



City of Cupertino Proposed Traffic Impact Fee Public Workshop

Presented to

City of Cupertino
August 16, 2016

Presented by

Economic & Planning Systems, Inc.
Stantec



Meeting Overview

- Meet The Consultant Team
- Overview of Traffic Impact Fees
- Discuss Study Context
- Describe Study Process / Schedule
- Public Input / Q&A



THE CONSULTANT TEAM

Joint Venture



ECONOMIC & PLANNING SYSTEMS



Stantec

Economic & Planning Systems (EPS)

Firm Overview

- California based economics consulting firm established in 1983
- Extensive expertise in infrastructure finance and land use
- Successful work history with City of Cupertino

Firm Role

- Manage and execute study
- Calculate fees
- Conduct economic and financial analysis
- Prepare deliverables and presentations

Stantec Consulting Services

Firm Overview

- Multi-disciplinary civil engineering firm established in 1954
- Leader in multimodal transportation design, operations, and travel demand modelling
- Successful work history with City of Cupertino

Firm Role

- Transportation modelling
- Facility cost estimates
- Participation in deliverables and presentations



TRAFFIC IMPACT FEE OVERVIEW

What is a Traffic Impact Fee?

A one-time City fee intended to ensure new development and redevelopment projects pay a “fair share” to mitigate traffic impacts.

- **What are the fees used for?** Transportation infrastructure needed to accommodate new growth in City.
- **Who pays the fees?** Developers pay, typically at the time of building permit issuance or filing of subdivision map.
- **How much are the fees?** Set by City Council, subject to “nexus” calculations stipulated by State law.

Key “Rules” for Impact Fee Funding

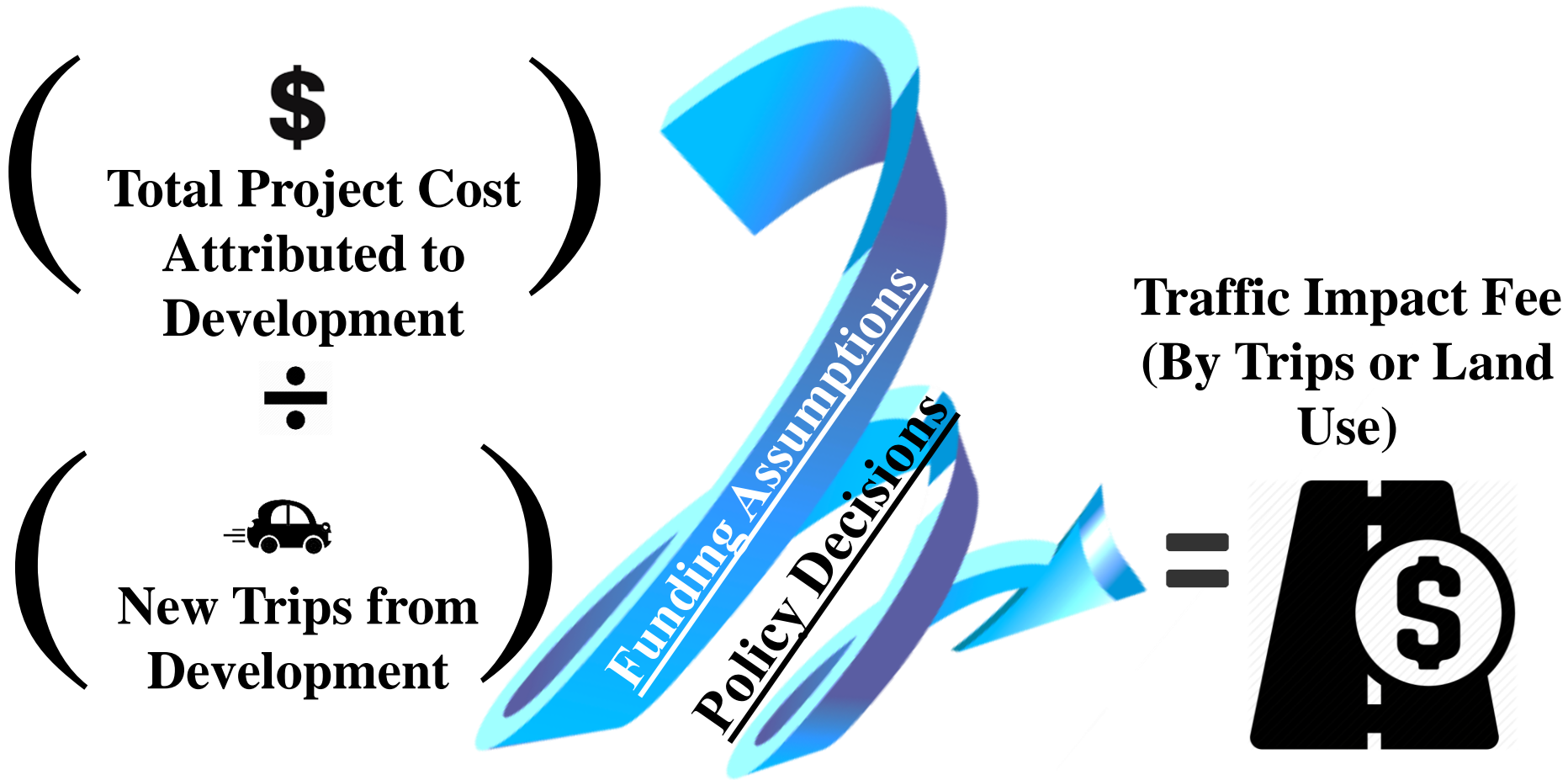
- **Fees can only fund capital costs**
 - Fees cannot fund ongoing or O&M costs
- **Fees cannot fund existing deficiencies**
 - Fee can only fund new development’s “fair share” of total project cost, based on a rational “nexus” test.
- **City must build facilities for which it has collected fees**
 - If not, the City must return the money.



Examples of Eligible Transportation Projects

- **Capacity “enhancement” projects**
 - Auto/bike/pedestrian/transit improvements to accommodate growth (e.g. new lanes, signals, trails)
- **Safety related/quality of life projects**
 - Pedestrian crossings, traffic calming, grade separation, sound walls
- **Streetscape, landscape, and urban design treatments**
 - To encourage walking, biking, use of transit (e.g., medians, bulb-outs, shelters, bike racks)

Basic Impact Fee Equation





STUDY CONTEXT AND ISSUES

Study Context

The need for TIF identified in “Mitigation Measures” for the adopted General Plan (*Community Vision 2015 – 2040*):



- To provide a key funding source for new transportation infrastructure
- To ensure new development pay a “fair share” to mitigate traffic issues in the City

Study Context (continued)

A variety of City documents identify future transportation infrastructure needs

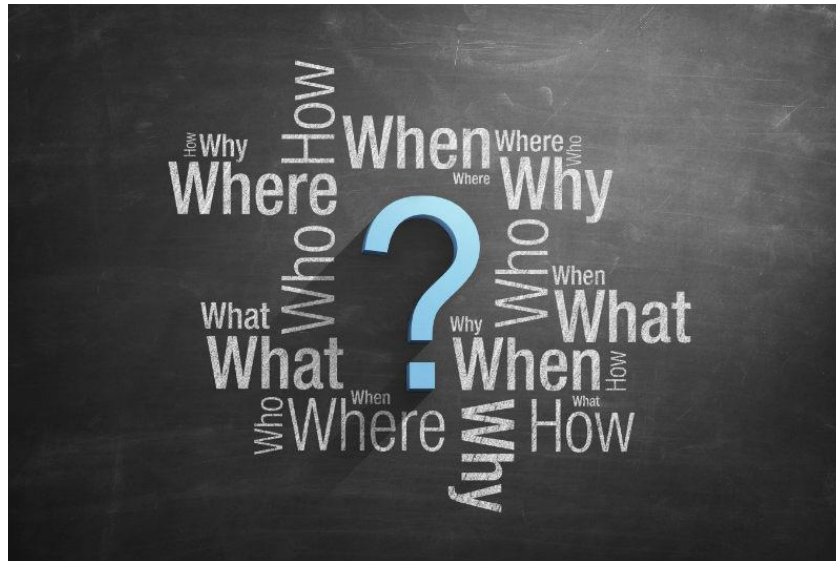
- Community Vision 2015 – 2040
- Master Plans (South Vallco Master Plan and North Vallco Master Plan)
- Conceptual Plans (North De Anza Boulevard, South De Anza Boulevard, South Vallco Connectivity Plan)
- Bicycle Transportation Plan
- Pedestrian Transportation Plan



Figure 1.1: South Vallco Planning Area

Study Context (continued)

- Uncertain timing for future development
- In-fill and redevelopment nature of new growth
- Evolving transportation needs and travel patterns
- External traffic generators and bottlenecks





STUDY PROCESS AND SCHEDULE

Study Process and Schedule

| Task | Schedule |
|---|-----------------|
| Community and stakeholder outreach | On-going |
| Applicable transportation projects and costs | September |
| Applicable land uses and growth assumptions | October |
| Facility Cost Allocation | October |
| Calculate “maximum allowable fee” | November |
| Economic and financial implications | November |
| Final technical reports | December |
| City Council approval | Early 2017 |



DISCUSSION / Q&A