



DATE: May 13, 2024
TO: STA Board
FROM: Jasper Alve, Project Manager
RE: Regional Transportation Impact Fee – Fiscal Year 2023-24 2nd Quarter Update and Working Group Recommendations

Background:

The Solano Transportation Authority (STA) and the County of Solano coordinate with all seven cities in the County on the collection and management of the Regional Transportation Impact Fee (RTIF) Program, which is a transportation impact fee component of the County’s Public Facilities Fee (PFF) Program. The County Board of Supervisors approved the RTIF Program as part of the PFF on December 3, 2013. The RTIF collection formally began on February 3, 2014.

The RTIF Program collects RTIF fees from five geographical RTIF districts across the County. Attachment A shows the RTIF district map. A few of the local jurisdictions in the County are in multiple RTIF districts. These include the City of Fairfield, which is in districts 1, 2, and 4, as well as the County of Solano, which is in all districts. The RTIF revenues collected are returned to source proportionately, as well as to two additional districts.

The two additional districts that the RTIF Program funds are Transit and the unincorporated County Road improvements. These districts are allocated 5% each for a combined total of 10% of the total RTIF revenue generated. The rest of the total revenue funds are returned to the geographic districts where they were generated. How RTIF funds are expended after they have been allocated to each district is based on that district’s working group recommendation.

Each of the seven RTIF districts is governed by a working group. These working groups are required to meet at least once a year to provide status updates on their respective RTIF-funded projects, as well as to make programming proposals, revisions, and approvals. Projects that the working group commits RTIF funds must be identified in the RTIF Nexus Study.

The Mitigation Fee Act requires any impact fee programs such as the PFF and RTIF to conduct a Nexus Study. The RTIF Program conducted a Nexus Study in 2019, 2021, and 2023, which added, respectively, 13, 4, and 15 new RTIF eligible projects. Meanwhile, County’s latest Nexus Study for its PFF Program, which is required to be updated every five years, was completed in April 2019. This update included a recommendation from the STA Board to increase the amount of RTIF collected for each dwelling unit equivalent from \$1,500 to \$2,500. The new approved fee schedule for the RTIF took effect in October 2019. Since inception, the RTIF Program has generated a total revenue of \$21,332,559.

Discussion:

RTIF Revenues for 2nd Quarter of Fiscal Year 2023-24

The total revenue collected for the second quarter was \$466,666. The amount of revenue collected for the quarter does not include revenues collected from the Cities of Fairfield, Suisun City, and Vallejo. Additionally, the City of Fairfield’s first quarter revenue is not reflected in

this quarter's revenue. These revenues will be included in the quarter in which they are received by the County. The amount of RTIF revenue collected this fiscal year (FY) thus far total \$762,234.

RTIF Working Group Proposed Recommendations

STA staff met with local agency staff comprising each of the RTIF working group, excluding RTIF district 6 for Transit, in late April and early May 2024. One of the items discussed at these meetings was going over the uncommitted funds available in each district as shown in the last column of Attachment B. A total of \$2.419M in RTIF funds were available to be programmed to RTIF eligible projects at the time of the meetings. Another item that was discussed was going over previous RTIF funding commitments. Below is a summary of the recommendations proposed by each working group.

Working Group 1: Jepson Parkway Corridor

This working group involves Solano County and the cities of Fairfield and Vacaville. The working group deferred to meet at a later time to propose specific recommendations given that, first, the uncommitted funding available is \$138,416 and, second, the City of Fairfield's first and second quarter revenues have not been submitted to the County.

Working Group 2: State Route 12 Corridor

The working group, which includes Solano County and the cities of Fairfield, Rio Vista, and Suisun City, did not have any money to program and made no recommendations.

Working Group 3: South County

The South County working group is made up of Solano County and the cities of Benicia and Vallejo. This group voted to recommend programming all the remaining uncommitted RTIF funds, as of the end of the second quarter of FY 2023-24, totaling \$493,455 to the State Route 37 and Fairgrounds Drive Interchange Project located in the City of Vallejo. The group also considered that future RTIF revenues will be programmed to the City of Benicia.

Working Group 4: Central County

The City of Fairfield and Solano County make up this working group. Previously, the group voted to recommend programming \$175,000 in RTIF funds, which the STA Board approved in December 2022, to Solano County's Rockville Road Traffic Crossing Project. The County expressed at the meeting that the pedestrian growth anticipated have not, at this time, reached the point where the crossing improvements are needed. The County will reevaluate the traffic conditions at this crossing and request future RTIF funds when needed. Accordingly, the County proposed to deprogram the \$175,000 RTIF funds currently committed to this project.

The working group voted at the meeting to reprogram the County's \$175,000 RTIF funding commitment from the Rockville Road Traffic Crossing Project to the City of Fairfield's West Texas Complete Streets Project. This recommendation will increase the RTIF funds already committed by the STA Board in December 2022 to the City of Fairfield's project.

Working Group 5: State Route 113 Corridor

The local jurisdictions involved in this corridor are the City of Dixon and Solano County. Both agencies voted to preserve the existing RTIF uncommitted funds totaling \$776,534 and did not recommend programming any RTIF funds.

Working Group 6: Transit

This working group is scheduled to meet on Tuesday, May 28, 2024. A total of \$588,500 in RTIF funds are available to be programmed to RTIF eligible transit projects.

Working Group 7: Unincorporated Solano County Road Improvements

Solano County is the only jurisdiction included in this working group. The County proposed to deprogram the \$175,000 RTIF funds previously approved by the STA Board in December 2022 for the Rockville Road Traffic Crossing Project. This project is not needed at this time given the existing traffic conditions at this crossing have not materialized as anticipated. Once deprogrammed and combined with the existing uncommitted funds of \$294,867, a total of \$469,867 is available for programming. The County requested to program all the existing RTIF funding as of the end of the second quarter of FY 2023-24 towards the State Route 37 and Fairgrounds Drive Interchange Project.

The STA TAC at its meeting on May 29, 2024 approved to forward the recommendations to the STA Board for approval.

Fiscal Impact:

None to the STA. The funding commitments are from the RTIF Program.

Recommendation:

Approve the following:

1. Program \$493,455 of RTIF district 3 funds to the City of Vallejo for the State 37 and Fairgrounds Drive Interchange Project and authorize the STA Executive Director to enter into funding agreement with the City of Vallejo;
2. Deprogram the funding for the Rockville Road Traffic Crossing Project in the amount of \$175,000 from RTIF district 4 and reprogram this to the City of Fairfield's West Texas Complete Streets Project;
3. Authorize the STA Executive Director to amend the existing funding agreement shown in Attachment C with the City of Fairfield for the West Texas Complete Streets Project to add an additional \$175,000 of RTIF district 4 funds, thereby bringing the total RTIF commitment to the project to \$1,370,000;
4. Deprogram the RTIF funding for the Rockville Road Traffic Crossing Project in the amount of \$175,000 from RTIF district 7; and
5. Program \$469,867 of RTIF district 7 funds to Solano County for the State Route 37 and Fairgrounds Drive Interchange Project and authorize the STA Executive Director to enter into funding agreement with Solano County.

Attachments:

- A. Map of RTIF Districts
- B. FY 2023-24 Second Quarter RTIF Revenue Summary by RTIF District
- C. Executed Funding Agreement with the City of Fairfield for the West Texas Complete Streets Project