



Incorporated July 1, 2000

8401 Laguna Palms Way  
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CITY OF ELK GROVE

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## City of Elk Grove – City Council NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that on **Wednesday, November 9, 2022**, at the hour of **6:00 p.m.**, or as soon thereafter as the matter may be heard, the Elk Grove City Council will conduct a public hearing at City Hall in the Council Chambers, 8400 Laguna Palms Way, Elk Grove, California, to consider the following matter:

### **Roadway Fee Program and Active Transportation Fee Program:**

The City Council will consider adoption of a comprehensive update to the City’s existing Roadway Fee Program (the Roadway Program). The update involves the adoption of a new Nexus Study and Rates for the Roadway Program and adoption of a new Active Transportation Fee Program (the Active Transportation Program). Historically, the facilities for the Active Transportation Program have been part of the Roadway Program; this update will remove them from the Roadway Program and place them into a stand-alone program (the Active Transportation Program).

Copies of the draft nexus report are available on the City’s website at [https://www.elkgrovecity.org/city\\_hall/departments\\_divisions/finance/development\\_related\\_fee\\_information/development\\_impact\\_fee\\_nexus\\_studies](https://www.elkgrovecity.org/city_hall/departments_divisions/finance/development_related_fee_information/development_impact_fee_nexus_studies).

### **Roadway Fee Program**

The Roadway Program update comprehensively updates the list of facilities included in the Roadway Program based upon the 2019 General Plan and utilizes an updated calculation methodology based upon the latest trip generation guidance from the Institute of Transportation Engineers (ITE) Trip Generation Manual (11<sup>th</sup> Edition). The Roadway Program has also been updated to be based upon a single fee zone (rather than the five zones in the current program) and reflects the latest City limits (as of 2022) and growth assumptions from the General Plan. The fee categories have been updated based on best practices and the requirements of Assembly Bill 602 (2021). The proposed rates, inclusive of a 5.5% administrative rate, are as follows:

Land Use		Unit	RFP Fees
Residential	Traditional	Up to 1,200 sq. ft.	\$3,860.99
		greater than 1,200 to 1,400 sq. ft.	\$7,345.30
		greater than 1,400 sq. ft. to 1,700 sq. ft.	\$8,098.66
		greater than 1,700 sq. ft. to 2,000 sq. ft.	\$9,417.05
		greater than 2,000 sq. ft. to 2,700 sq. ft.	\$10,358.75
		greater than 2,700 sq. ft. to 3,400 sq. ft.	\$11,017.94
		greater than 3,400 sq. ft.	\$11,677.14
			Up to 1,000 sq. ft.

	Senior Adult	greater than 1,000 sq. ft.	Dwelling Unit	\$3,013.45
Commercial	Shopping Center		Square Feet	\$8.66
	Auto Mall		Acres	\$23,448.44
	Gas Station w/Convenience Market		Fueling Positions	\$11,865.48
	Theater/Cinema		Seats	\$94.17
Office <sup>1</sup>			Square Feet	\$9.13
Industrial			Square Feet	\$3.39
Hotel	Hotel/Motel		Rooms	\$1,412.56
Miscellaneous	Hospital		Beds	\$8,757.85
	Assembly		Square Feet	\$3.48
	Day Care Center		Square Feet	\$13.28
	Congregate Care Facility		Dwelling Units	\$941.70
	Assisted Living		Beds	\$1,224.22
	Private School (K-12)		Student	\$1,318.39

Note:

1. For the Office listing, staff is recommending that this fee be established in phases, with a 2022 rate of \$5.97, or approximately 65% of the maximum rate. The rate would then be increased (exclusive of any CPI adjustment) in five approximately equal stages until, in 2028, the maximum rate of \$9.13 (plus any applicable CPI adjustments) is imposed. See below for more details.

### Active Transportation Program

As mentioned, the Active Transportation Program removes the active transportation facilities from the Roadway Program and places them into a stand-alone fee program. The Active Transportation Program is based upon the facilities and service levels identified in the 2019 General Plan and the 2021 Bicycle, Pedestrian, and Trails Master Plan. The proposed rates, inclusive of a 5.5% administrative rate, are as follows:

Land Use		Unit	ATP Fees	
Residential	Traditional	Up to 1,200 sq. ft.	\$618	
		greater than 1,200 to 1,400 sq. ft.	\$1,176	
		greater than 1,400 sq. ft. to 1,700 sq. ft.	\$1,297	
		greater than 1,700 sq. ft. to 2,000 sq. ft.	\$1,508	
		greater than 2,000 sq. ft. to 2,700 sq. ft.	\$1,658	
		greater than 2,700 sq. ft. to 3,400 sq. ft.	\$1,764	
		greater than 3,400 sq. ft.	\$1,869	
	Senior Adult	Up to 1,000 sq. ft.	Dwelling Unit	\$407
	greater than 1,000 sq. ft.	Dwelling Unit	\$482	
Commercial	Shopping Center		Square Feet	\$1.39

	Auto Mall	Acres	\$3,694
	Gas Station w/Convenience Market	Fueling Positions	\$1,915
	Theater/Cinema	Seats	\$15
Office <sup>1</sup>		Square Feet	\$1.46
Industrial		Square Feet	\$0.54
Hotel	Hotel/Motel	Rooms	\$226
Miscellaneous	Hospital	Beds	\$1,417
	Assembly	Square Feet	\$0.56
	Day Care Center	Square Feet	\$2.14
	Congregate Care Facility	Dwelling Units	\$151
	Assisted Living	Beds	\$196
	Private School (K-12)	Student	\$211

Note:

1. For the Office listing, staff is recommending that this fee be established in phases, with a 2022 rate of \$0.96, or approximately 65% of the maximum rate. The rate would then be increased (exclusive of any CPI adjustment) in five approximately equal stages until, in 2028, the maximum rate of \$1.46 (plus any applicable CPI adjustments) is imposed. See below for more details.

### Office Rate

Staff will recommend that the Roadway and Active Transportation Fee rates be increased in stages as provided in the following table.

Fee	Proposed					
	2022/ 2023	2024	2025	2026	2027	2028
Roadway	\$5.97	\$6.61	\$7.24	\$7.87	\$8.50	\$9.13
ATP	\$0.96	\$1.06	\$1.16	\$1.26	\$1.36	\$1.46
<b>Combined</b>	<b>\$6.93</b>	<b>\$7.66</b>	<b>\$8.39</b>	<b>\$9.13</b>	<b>\$9.86</b>	<b>\$10.59</b>
<b>Percent of the Combined Nexus Rate</b>	<b>65%</b>	<b>72%</b>	<b>79%</b>	<b>86%</b>	<b>93%</b>	<b>100%</b>

Note: Beginning in 2023, the fee would be subject to the normal CPI update; the update would be based upon the fee listed for that year, plus any prior CIP adjustment(s) that would normally increase the maximum allowed rate.

### Annual Inflation Adjustment

To ensure that the fee programs stay current with the prevailing cost of construction, the proposed fees would be automatically adjusted by the City annually to account for the inflation (or deflation) of construction, right-of-way acquisition, environmental, and design costs. Elk Grove Municipal Code Section 16.95.060 (A) provides that fee adjustments shall occur automatically on January 1st of each calendar year. Adjustments in the amount of the estimated construction costs of providing the specified fee program facilities will be adjusted automatically based upon the average three-year adjustment in the Caltrans Cost Index. The adjustment will be based on a three (3) year moving average of the second (2nd) quarter of the year, or equivalent, as determined by the Finance Director.

The calculated rate for 2023, based upon the Caltrans Cost Index is -7.57%, meaning that the rates in the above tables would be reduced by 7.57%.

### **Revisions to Elk Grove Municipal Code Chapter 16.95**

The proposed action also includes revisions to Elk Grove Municipal Code Chapter 16.95. The revisions would establish the new Active Transportation Fee Program and would update and clarify the procedures and standards for credit and reimbursement agreements between the City and developers for privately constructed public infrastructure included in a fee program.

LOCATION: Citywide

ENVIRONMENTAL: The proposed update to the Roadway Program and the establishment of the Active Transportation Program is based upon facilities and growth identified in the City's General Plan, for which an Environmental Impact Report (SCH Number 2017062058) was certified in February 2019. No further environmental review is required pursuant to State CEQA Guidelines Sections 15183 and 15162.

Additionally, the adoption of these programs is exempt under Public Resources Code Section 21080(b)(8) and CEQA Guidelines Section 15273, which provides an exemption for the establishment or amendment of rates, tolls, fares, and charges where the funds are necessary to complete capital projects, and Section 15378, which exempts "the creation of government funding mechanisms or other fiscal activities which do not involve any commitment to any specific project."

Information or questions regarding this item should be referred to Christopher Jordan, AICP, (916) 478-2222, or to the office of Strategic Planning and Innovation, 8401 Laguna Palms Way, Elk Grove, CA, 95758. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the close of the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 8401 Laguna Palms Way, Elk Grove, CA, 95758, at or prior to the close of the public hearing.

Dated/Published: October 7, 2022 and October 14, 2022

JASON LINDGREN  
CITY CLERK, CITY OF ELK GROVE

#### **ADA COMPLIANCE STATEMENT**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (916) 478-3635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.