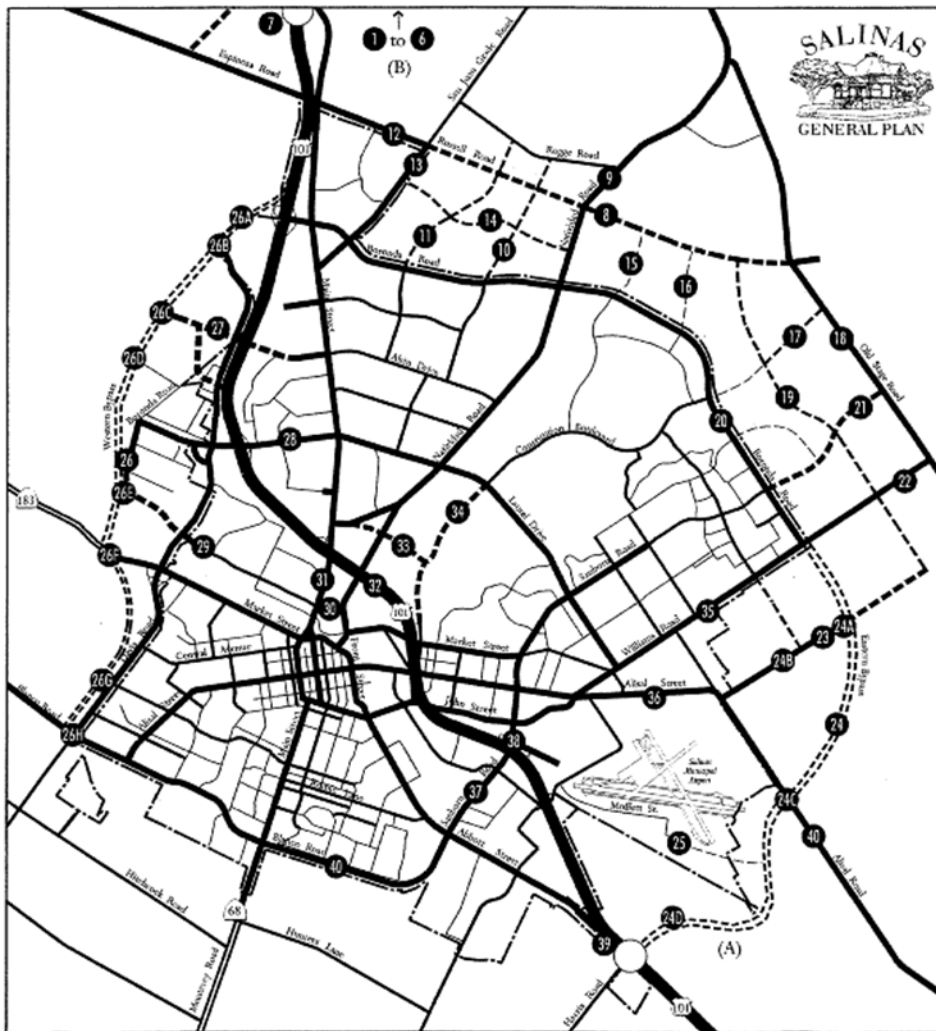
- Fees are perceived as harmful to encouraging development
- Difficult Economic Conditions encourage decisions to reduce fees
- Fees Disconnected from Future Benefit to residents and businesses they serve because of timeline for buildout conditions

Options

- Benefit Zones
- Reduce Level of Service Requirement
 - CEQA Sustainability – Congestion No longer an environmental impact
- Shift from road projects to Public Transportation/Other transportation options
- City to Pay Development's share from revenue received

Recommendation to Approve Annual Index Adjustment (3%)

- Recommended by City Policies and the City code.
- Adjustment allows the City's Traffic Improvement Program to keep up with costs of improvements the City needs to deliver.
- Prevents the use of other City funds to pay for mitigation.
- The recommended adjustment keeps the City traffic mitigation program effective with regard to CEQA.



Salinas traffic fee ordinance and traffic improvement program

Financing. Federal, State and local funds to build and improve system.

Ordinance: Article V-B Traffic Fees

Traffic Improvement Program:

http://www.ci.salinas.ca.us/services/engineering/pdf/Salinas2010TFO_FINAL.pdf