



PUBLIC WORKS DEPARTMENT

CITY HALL

10300 TORRE AVENUE • CUPERTINO, CA 95014-3255

TELEPHONE: (408) 777-3354 www.cupertino.org

CITY COUNCIL STAFF REPORT

Meeting: October 3, 2017

Subject

Second Reading of Ordinance 17-2168 adding Chapter 14.02 to the Cupertino Municipal Code to Adopt and Implement the City's Transportation Impact Fee Program

Recommended Action

Conduct the second reading and enact Ordinance No. 17-2168: "An Ordinance of the City Council of the City of Cupertino adding Chapter 14.02 to the Cupertino Municipal Code to Adopt and Implement the City's Transportation Impact Fee Program"

Discussion

At the August 15, 2017 City Council Meeting, City council directed staff to draft an Ordinance to adopt the maximum allowable traffic impact fee (TIF). The Nexus Study adopted by City Council on August 15, 2017 calculates the maximum allowable traffic impact fee.

The TIF will be applied in accordance with the TIF Schedule adopted by Council on September 19, 2017. Pursuant to the TIF Study, the following development projects will be exempt from the TIF Program Fee:

- A. The rehabilitation and/or reconstruction and/or expansion of any legal, residential structure and/or the replacement of a previously existing legal dwelling unit that does not cause the addition of vehicular trips as defined by the Institute of Traffic Engineers.
- B. The rehabilitation and/or reconstruction of non-residential structures where there is no net increase in square footage and/or change in development type/land use (e.g. office to retail).
- C. Residential accessory buildings.
- D. Public facilities, including but not limited to, buildings, structures and outdoor recreation areas owned by a local agency.

Sustainability Impact

None.

Fiscal Impact

The traffic impact fee program necessarily doesn't cover 100% of the costs for the improvements designated (and the statutory authority of AB 16000 requires a rational nexus so that new development only cover their "fair share" of costs). Additionally, the impact fee nexus study does not identify all other funding sources (and typically these other sources are not totally secured prior to approval of the fee program since the designated improvements are likely to be required over a very long time horizon, such as build-out of a General Plan). Therefore, the City will need to identify supplemental funding sources, such as General Fund, grants, or individual developer contributions through avenues such as Developer Agreements, to provide the balance of the funding to complete the designated improvements.

Prepared by: David Stillman, Transportation Manager

Reviewed by: Timm Borden, Director of Public Works

Approved for Submission by: David Brandt, City Manager

Attachments:

A – Ordinance