

RESOLUTION NO. 2014-219

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
ACCEPTING THE ELK GROVE ROADWAY FEE PROGRAM 2014 NEXUS STUDY
AND SETTING THE ROADWAY IMPACT FEES**

WHEREAS, the City of Elk Grove General Plan includes a general description of the location, capacity, and types of roadway improvements needed to serve new development in the City; and

WHEREAS, in order to ensure adequate facilities are provided for City residents and that new development mitigates its impacts for the cost of providing these facilities, levy of roadway development impact fees is necessary; and

WHEREAS, Chapter 16.95 of the Elk Grove Municipal Code establishes a program for funding roadway facilities from development impact fees (Roadway Fee Program); and

WHEREAS, Section 21000, et. seq. of the California Public Resources Code, hereafter CEQA, requires analysis of agency approvals of discretionary "projects." A "project," under CEQA, is defined as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment;" and

WHEREAS, DKS & Associates, Inc. has prepared for the City an Elk Grove Roadway Fee Program 2014 Nexus Study Update dated September 24, 2014 (Nexus Study) which details the relationship between the use of and need for the proposed fees and the types of development on which the fees are imposed, the relationship between the amount of the fees and cost of the public facilities, which has been presented to the City Council and incorporated herein; and

WHEREAS, in accordance with the Mitigation Fee Act (Government Code Section 66000 *et seq.*) at least one open and public hearing was held on the adoption of the Nexus Study, at which written and oral presentations were made as part of a regularly scheduled City Council meeting. The date, time and place of the public hearing(s) was duly noticed in accordance with Government Code Sections 66018 and 6062a. A draft Nexus Study was made available for public inspection for a period of at least ten (10) days prior to said public hearing. Background data and materials referenced therein were made available to interested parties upon request to the City Clerk's Office at least ten (10) days prior to the date of said hearing. Following receipt of written and/or oral comments from interested persons on the Nexus Study, the City Council closed the public hearing on the Nexus Study, and provided direction to City Staff concerning the Nexus Study.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby finds the proposed Roadway Fee Program exempt from CEQA pursuant to the following finding:

Finding: The proposed Roadway Fee Program is exempt from the CEQA pursuant to Public Resources Code section 21080(b)(8) and State CEQA Guidelines Sections 15061(b)(3), 15273, and 15378.

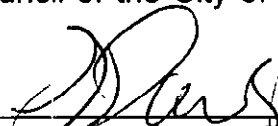
Evidence: The proposed Fee Program qualifies for several exemptions under CEQA. First, Public Resources Code section 21080(b)(8) and CEQA Guidelines Section 15273 provide an exemption for the establishment or amendment of rates, tolls, fares, and charges where the funds are necessary to complete capital projects. Second, Section 15061(b)(3) exempts activities under the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Finally, the definition of a "project" under CEQA Guidelines Section 15378 specifically exempts "the creation of government funding mechanisms or other fiscal activities which do not involve any commitment to any specific project." In all three cases, this update to the Roadway Fee Program simply establishes a traffic impact fee (rate) for development projects in the City. While based on cost estimates for individual transportation projects, the Fee Program does not commit funds to any one or more projects, nor approve an activity which may cause a physical change in the environment. Each subsequent improvement implemented by the Fee is subject to CEQA review prior to the approval of the activity and commitment of funds for construction or implementation. Therefore, the adoption of the Fee Program qualifies for all three of these exemptions, and no further environmental review is required.

AND, BE IT FURTHER RESOLVED, that the City Council of the City of Elk Grove hereby approves as follows:

- 1. Incorporation of the Nexus Study:** This Resolution adopts the Elk Grove Roadway Fee Program 2014 Nexus Study Update, dated September 24, 2014, and presented with the accompanying staff report (the "Nexus Study"). The Nexus Study, along with the studies and reports it may reference or be based upon in whole or in part, together with any amendments thereto and any supplemental or implementation actions pursuant thereto made after its initial adoption, update and re-establish the need, costs and financing of certain roadway and Class 1 Bikeway facilities improvements arising out of development in the City, and present a reasonable basis on which to update the Roadway Fee under this Resolution. The Nexus Study establishes the reasonable relationship between the need for the public facilities and the impacts of the various types of new development identified, for which the corresponding Roadway Fee is to be charged.
- 2. Roadway Fee:** The amounts of the Roadway Fee established and imposed pursuant to the Municipal Code Chapter 16.95 are hereby approved at the levels set out in the Nexus Study. The applicable Roadway Fee fees by land use category, which the City Council of the City of Elk Grove hereby adopts, are attached as Exhibit A and incorporated herein by this reference. The Zones referenced in Exhibit A are outlined in the map on Exhibit B.


3. **Assumed Grant Funding and Buildout Term:** The amount of grant funding applied towards fee reductions after the Nexus calculation is \$57,763,000 which equates to approximately \$2.3 Million per year over an assumed buildout term of 25 years.
4. **Rural Road Funding and Monitoring:** In aggregate, Rural Roads as defined in the Elk Grove Rural Road Improvement Standards, will be funded through Roadway Fee contributions up to 50% of total project costs. The remaining 50% is assumed to be grant funded. The Finance Director is hereby charged with monitoring future Rural Road projects to ensure that in aggregate no more than 50% of rural road expenditures are fee funded.
5. **Roadway Fee Administrative Fee:** The amount of the Roadway Fee administrative fee established by the Nexus Study and imposed pursuant to Municipal Code Section 16.95 is hereby approved at the level set forth in the Nexus Study to off-set the actual reasonable costs for the collection, deposit, investment, accounting, and reporting of the Roadway Fee. The Roadway Fee administrative fee, which is the same for all land use categories and which the City Council hereby adopts, is included in Exhibit A, which is attached and incorporated herein by this reference.
6. **Adjustments:** The Roadway Fee development impact fees shall be adjusted pursuant to the guidelines prescribed in Elk Grove Municipal Code 16.95.060, or its replacement section should that section be amended during the duration of the Nexus Study, with the exception that the January 1, 2015, scheduled update will not occur as scheduled and no adjustment from the rates adopted by this Resolution will occur any earlier than January 1, 2016.
7. **Construction of Resolution:** The provisions of this Resolution are subject and subordinate to the provisions of Municipal Code Chapter 16.95 and shall at all times be construed and applied consistent therewith as they presently exist or may from time to time hereafter be amended.
8. **Effective Date:** This Resolution shall be effective November 24, 2014, which is greater than 60 days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 24th day of September 2014.




GARY DAVIS, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:

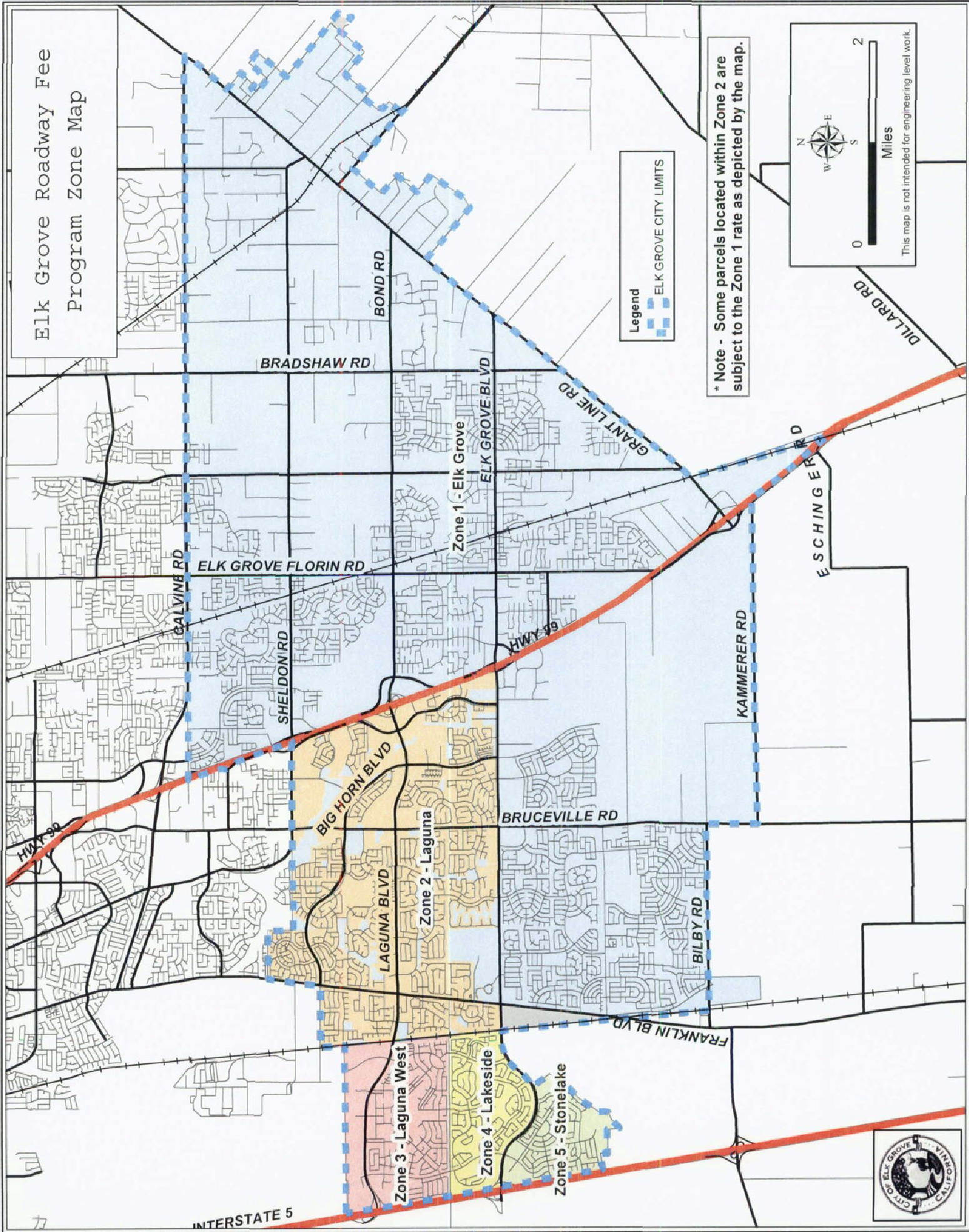


JONATHAN P. HOBBS,
CITY ATTORNEY

**EXHIBIT A
PROPOSED ROADWAY FEE RATES**

Land Use		Units	Proposed Roadway Fee Rates				
Residential			Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Single-Family (1-2 units)		Dwelling Units	\$6,236	\$5,235	\$4,565	\$3,230	\$6,095
Single-Family Age Restricted			\$2,417	\$2,074	\$1,917	\$1,516	\$2,375
Single-Family TOD			\$5,613	\$4,712	\$4,109	\$2,908	\$5,486
Multi-Family (3+ units attached)			\$4,333	\$3,544	\$3,180	\$2,260	\$4,236
Multi-Family Age Restricted			\$2,408	\$2,065	\$1,908	\$1,507	\$2,366
Multi-Family TOD			\$3,250	\$2,656	\$2,385	\$1,694	\$3,178
Commercial	Commercial	Square Foot	\$5.66	\$4.08	\$3.92	\$1.79	\$5.49
	Commercial TOD		\$5.34	\$3.84	\$3.69	\$1.68	\$5.19
	Car Sales		\$7.07	\$5.37	\$5.22	\$2.94	\$6.89
Office	Office		\$5.37	\$3.85	\$4.23	\$1.98	\$5.22
	Office TOD		\$4.82	\$3.46	\$3.80	\$1.78	\$4.69
Industrial			\$3.85	\$3.07	\$3.05	\$2.11	\$3.75
Institutional	Church		\$3.77	\$3.16	\$2.75	\$1.96	\$3.70
	Day/Child Care		\$14.00	\$11.76	\$10.27	\$7.29	\$13.77
	Private School		\$5.18	\$4.35	\$3.80	\$2.68	\$5.09
Miscellaneous	Cong Care Facility		\$0.53	\$0.45	\$0.39	\$0.29	\$0.52
	Health Club		\$3.72	\$3.12	\$2.72	\$1.93	\$3.66
	Library		\$2.58	\$2.17	\$1.89	\$1.33	\$2.53
	Gas Station		Fuel Pumps	\$7,541	\$5,830	\$5,668	\$3,373
	Hotel/Motel	Room	\$2,729	\$2,610	\$1,899	\$884	\$2,660

Elk Grove Roadway Fee
Program Zone Map



* Note - Some parcels located within Zone 2 are subject to the Zone 1 rate as depicted by the map.

Legend
ELK GROVE CITY LIMITS

0 2
Miles
This map is not intended for engineering level work.



**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2014-219**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)

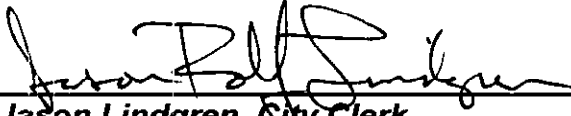
I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on September 24, 2014 by the following vote:

AYES : COUNCILMEMBERS: Davis, Cooper, Detrick, Hume, Trigg

NOES: COUNCILMEMBERS: None

ABSTAIN : COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None



**Jason Lindgren, City Clerk
City of Elk Grove, California**