



GRASS VALLEY

City Council Regular Meeting, Capital Improvements Authority and Redevelopment "Successor Agency"

Tuesday, April 23, 2024 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

AGENDA

Any person with a disability who requires accommodations to participate in this meeting should telephone the City Clerk's office at (530)274-4390, at least 48 hours prior to the meeting to make a request for a disability related modification or accommodation.

**Mayor Jan Arbuckle, Vice Mayor Hilary Hodge, Councilmember Bob Branstrom,
Councilmember Haven Caravelli, Councilmember Tom Ivy**

MEETING NOTICE

City Council welcomes you to attend the meetings electronically or in person at the City Hall Council Chambers, located at 125 E. Main St., Grass Valley, CA 95945. Regular Meetings are scheduled at 6:00 p.m. on the 2nd and 4th Tuesday of each month. Your interest is encouraged and appreciated.

This meeting is being broadcast "live" on Comcast Channel 17 by Nevada County Media, on the internet at www.cityofgrassvalley.com, or on the City of Grass Valley YouTube channel at <https://www.youtube.com/@cityofgrassvalley.com>

Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after that will be addressed during the item and/or at the end of the meeting. Council will have the option to modify their action on items based on comments received. Action may be taken on any agenda item.

Agenda materials, staff reports, and background information related to regular agenda items are available on the City's website: www.cityofgrassvalley.com. Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet will be made available on the City of Grass Valley website at www.cityofgrassvalley.com, subject to City staff's ability to post the documents before the meeting.

Please note, individuals who disrupt, disturb, impede, or render infeasible the orderly conduct of a meeting will receive one warning that, if they do not cease such behavior, they may be removed from the meeting. The chair has authority to order individuals removed if they do not cease their disruptive behavior following this warning. No warning is required before an individual is removed if that individual engages in a use of force or makes a true threat of force. (Gov. Code, § 54957.95.)

Council Chambers are wheelchair accessible and listening devices are available. Other special accommodations may be requested to the City Clerk 72 hours in advance of the meeting by calling (530) 274-4390, we are happy to accommodate.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA APPROVAL - *The City Council reserves the right to hear items in a different order to accomplish business in the most efficient manner.*

REPORT OUT OF CLOSED SESSION

INTRODUCTIONS AND PRESENTATIONS

1. Poppy Day Proclamation

PUBLIC COMMENT - *Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after 5pm will be addressed during the item and/or at the end of the meeting. Council will have the option to modify their action on items based on comments received. Action may be taken on any agenda item. There is a time limitation of three minutes per person for all emailed, voicemail, or in person comments, and only one type of public comment per person. Speaker cards are assigned for public comments that are on any items not on the agenda, and within the jurisdiction or interest of the City. Speaker Cards can be pulled until the opening of public comment at which time sign ups will no longer be allowed. These cards can be found at the City Clerks desk. If you wish to speak regarding a scheduled agenda item, please come to the podium when the item is announced. When recognized, please begin by providing your name and address for the record (optional). Thirty minutes of public comment will be heard under this item in order of the speaker card assigned and the remaining general public comments will be heard at the end of the meeting. We will begin with number one.*

CONSENT ITEMS -*All matters listed under the Consent Calendar are to be considered routine by the City Council and/or Grass Valley Redevelopment Agency and will be enacted by one motion in the form listed. There will be no separate discussion of these items unless, before the City Council and/or Grass Valley Redevelopment Agency votes on the motion to adopt, members of the Council and/or Agency, staff or the public request specific items to be removed from the Consent Calendar for separate discussion and action but Council action is required to do so (roll call vote). Unless the Council removes an item from the Consent Calendar for separate discussion, public comments are invited as to the consent calendar as a whole and limited to three minutes per person.*

2. Approval of the Regular Meeting Minutes of April 9, 2024.

Recommendation: Council approve minutes as submitted.

3. Approval of the Special Joint City Council and Historical Commission Meeting Minutes of April 9, 2024

Recommendation: Council approve minutes as submitted.

4. Nevada County Transportation Commission FY 2024/25 Overall Work Program Approval

CEQA: N/A - Not a Project

Recommendation: That Council: 1) review the projects proposed for inclusion in the Nevada County Transportation Commission FY 2024/25 Overall Work Program, 2) adopt a Resolution approving the projects for inclusion in the Nevada County Transportation Commission Overall Work Program

5. California Department of Tax and Fee Administration Examination of Sales Transaction and Use Tax Records Resolution Revised for Measure B.

CEQA: Not a project

Recommendation: That Council adopts: 1)Resolution No. 2024-18 authorizing the Examination of Sales or Transactions and use Taxes Records by the City Manager, Finance Director, and HDL Companies.

6. Hinderliter de Llamas & Associates (HdL) Sales, Use and Transactions Tax Services Contract Amendment

CEQA: Not a project

Recommendation: It is recommended that the City Council adopt Resolution No.2024-20 approving a contract amendment between the City of Grass Valley and Hinderliter de Llamas & Associates (HdL) for Sales, Use and Transactions Tax Services

7. Direction to file annual reports for Landscape and Lighting Districts (LLD) and Benefit Assessment Districts (BAD) for Fiscal Year 2024-25

CEQA: Not a project

Recommendation: It is recommended that the City Council adopt five Resolutions (2024-21, 2024-22, 2024-23, 2024-24, 2024-25) directing the filing of annual reports for Landscaping and Lighting Districts (LLD) - Annual Assessment for Fiscal Year 2024-25 and Benefit Assessment Districts (BAD) - Annual Assessments for Fiscal Year 2024-25.

ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION OR SEPARATE ACTION AND / OR ANY ADDED AGENDA ITEMS

REORGANIZATION RELATED ITEMS

PUBLIC HEARING

8. Transportation Impact Fees - Public Hearing for Fee Program Updates

Recommendation: That Council hold a public hearing and adopt two resolutions; updating the Grass Valley Transportation Impact Fee Program and updating the Regional Transportation Mitigation Fee (RTMF) Program.

ADMINISTRATIVE

9. Fire Department Staffing

CEQA: Not a project

Recommendation: That Council approve the Fire Department’s proposal to enhance services with the addition of one Firefighter funded by Measure B.

BRIEF REPORTS BY COUNCIL MEMBERS

CONTINUATION OF PUBLIC COMMENT

ADJOURN

POSTING NOTICE

This is to certify that the above notice of a meeting of The City Council, scheduled for Tuesday, April 23, 2024 at 6:00 PM was posted at city hall, easily accessible to the public, as of 5:00 p.m. Thursday, April 18, 2024.

Taylor Day, City Clerk

PROCLAMATION

PROCLAIMING MAY 24 & 25, 2024

AS

AMERICAN LEGION AUXILIARY

VETERAN’S POPPY DAYS



WHEREAS, the American Legion and the Auxiliary annually celebrates **VETERAN’S POPPY DAYS** on behalf of the disabled veterans, widows and orphans of our country and by doing so, greatly help those veterans in hospitals to rehabilitate themselves; and

WHEREAS, these disabled veterans, totally confined to Veteran’s Hospitals and the Yountville Veteran’s Home of California, make these poppies as part of their rehabilitation program.

NOW THEREFORE BE IT RESOLVED, that the Mayor and City Council of the City of Grass Valley, County of Nevada, State of California, hereby declare May 24 & 25, 2024 as **AMERICAN LEGION AUXILIARY VETERAN’S POPPY DAYS**, and urge the citizens of Grass Valley to participate in this most worthy cause to help in the rehabilitation of the disabled veterans, widows and orphans of this country.

Dated this 23rd Day of April 2024

Jan Arbuckle, Mayor

Hilary Hodge, Vice Mayor

Bob Branstrom, Council Member

Tom Ivy, Council Member

Haven Caravelli, Council Member



GRASS VALLEY

**City Council Regular Meeting, Capital Improvements Authority and
Redevelopment "Successor Agency"**

Tuesday, April 09, 2024 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

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MINUTES

CALL TO ORDER

Meeting called to order at 6:05 PM.

PLEDGE OF ALLEGIANCE

Pledge of allegiance led by Mayor Arbuckle.

ROLL CALL

PRESENT

- Councilmember Bob Branstrom
- Councilmember Haven Caravelli
- Councilmember Tom Ivy
- Vice Mayor Hilary Hodge
- Mayor Jan Arbuckle

AGENDA APPROVAL

Motion made to approve the agenda as submitted by Councilmember Ivy, Seconded by Councilmember Caravelli.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

REPORT OUT OF CLOSED SESSION

No closed session.

INTRODUCTIONS AND PRESENTATIONS

PUBLIC COMMENT

In person public comment: Public Comment Sign in Sheet #1 to 6 attached, Matthew Coulter

CONSENT ITEMS

Remove Item #6 Water Conservation and Item #9 Planning Commissioner.

Public comment: Matthew Coulter

Motion made to approve consent with removal of #6 and #9 by Councilmember Branstrom, Seconded by Vice Mayor Hodge.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

1. Approval of the Regular Meeting Minutes of March 26, 2024
Recommendation: Council approve minutes as submitted.
2. Approval of the Special Council Meeting Minutes of April 2, 2024
Recommendation: Council approve minutes as submitted.
3. Canvass and Statement of Results for the March 5, 2024 Primary Municipal Election.
CEQA: Not a Project
Recommendation: Adopt Resolution No. 2024-12 finding and declaring the results of the March 5, 2024 Primary Municipal Election.
4. California Department of Tax and Fee Administration Agreements to implement the Local Sales and Use Tax Approved under Measure B.
CEQA: Not a project
Recommendation: That Council adopts; 1) Resolution No. 2024-13 authorizing the City Manager to sign required agreements with the California Department of Tax and Fee Administration to implement the Local Sales and Use Tax approved under Measure B. 2) Resolution No. 2024-14 authorizing the Examination of Sales or Transactions and use Taxes Records by the City Manager, Finance Director, and HDL Companies.
5. Resolution No. 2024-16 Temporarily Decreasing the Additional Business Taxes Collected from Cannabis Businesses within the City of Grass Valley for High Potency Cannabis and Cannabis Products.
CEQA: Not a Project.
Recommendation: That Council adopt Resolution No. 2024-16 to temporarily decrease the additional business taxes collected from cannabis businesses operating within the City of Grass Valley for high-potency cannabis products for five years.
6. 2024 Annual Measure E Street Rehabilitation Project - Authorization to Award Contract
CEQA: Categorically Exempt - Section 15301 "Existing Facilities"
Recommendation: That Council 1) award a contract for the 2024 Annual Measure E Street Rehabilitation Project to Consolidated Engineering, Inc., 2) authorize the Mayor to execute the construction contract, subject to legal review and, 3) authorize the City Engineer to approve construction change orders for up to 10% of the contract amount.
7. Health and Safety Code Section 13146.4 Report on Fire Inspections
CEQA: Not a project
Recommendation: That Council adopt Resolution 2024-15 which accepts the Grass Valley Fire Department report pursuant to Health and Safety Code Section 13146.4 annual inspections for 2022 and 2023
8. An amendment to an existing Memorandum of Understanding with Nevada County associated with the implementation of SB 1383 and other unfunded state mandates related to organic waste collection and recycling.
CEQA: Not a project

Recommendation: Authorize the Mayor to sign the amendment to the Memorandum of Understanding with Nevada County and direct the Finance Director to adjust the budget.

ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION OR SEPARATE ACTION AND / OR ANY ADDED AGENDA ITEMS

9. Resolution No. 2024-15 20% Water Conservation from all City Customers Due to inoperable Drum and South Yuba Canals

CEQA: Not a Project.

Recommendation: That Council adopt Resolution No. 2024-15 requesting all City Water Customers voluntarily conserve 20% of their normal water usage for the next 90 days.

Tim Kiser, City Manager, gave presentation to the council and noted changes to the resolution number to 2024-17 and to change request of water conservation from 90 day to 150 days.

Council discussed a PR strategy,

Public Comment: Robin Galvin-Davis, unnamed, Marianne Boll-See, Matthew Coulter
Change to Resolution # and conservation 150 days

Motion made to adopt Resolution No. 2024-17 as amended requesting all City Water Customers voluntarily conserve 20% of their normal water usage for the next 150 days by Vice Mayor Hodge, Seconded by Councilmember Branstrom.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

10. Appointment of Planning Commissioner

CEQA: Not a project

Recommendation: That Council approve the appointment of Jacob McDonald as Planning Commissioner for Mayor Arbuckle

Jan Arbuckle, Mayor, introduced her new proposed planning commissioner Jacob McDonald.

Public Comment: Robin Galvin-Davis, Matthew Coulter

Motion made to approve the appointment of Jacob McDonald as Planning Commissioner for Mayor Arbuckle by Councilmember Branstrom, Seconded by Councilmember Ivy.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

REORGANIZATION RELATED ITEMS

PUBLIC HEARING

11. Second Reading of Ordinance No. 826 Imposing a 3/8-cent (0.375%) Transaction and Use Tax for Fire Resiliency and Vegetation Management

CEQA: Not a Project.

Recommendation: That Council hold a second reading, waive the full reading, by title only, and adopt Ordinance No. 826 known as the “2023 Grass Valley Transactions and Use Tax Ordinance”.

Tim Kiser, City Manager, gave presentation.

Public Comment: Matthew Coulter, Tim McCall.

Motion made to hold a second reading, waive the full reading, by title only, and adopt Ordinance No. 826 known as the “2023 Grass Valley Transactions and Use Tax Ordinance” by Councilmember Branstrom, Seconded by Vice Mayor Hodge.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

ADMINISTRATIVE

12. FY 2023-24 Mid-Year Budget Review

CEQA: Not a project

Recommendation: It is recommended that the City Council, by MOTION, approve the Mid-Year Budget Review and recommended revisions.

Andy Heath, Finance Director, gave presentation to the council.

Council discussed the UFLA for Cal Pers, Fire overtime, sports field bond discussion, requested a plan for how the City will stay on budget, and discussed PGE and Pioneer Community Energy.

Public Comment: unnamed, Matthew Coulter

Motion made to approve the Mid-Year Budget Review and recommended revisions by Vice Mayor Hodge, Seconded by Councilmember Caravelli.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge, Mayor Arbuckle

BRIEF REPORTS BY COUNCIL MEMBERS

Councilmember Caravelli attended the ERC sub committee meeting and attended the Board Meeting of the ERC. Councilmember Branstrom attended the ERC Board Meeting, and art show at the Rood Center, and encourages the public to participate in the forum on the conflict in Gaza. Councilmember Ivy attended a forum with the goal of understanding where the community stands on the topic of a cease fire. Vice Mayor Hodge noted that April is arts and Culture Month, Rent will be opening at the Nevada Theater, and the Sierra Poetry Festival will be at the Center for the Arts. Mayor Arbuckle also attended the forum to discuss conflicts in Gaza and looking to find common ground.

CONTINUATION OF PUBLIC COMMENT

ADJOURN

Meeting adjourned at 8:49PM.

Jan Arbuckle, Mayor

Taylor Day, City Clerk

Adopted on: _____

April 5, 2024

City Council
City of Grass Valley
125 East Main Street
Grass Valley, CA 95945

RE: Measure B

Dear City Council,

The agenda for your April 9, 2024, City Council meeting includes several items centering around the proposed Ordinance No. 826. They include briefly:

1. Declare the results of the March 5, 2024 Election for Measure B.
2. Authorize the City Manager to sign agreements with the California Department of Tax and Fee Administration.
3. Second Reading of the Ordinance.

I had planned on speaking to the City Council but am unable to attend that evening. I offer this letter as an alternative to addressing you in person.

I explained in my February 23, 2024, letter and during my address to the Council on February 27, 2024, that voters considering Measure B had been grossly misled by materials found in the Voter Information Guide and on the official ballot. To date, I have not received comments or questions from the City Council nor from city staff. In case I have not conveyed my concerns adequately, I will take this opportunity to explain again.

Measure B consisted solely of the proposed Ordinance No. 826. Measure B was a general fund tax initiative. It is strictly disallowed to include references to specific tax revenue expenditures in this type of ordinance. Indeed, there were no such references in Ordinance No. 826. However, contrary to these observations the BALLOT QUESTION, which is intended to inform the voter about the Ordinance, contained the following phrase: "...funding additional firefighters, vegetation management, and emergency evacuation planning...". Including these categories of expenditures in the BALLOT QUESTION presented false information regarding the content of Ordinance No. 826 and therefore grossly misled voters.

A truthful and more informative statement to be included in the BALLOT QUESTION should have been; "The Ordinance directs the City Council to adopt a plan to expend the tax proceeds and consider such expenditures in conjunction with the City's annual budget."

Your opportunity to convince constituents of your intended categories of expenditures would have been to act outside of the official election process. Had you chose to pursue a special tax initiative, you could have used the Voter Information Guide and ballot to

educate the voters on specific uses for the tax revenues. However, you chose a general fund tax initiative.

The City Attorney authored the "IMPARTIAL ANALYSIS", also found in the Voter Information Guide. His analysis of the Ordinance was for the benefit of the voters. However, it included the identical erroneous phrase as found in the BALLOT QUESTION. Again, phraseology not found in the Ordinance.

The "IMPARTIAL ANALYSIS" may have been the origin of the language found in the BALLOT QUESTION yet disallowed in the Ordinance. Two months ago, I sent a letter to the City Manager, Mr. Kiser, requesting answers to a few rather simple questions that would be useful in making this determination. I have not yet received a response. I respectfully request the City Council direct Mr. Kiser to respond.

There are additional technicalities to consider. First: The Ordinance, by its own authority, is not yet available for the City Council to adopt. I quote Section 18. EFFECTIVE DATE: "This Ordinance shall take effect 10 days after the date the vote is declared by the City Council." Your April 9 agenda gives you the opportunity to declare the vote; however, Section 18 dictates the City Council declare the vote first, then wait 10 days until the ordinance becomes effective. With the Ordinance not yet effective, it is not available for a motion to adopt.

Second: The City Manager should not be authorized to sign agreements to implement Measure B until Ordinance No. 826 has been adopted by the City Council. This item should be removed from the consent agenda and not reappear until after the Ordinance has been adopted.

Third: Your agenda lists the "Second Reading of Ordinance No. 826 Imposing a 3/8-cent (0.375%) Transaction and Use Tax for Fire Resiliency and Vegetation Management." You cannot possibly approve the reading of an ordinance "for Fire Resiliency and Vegetation Management" when these terms do not appear in either the title or the body of the ordinance you are reading. Now even the City Council is being misled as to exactly what is requested of them.

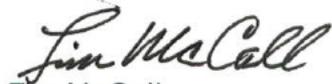
Fourth: Staff recommendation for the "Second Reading" agenda item discussed above also includes a recommendation to adopt Ordinance No. 826. Calling for a motion to adopt the Ordinance must be a separate agenda item. As presented, one looking through the list of agenda items is not informed of the fact that you also intend to adopt the Ordinance at your April 9 meeting.

Ordinance No. 826 will not become operative until October 1, 2024, at the earliest. The City Council may forestall a motion to adopt the Ordinance as late as June 11. There is little need to rush these proceedings, hopefully giving way to thoughtful deliberation.

Given the manner in which the City presented Measure B to the voters, you created a hybrid between a general fund tax initiative and a special tax initiative. Please consider the goodwill of your constituents and start this process anew. When doing so, take all necessary precautions to work within the confines of the type of tax initiative you place on the ballot.

In closing, my personal ethics would not allow me to consider adopting Ordinance No. 826 knowing voters have been misled. Inadvertently or otherwise, voters were most certainly misled.

Sincerely,



Tim McCall

424 S. Auburn Street

Grass Valley, CA 95945

Cell: [REDACTED]



April 9, 2024

Item #2.

CITY OF GRASS VALLEY CITY COUNCIL MEETING

GENERAL PUBLIC COMMENT SIGN IN SHEET

WELCOME to the City of Grass Valley City Council meeting! Public Comments provide an opportunity for the public to address the City Council on any subject which is not on the agenda but in the jurisdiction of the council. If you wish to speak, please indicate in the appropriate box when you sign in and take the number corresponding to your name. Each individual can have up to 3 minutes of public comment. At the beginning of the meeting, there will be an allotted 30 minutes of general public comments and the remainder of comments will be heard at the end of the agenda. Speakers will be called in order of the numbers given.

When you are recognized by the mayor:

1. Please stand before the podium and give your name and address. (optional)
2. Please limit your comments to three minutes per speaker.
3. If previous speakers have made the same point, you may simply indicate your support or disagreement, unless you have new information.

Thank you for your participation.

#'s	Print Name or N/A	Address (optional)	Self/Business (optional)
1	Aaron Bushnell		
2	Shirley Osgood		
3	Jeffrey Gottesman		
4	Jana Marino	Grass Valley	
5	Liz Newman	Grass Valley	
6	ROBIN DAVIES	GV CHAMBER	
7			
8			
9			
10			
11			
12			
13			
14			



GRASS VALLEY

Special Joint City Council and Historical Commission Meeting

Tuesday, April 09, 2024 at 4:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

MINUTES

CALL TO ORDER

Meeting called to order at 4:04PM.

ROLL CALL

PRESENT:

Commissioner Terence McAteer

Commissioner Dyane Albrecht

Commissioner Teresa Poston

Councilmember Branstrom

Councilmember Caravelli

Vice Mayor Hodge

Mayor Arbuckle

ABSENT:

Councilmember Ivy - arrived at 4:07PM

AGENDA ITEMS

1. Historical Commission Roles and Responsibilities

CEQA: Not a Project

Recommendation: Receive and File

City Planner, Amy Wolfson gave presentation to Commissioners and Councilmembers outlining the roles and responsibilities of the Historical Commission.

Commissioner Poston addressed major projects that the Historical Commission has achieved over the last twenty years. Commissioner McAteer made comments on promoting history in the community. Commissioner Albrecht discussed why she joined the commission and some of her future goals. Councilmember Branstrom asked for clarification from staff on the primary role of the Historical Commission. Councilmember Hodge asked if the Historical Commission has ever worked with local property owners in regards to state and federal taxes.

PUBLIC COMMENT:

Bernard Zimmerman, Gage McKinney, Linda Jack, Chris Enns, Brenda English, Terry Wern, Jerry Martini, Greg, Michael Sprong, Paul Coddington, Matthew Coulter.

Commissioner Poston commented on wishing City Council would be more involved in choosing commissioners. Mayor Arbuckle encouraged commissioners to communicate

with the Council about wants and needs. City Manager, Tim Kiser, addressed the comments regarding why the Mill St Plaza project was not put before the Historical Commission. Mayor Arbuckle requests that Staff come back and present an amendment to the Roles and Responsibilities of the Historical Commission.

2. Operation of the Historical Commission

CEQA: Not a Project.

Recommendation: That Council direct staff on how to proceed with the operation of the Historical Commission.

Deputy City Manager, Taylor Day, gave presentation to the Council/Commission.

Commissioner McAteer stated that he liked the idea of incorporating one member of the HC to the DRC to act as a voice. Vice Mayor Hodge commented on publicizing the open positions on the HC. Councilmember Branstrom commented on the desire for more open communication and allocating funds to the HC.

PUBLIC COMMENT: Chris Enns, Robin Galvin-Davies, Matthew Coulter.

Mayor Arbuckle and Commissioner Poston asked the Deputy City Manager for clarification on the first two options. Staff acknowledged the additional option of keeping HC as a stand-alone commission and also integrating 2 members of the HC into DRC. Commissioner McAteer suggested having a representative of the HC attend and make comments during DRC meetings that discuss any historical projects.

ADJOURN

Meeting adjourned at 5:50PM.

Jan Arbuckle, Mayor

Taylor Day, City Clerk

Adopted on: _____

Miranda Bacon

From: Jedidiah Watson <[REDACTED]>
Sent: Friday, April 5, 2024 8:58 AM
To: Public Comments
Subject: Historical Commission Comments

You don't often get email from [REDACTED] [Learn why this is important](#)

Good Afternoon City Council Members and Historical Commissioners,

As you look to give guidance on the future of the Historical Commission I believe that you should have a good understanding of the past. When I was on the Historical Commission (Vice Chairman) we also saw that there was overlap with the DRC and we asked to have representative/liason to the DRC, but to keep the commissions separate as there were topics and initiatives (Amistace Day Window Display downtown and the rededication of the Memorial Park on the 100th Anniversary) that the historical commission would be involved in and take on that didn't involve the DRC and vice versa. However, this idea was shot down by the staff and specifically Tom Last because he didn't want the historical commission involved with the DRC's processes.

There has been a long history of the staff not wanting to have the Historical Commission exist or be involved as they have excluded the commission from decisions around things like the Grass Valley Signage (in and around downtown) and the downtown plaza as they felt we were a hinderance to their processes. By excluding the Historical Commission this does a disservice to the community as many of the Historical Commissioners are either historians or have a passion for history and more specifically the history of our town and can give insight into the preservation of historical town.

My recommendation is that you look at a 4th option instead of being limited to the 3 options provided by the staff and it is the same recommendation I made as the Vice Chairman of the Historical Commission. The two commissions need to be separate as they look at projects with a different lense, but there has to be representation from the Historical Commission to the DRC. This representative will be able to answer questions, but also be responsible for taking items back to the Historical Commission as it has been proven that we can't rely on the staff.

Thank You,
Jedidiah

Miranda Bacon

From: Felicia Tracy [REDACTED] >
Sent: Monday, April 8, 2024 11:16 AM
To: Public Comments
Subject: city council and historical commission meeting

[You don't often get email from [REDACTED]. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Dear City Council and Historical Commission members:

I am deeply concerned about recent events concerning the Grass Valley City Manager, Tim Kiser, and his relationship to the members of the Historical Commission. There appears to be a lack of utilizing their expertise and an additional lack of respect as to the importance of history to Grass Valley and Nevada County. This breach created the resignation of two key members, who are recognized statewide and nationally for their deep understanding and scholarship of our history. One can only assume that members of the Council under the leadership of Mr.Kiser, do not recognize that Nevada County and Grass Valley's uniqueness is based on our history, and through promoting it, our economy is driven. It is a financial issue, not just an emotional one. Certainly the new owners of the Holbrooke Hotel would not have invested as they have to preserve a landmark with such a history, nor would the State have made the Empire Mine a State Park. The Union newspaper regularly has featured men and women and events of historical importance and interest. Multiple other examples include our historical libraries, the Nevada County Historical Society and their museums, the North Star House restoration, and the Nevada County Landmarks Commission.

Grass Valley has ignored the importance of Errol Mac Boyles contributions and made no move to be concerned about the Loma Rica Ranch, the historic redwood barns being recognized as important potentially to Grass Valley as the Ferry Building is to San Francisco. Members of the public met with the Council some time ago regarding how significant this property could be for Grass Valley, meanwhile it has been allowed to deteriorate. Nor did the Council consult with the Historic Commission on their renovation of Mill Street.

My great grandfather came from Europe to San Francisco, but his favorite place was Grass Valley in the late 1850ties. In 1942 my parents purchased property here, all because my father had heard about Grass Valley from his grandfather. Now four generations later, we continue to maintain and live on that property named Emigrant Springs, in recognition of the Emigrant Trail nearby. The lure of Grass Valley is it's rich history and the appreciation of citizens who nurture and educate others as to it's importance and beauty.

Certainly a solution to improve working relationships is a priority, but it must begin with a respect for those who serve on the Historical Commission and an understanding that for Grass Valley it is a financial issue now and in the future.

Sincerely, Felicia Tracy

Miranda Bacon

From: Mark Reilly [REDACTED] >
Sent: Tuesday, April 9, 2024 3:12 PM
To: Public Comments
Subject: Joint City Council and Historical Commission Meeting

You don't often get email from [REDACTED]. [Learn why this is important](#)

Dear City Council Members,

I'm writing in regard to today's special Joint City Council and Historical Commission Meeting. I'm commenting as a 32-year visitor to Grass Valley, a seven-year resident and homeowner in Grass Valley, and an architect with experience working on historic properties from both the design and development perspectives.

The Union's recent announcement of this meeting was the first I heard the Historic Commission was in need of new members, and the first I heard the future of the Commission was uncertain. The article also stated that staff have pinpointed three options up for discussion - to continue the Commission and solicit commissioners, to dissolve the Commission and transfer its responsibilities to the Development Review Committee (DRC), or to merge the Historical Commission with the DRC.

The Grass Valley Historical Commission is a vital, independent part of preserving and promoting our city's historic legacy. To eliminate or dilute it due to a current lack of members and/or conflicts between it and the Development Review Committee is short sighted. I strongly urge the City Council to instead look for ways to solicit new members and to make both the Historic Commission and Development Review Committee work better together to help preserve our past while moving our city forward.

With Gratitude,

Mark Reilly

Mark Reilly Architecture
[Mark Reilly Architecture](#)





City of Grass Valley City Council Agenda Action Sheet

Title: Nevada County Transportation Commission FY 2024/25 Overall Work Program Approval

CEQA: N/A - Not a Project

Recommendation: That Council: 1) review the projects proposed for inclusion in the Nevada County Transportation Commission FY 2024/25 Overall Work Program, 2) adopt a Resolution approving the projects for inclusion in the Nevada County Transportation Commission Overall Work Program

Prepared by: Bjorn P. Jones, PE, City Engineer

Council Meeting Date: 04/23/2024

Date Prepared: 04/17/2024

Agenda: Consent

Background Information: Staff for Nevada County Transportation Commission (NCTC) have prepared an Overall Work Program (OWP) for FY 2024/25. The OWP is prepared on an annual basis as a scope of work and budget for transportation planning activities for the fiscal year. The OWP is a requirement of NCTC's Master Fund Transfer Agreement with the State of California and includes the following three components: Introduction, Work Elements, and Budget.

The purpose of the proposed OWP for FY 2024/25 is to: 1) show how the Federal Planning Factors will be integrated into the OWP work elements; 2) outline continuing and new major activities; and 3) present a summary of the expected revenues and expenditures for the fiscal year. A final OWP will be presented at the May 15, 2024 NCTC meeting.

Adoption of the attached Resolution is recommended, approving the proposed projects for inclusion in the Nevada County Transportation Commission Overall Work Program.

Council Goals/Objectives: The NCTC Overall Work Program executes portions of work tasks towards achieving/maintaining Strategic Goal - City Infrastructure Investment.

Fiscal Impact: N/A

Funds Available: N/A

Account #: N/A

Reviewed by: City Manager

Attachments: Resolution 2024-19 and Work Plan

RESOLUTION NO. R2024-19

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY
APPROVING THE PROJECTS PROPOSED FOR INCLUSION IN THE NEVADA COUNTY
TRANSPORTATION COMMISSION’S FY 2024/25 OVERALL WORK PROGRAM**

WHEREAS, on October 8, 1991, the Council did adopt Resolution No. 91-172, which authorized the Mayor to execute a Memorandum of Understanding on behalf of the City of Grass Valley with the Nevada County Transportation Commission relating to regional transportation planning; and

WHEREAS, in accordance with the above referenced Memorandum of Understanding, the Nevada County Transportation Commission has submitted the projects to be included in its FY 2024/25 Overall Work Program for the review and approval of the City Council of the City of Grass Valley.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRASS VALLEY:

1. That the City Council hereby acknowledges its approval of the projects proposed for inclusion in the FY 2024/25 Overall Work Program of the Nevada County Transportation Commission as submitted; and
2. That the City Council encourages the Nevada County Transportation Commission to continue its efforts to coordinate the regional transportation planning process and to work closely with the staff of the City of Grass Valley to identify and resolve issues that are of common concern.

ADOPTED by the City Council of the City of Grass Valley at a regular meeting held the 23rd day of April, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jan Arbuckle, MAYOR

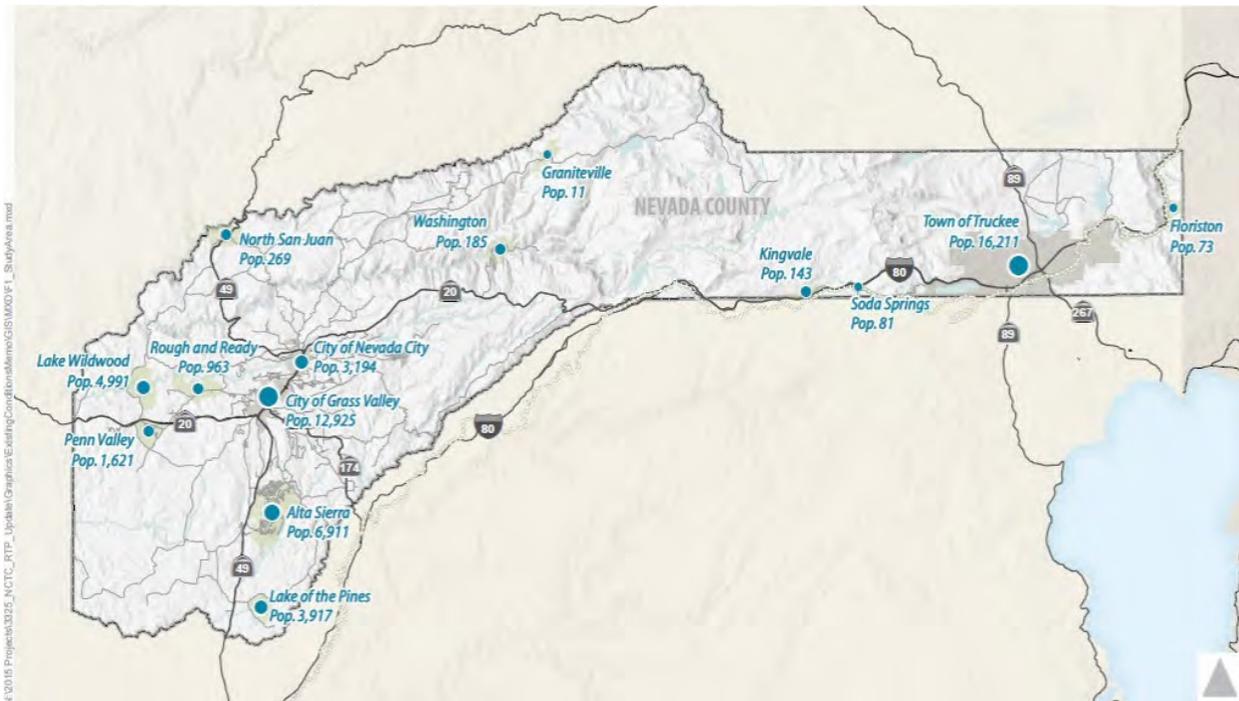
APPROVED AS TO FORM:

ATTEST:

Michael G. Colantuono, CITY ATTORNEY

Taylor Day, CITY CLERK

Nevada County Transportation Commission



2024/25 Overall Work Program

Draft – March 20, 2024

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MISSION STATEMENT

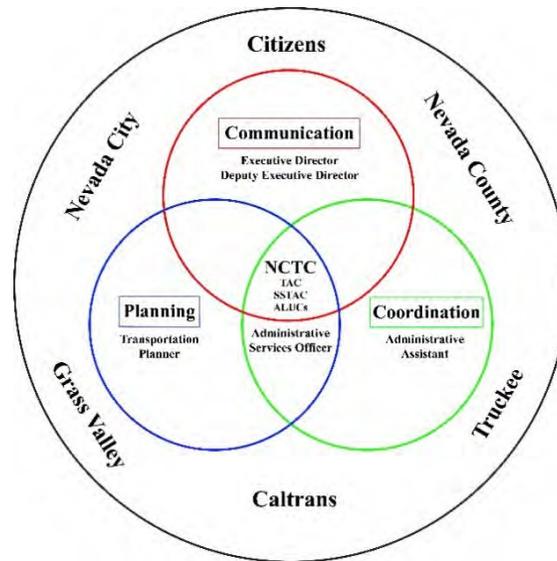
The mission of the Nevada County Transportation Commission is to plan, communicate, and coordinate with the citizens and decision makers of Grass Valley, Nevada City, Nevada County, Town of Truckee, and with Caltrans to identify transportation needs, propose solutions, and assist in implementing projects to create a balanced regional transportation system, while protecting the rural qualities and historic character of Nevada County.

Activities to Achieve the Mission Include, But are not Limited to, the Following:

- ✓ *NCTC develops a Regional Transportation Plan (RTP) which includes the actions, funding recommendations, and policy direction necessary to meet the needs of each transportation system component in the region.*
- ✓ *NCTC interacts with the community through workshops, news media outlets, the NCTC website, and through social media platforms.*
- ✓ *NCTC develops and adopts a Regional Transportation Improvement Program (RTIP) that is consistent with the RTP.*
- ✓ *NCTC conducts a comprehensive planning process in the development of its annual Overall Work Program so that funds expended on planning projects will implement the goals of the RTP.*
- ✓ *NCTC reviews transportation plans and programs of member agencies and endorses them based on consistency with the RTP and RTIP. In keeping with this responsibility, NCTC strives to be creative in assisting the region in developing the revenues to construct improvement projects.*
- ✓ *NCTC communicates and participates in workshops with Caltrans on proposed projects to be developed in the County of Nevada to ensure that the policies and goals of the RTP are implemented.*
- ✓ *NCTC coordinates with regional transportation planning agencies on legislation and statewide policy issues to ensure the region receives appropriate attention and funding from the State of California and the Federal government.*
- ✓ *NCTC participates in interregional planning projects to ensure Nevada County projects support both regional and statewide transportation goals.*
- ✓ *NCTC administers Transportation Development Act funds to ensure all statutory requirements are met, including the identification of the region's transit needs.*
- ✓ *NCTC manages Regional Surface Transportation Program funds, Regional Transportation Mitigation Fee funds, Congestion Mitigation and Air Quality Improvement Program funds, Carbon Reduction Program, and Regional Improvement Program funds in accordance with Federal acts and statutes promulgated by the State of California, selecting and funding eligible transportation improvement projects based upon those that are most effective and beneficial to the region.*

Nevada County Transportation Commission Organization Flow Chart

Item # 4.



Nevada County Transportation Commission (NCTC)

NCTC is a Regional Transportation Planning Agency (RTPA) created pursuant to Title 7.88 of the State of California Government Code, Section 67920. As the RTPA for Nevada County, NCTC coordinates transportation planning for Grass Valley, Nevada City, Nevada County, and the Town of Truckee. The NCTC board has seven members. Four members are appointed by the Board of Supervisors and three are appointed by the incorporated municipalities in the County. The Board of Supervisors appoints two of its members and two County at-large representatives. The municipalities appoint three city/town council members; one each from Nevada City, Grass Valley, and the Town of Truckee.

Technical Advisory Committee (TAC)

The TAC is made up of representatives of public transit operators, local public works and planning departments, public airport operators, the air pollution control district, and Caltrans. The Committee provides technical input on transportation issues and ensures there is coordination and cooperation in the transportation planning process.

Social Services Transportation Advisory Council (SSTAC)

The SSTAC is made up of potential transit users who are representatives of the general public; seniors and/or disabled; social service providers for seniors, disabled, and persons of limited means; local social service and consolidated transportation providers; and Truckee residents who represent the senior and Latino communities. The goal of the SSTAC is to maintain and improve transportation services to the residents of Nevada County, particularly the underserved and under-represented members of the community, such as the elderly and disabled. The SSTAC recommends action to the Commission relative to the unmet transit needs findings, and advises the Commission on transit issues, including coordination and consolidation of specialized transportation services.

Airport Land Use Commissions (ALUCs)

The Nevada County Transportation Commission has been designated as the Airport Land Use Commission for the Nevada County Airport and provides staff for the Truckee Tahoe ALUC. The purpose of Airport Land Use Commissions is to protect public health, safety, and welfare by ensuring the orderly expansion of airports and adoption of land use measures that minimize the public's exposure to excessive noise and safety hazards within the areas around the airports, to the extent that these areas are not already devoted to incompatible uses.

Nevada County Demographics

As of January 1, 2023, the population of Nevada County was estimated at 100,720. The largest municipality is Truckee with a population of 16,676, followed by Grass Valley at 13,488 and Nevada City at 3,342. The population of the unincorporated portion of the County was 67,214. The Race and Ethnicity data for Nevada County on Census.gov reported the racial makeup of the county as 83.7% White, followed by 10.2% Hispanic, 1.4% Asian, 1.0% Native American, 0.4% Black or African American, 0.1% Native Hawaiian and Pacific Islander, and 3.4% Some Other Race. The data at Census.gov indicates that 11% of the population was below the poverty level.

OVERALL WORK PROGRAM INTRODUCTION

NCTC annually adopts a budget through the preparation of an Overall Work Program (OWP). This work program includes specific “Work Elements” that describe the planning projects and associated activities that are to be conducted, and identifies the type of funds that will pay for the expenditures, such as Rural Planning Assistance (RPA), Local Transportation Funds (LTF), Regional Surface Transportation Program (RSTP), Planning, Programming, and Monitoring (PPM), or Federal Transit Administration (FTA). A Memorandum of Understanding (MOU) between NCTC, the Cities of Grass Valley and Nevada City, the Town of Truckee, and the County of Nevada provides the framework for NCTC’s coordination of regional transportation planning with local governments in Nevada County. The Commission staff prepares a draft OWP and in accordance with the MOU, solicits and integrates comments from each of the jurisdictions. The proposed work program is then submitted to the Commission for approval and forwarded to Caltrans. Caltrans, as the grantor of Rural Planning Assistance funds and Federal Transit Assistance funds, approves the OWP. The budget reflects the on-going regional transportation planning process in Nevada County. Major concerns of each of the jurisdictions and Caltrans are reflected in the elements and levels of funding. The OWP is updated each year to report on the progress of identified projects, propose new or continuing projects for the ensuing year, and to provide an estimate of the required funding of the OWP work elements.

Public Participation

Public involvement is a major component of the transportation planning and programming processes. NCTC makes a concerted effort to solicit public input from all Nevada County residents, including under- represented groups, in many aspects of transportation planning within Nevada County. Specific examples are listed below:

- NCTC maintains a website (www.nctc.ca.gov), a Facebook page, and a Twitter account to keep the public informed of transportation planning and programming efforts underway in Nevada County. Agendas are posted on the bulletin boards of local jurisdictions and emailed to mobile home parks, residential homeowners associations, senior centers, environmental advocates, associations representing the private sector, and individuals that have asked to be included on the distribution list. Citizens are encouraged to attend and speak at NCTC meetings on any matter included for discussion on the agenda at that meeting.
- Articles on the preparation of the Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP), as well as the public comment periods, are posted on the NCTC website.
- Copies of the Draft RTP are made available for review at the main public libraries in western and eastern Nevada County, as well as on the NCTC website.
- Press releases are sent to the media establishments in western and eastern Nevada County announcing the Draft RTP is available for review and comment and noting some key findings.
- Public hearings are held and noticed in the main newspapers in western and eastern Nevada County prior to adoption of the RTP and RTIP.
- Each year public notifications are sent out to encourage participation in transportation planning processes, such as the annual unmet transit needs public hearing and numerous public workshops relating to the transportation projects and planning activities of NCTC.
- In accordance with AB52, NCTC conducts outreach and Tribal Consultation on any projects for which NCTC is lead agency and files a Notice of Preparation, Notice of Mitigated Negative Declaration or Notice of Negative Declaration. While there are currently no federally recognized tribes located within Nevada County, NCTC consults with the Native American Heritage Commission to identify Native American tribal organizations with historic or cultural interests regarding lands in Nevada County. These groups include but are not limited to the Nisenan of the Nevada City Rancheria and United Auburn Indian Community (UAIC).
- NCTC consults with USDA Forest Service Tahoe National Forest and Bureau of Land Management.

Regional Issues, Needs, and Goals

The main transportation issues in western Nevada County are related to providing adequate multimodal transportation infrastructure and services to meet the needs of the County, while maintaining and enhancing the rural character and environmental qualities of the area. In western Nevada County, interregional traffic adds to the existing challenge and need to maintain and improve the transportation system.

In eastern Nevada County, the issues also stem from the challenges to meet the needs related to the high volumes of traffic generated by travelers taking advantage of the world-class recreational opportunities available in the Truckee-North Tahoe area. In addition to discretionary recreation demand travel, high housing costs have increased daily commuter trips into and out of the Truckee/North Tahoe region. To address these issues requires a multimodal and multijurisdictional approach to transportation planning in the region.

Acquiring adequate and timely funding for transportation improvements is the central need within all of the Nevada County issues. Implementation of highway and regional roadway improvements will be key to providing efficient operations, while improving safety and air quality. The 2020 Census reported that approximately 28.5% of the county population was over 65 years of age, between 2010 and 2020 that population increased from 19.6% to 28.5%, and it is projected that by 2030 this population is expected to increase to over 40%. As the population of residents over the age of 65 increases, it will result in increased demand for public transit services in Nevada County. Additional local, state, and federal transit operating and capital revenues, will be necessary in order to meet the additional demand placed on the public transit systems.

Transportation issues facing Nevada County which have been identified as regionally significant include the following:

- Insufficient state, federal, and local transportation revenues
- Air quality/greenhouse gas emission reductions
- Coordination of land use, air quality, and transportation planning
- Providing and maintaining a transportation system that enhances safety, the efficient movement of all people, goods, services, and information, and environmental quality
- Efficient implementation of new technologies, including zero-emission bus fleets and charging technology
- High cost of housing and short-term rentals increasing commute trips and distances
- Improvements to the regional transportation system to ensure safe and efficient emergency evacuation

Recognition of these issues leads to the overall goal of the Regional Transportation Plan, which is to provide and maintain a transportation system that enhances safety, the efficient movement of all people, goods, and services, and environmental quality. In the Policy Element this overarching goal is divided into the following four goals:

- 1) Provide for the safe and efficient movement of all people, goods, services, and information;
- 2) Reduce adverse impacts on the natural, social, cultural, and historical environment and the quality of life;
- 3) Develop an economically feasible multimodal transportation system;
- 4) Create and maintain a comprehensive, multi-modal transportation system to serve the needs of the County.

The following list of projects and planning efforts indicates progress made toward implementing the goals of the Regional Transportation Plan:

- Support of ongoing operation of Nevada County Connects, Truckee Tahoe Area Regional Transit, and associated paratransit services
- SR 49-La Barr Meadows Road Signalization and Widening project, constructed 2013
- SR 20/49 Dorsey Drive Interchange project, constructed 2014
- SR 49 Bicycle and Pedestrian Improvement project, constructed 2014
- SR 49 Signal Pre-emption, programmed 2012 STIP, constructed 2015/16
- SR 89 “Mousehole” Grade Separation, programmed 2012 STIP, constructed 2015/16
- Northeast Grass Valley Sidewalk Improvements, constructed 2015/16
- Newtown Road Class II/III Bike Lanes, constructed 2016/17
- Nevada County Active Transportation Plan, 2018/19
- SR 49 Multimodal Corridor Plan, 2019/20
- SR 174/20 Intersection Analysis, 2019/2020
- NCTC Travel Demand Model Update, 2019/20
- Town of Truckee Transit Center Relocation Feasibility Study, 2020/21
- Western Nevada County Transit Development Plan 2021/22
- SR 49 Comprehensive Multimodal Corridor Plan 2021/22
- SR 49-La Barr Meadows to McKnight Way, Environmental Impact Report 2021/22, Plans, Specifications, and Estimates 2023/24
- SR-49 Interstate 80 to McKnight Way Safety Needs Assessment 2021/22
- Ready Nevada County Extreme Climate Event Mobility and Adaptation Plan, 2021/22
- Legacy Trail – Brockway Multi-use Path, Construction 2021/22
- Legacy Trail Phase 4, Plans, Specifications, and Estimate, 2021/22
- Church Street Extension and Trout Creek Restoration, Plans Specifications, and Estimates 2021/2022
- Truckee Railyard Mobility Hub, Right of Way Acquisition, Plans Specifications, and Estimate, 2022/23
- West River Streetscape Improvement Project, Plans, Specifications, and Estimate, 2022/23
- Town of Truckee Microtransit Feasibility Study 2022/23
- Coldstream/I-80 Off Ramp Roundabout, Construction 2022/23
- SR 20 Omega Curve Correction, Planning, Environmental, and Design completed. Construction completion target: Winter 2025.
- SR 49 Multi-modal Corridor Improvement Project was awarded \$13.8 million from the Active Transportation Program, 2022/23. Construction to begin FY 2026/27.
- SR 174/49/20 Roundabout and Active Transportation Safety Project was awarded \$5.4 million from the Active Transportation Program, 2022/23. Construction to begin FY 2026/27.
- SR 49 Corridor Improvement Project: 2023/24 - \$14.6 million awarded of Trade Corridor Enhancement Program (TCEP) funding for southbound improvements between McKnight Way Interchange and La Barr Meadows Road. Construction to begin FY 2025/26.
- SR 49 Grass Valley Wildfire Evacuation Route Project: 2023/24 - \$35 million awarded of Local Transportation Climate Adaptation Program (LTCAP) funding. Construction to begin FY 2025/26.

Federal Planning Factors:

As shown in the chart below, the Federal Planning Factors have been integrated into NCTC's FY 2024/25 OWP:

1. Support the economic vitality of the region, especially by enabling global competitiveness, productivity, and efficiency.
2. Increase the safety of the transportation system for motorized and non-motorized users.
3. Increase the security of the transportation system for motorized and non-motorized users.
4. Increase the accessibility and mobility of people and for freight.
5. Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns.
6. Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight.
7. Promote efficient system management and operation.
8. Emphasize the preservation of the existing transportation system.
9. Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater impacts of surface transportation.
10. Enhance travel and tourism.

<u>Planning Factors</u>	WE 1.1	WE 1.2	WE 2.1	WE 2.1.1	WE 2.2	WE 2.3	WE 2.3.3	WE 2.4	WE 2.4.1	WE 2.4.2	WE 2.4.3	WE 2.4.4	WE 2.4.5	WE 2.4.6
Economic Vitality	X	X	X	X	X	X	X	X					X	
Safety	X		X	X	X	X	X	X	X	X	X	X	X	
Security	X		X	X	X	X	X	X				X	X	
Accessibility	X		X	X	X	X	X	X			X	X	X	
Environment	X		X	X	X	X	X	X	X			X	X	X
Connectivity	X		X	X	X	X	X	X		X		X	X	
System Management & Operation	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Preservation	X		X	X	X	X	X	X		X		X	X	
Resiliency & Reliability	X	X	X	X	X	X	X	X				X	X	X
Travel & Tourism	X		X	X	X	X	X	X					X	

WORK ELEMENT 1 - COMMUNICATION AND COORDINATION

Item # 4.

Public involvement is a major component of NCTC's planning process. The activities and products from Project 1.1, General Services and Communication, are intended to provide the public with complete information and timely notices, thereby giving full public access to key decisions.

Work Element 1 incorporates the following activities that are an integral part of accomplishing NCTC's Mission:

- *NCTC interacts with the community through workshops, news media outlets, NCTC webpage, and social media platforms.*
- *NCTC conducts a comprehensive planning process in the development of its annual Overall Work Program so that funds expended on planning projects will implement the goals of the RTP.*

NCTC has the statutory responsibility to administer Transportation Development Act (TDA) funds, and to ensure that all expenditures of TDA funds are in conformity with the Regional Transportation Plan (RTP). NCTC also administers funds received from the Regional Surface Transportation Program (RSTP) and the Regional Transportation Mitigation Fee (RTMF) program. The work performed under Project 1.2, Fiscal Administration, has been incorporated into the NCTC Mission as follows:

- *NCTC administers Transportation Development Act funds to ensure all statutory requirements are met, including the identification of the region's transit needs.*
- *NCTC manages Regional Surface Transportation Program funds, Regional Transportation Mitigation Fee funds and Regional Improvement Program funds in accordance with Federal acts and statutes promulgated by the State of California, selecting and funding eligible transportation improvement projects based upon those that are most effective and beneficial to the region.*

Through communication, collaboration, and public outreach activities, Work Element 1 incorporates the ten Federal Planning Factors (see page I-5) into the NCTC planning program.

Information and data developed through these activities are included in the Regional Transportation Plan and in transit planning documents.

Project 1.1 - General Services and Communication

Purpose: Conduct communication and public outreach activities. Provide administrative and financial support for the operation of the Nevada County Transportation Commission and its advisory committees through the activities listed below.

Additional/Continuing Work:

- Public information and outreach activities (LTF)
- Preparation of agendas, minutes, notices, and correspondence (LTF)
- Track legislation pertinent to the transportation planning process (LTF)
- Technical Advisory Committee (TAC) activities (LTF)
- Provide staff services to SSTAC (LTF)
- Personnel administration (LTF)
- Maintain and update the NCTC website (LTF)
- Office lease (LTF)
- Purchase equipment (LTF)
- Maintain the Commission's office and equipment (LTF)
- Press releases and social media platforms (LTF)
- Reports on legislative measures and monitor legislation that impacts transportation planning. (LTF)
- Update Conflict of Interest Code (LTF)
- Update DBE Program (LTF)
- Coordination with public safety agencies regarding the safety and security of the transportation system (LTF)
- Coordinate implementation of projects in the Regional Transportation Mitigation Fee (RTMF) Program. (LTF)
- Work with Nevada County, Grass Valley, and Nevada City to implement projects included in the multi-year Congestion Mitigation Air Quality (CMAQ) project listing. (LTF)
- Apply for FTA planning grants. (LTF)
- Annual Legislative Platform (LTF)

Products:

- Documentation of Commission and/or TAC meetings (Bimonthly)
- Executive Director's Reports (Bimonthly)
- Personnel reviews (Annual)
- FTA Section 5311 Program of Projects (Mar 25)

Budget 1.1

Revenues:		
	LTF	\$310,249.93
	LTF Carryover	\$29,812.07
	RTMF	\$7,500.00
Total		\$347,562.00
Expenditures:		
	Staff	\$244,762.41
	Indirect	\$45,799.60
	Consulting	\$57,000.00
Total		\$347,562.00

Totals may not equal addition of amounts in columns due to rounding.
Indirect costs are paid with local funds (see Budget Table 5).

Project 1.2 - Fiscal Administration

Purpose: Administer funds held by NCTC in accordance with the provisions of the TDA Guidelines and State and Federal requirements through the activities listed below.

Previous Work:

- Develop and oversee Overall Work Program and annual budgets
- Oversee fiscal and performance audits, as required
- Provide assistance to claimants in completing claims and resolving audit findings and/or recommendations
- Preparation of State Controller's Annual Report
- Annual "Unmet Transit Needs" public hearing (SSTAC)
- Preparation of monthly financial reports
- Review and process claims for TDA funds
- Reports to Caltrans regarding FTA grants and RPA funds
- Update transportation/transit claim guidelines and forms
- Administer the Regional Surface Transportation Program
- Accounting/payroll
- Coordination of community transit services and funding with Consolidated Transportation Service Agencies
- Triennial Performance Audit for FYs 2018/19, 2019/20, and 2020/21

Additional/Continuing Work:

- Develop and oversee Overall Work Program and annual budgets (LTF)
- Oversee fiscal and performance audits, as required (LTF)
- Provide assistance to claimants in completing claims and resolving audit findings and/or recommendations (LTF)
- Preparation of State Controller's Annual Report (LTF)
- Annual "Unmet Transit Needs" public hearing (LTF)
- Preparation of monthly financial reports (LTF)
- Review and process claims for TDA funds (LTF)
- Reports to Caltrans regarding FTA grants and RPA funds (LTF)
- Update transportation/transit claim guidelines and forms (LTF)
- Administer the Regional Transportation Mitigation Fee Program (RTMF)
- Administer the Regional Surface Transportation Program (LTF)
- Accounting/payroll (LTF)
- Coordination of community transit services and funding with Consolidated Transportation Service Agencies (LTF)
- Administer Federal Transit Administration revenues (5311, Cares Act, and CRRSAA) (LTF)

Products:

- Closeout FY 2023/24 OWP (Sept 24)
- Manage FY 2024/25 Overall Work Program (July 24-June 25)
- State Controller's Annual Report (Dec 24)
- Findings of Apportionment (Feb 25)
- Draft FY 2025/26 Overall Work Program (Mar 25)
- Final FY 2025/26 Overall Work Program (May 25)

WORK ELEMENT 1 - COMMUNICATION AND COORDINATION (continued)

Item # 4.

- Completed Fiscal and Compliance Audit (Mar 25)
- Accounting Reports/Payroll/Payment Authorizations/Tax Reports (Ongoing)
- Financial reports (Monthly)
- Triennial Performance Audit for FYs 2021/22, 2022/23, and 2023/24 (May 2025)

Budget 1.2

Revenues:		
	LTF	\$437,287.18
Total		\$437,287.18
Expenditures:		
	Staff	\$277,804.75
	Indirect	\$51,982.43
	Fiscal Audits	\$57,500.00
	Triennial Performance Audit	\$50,000.00
Total		\$437,287.18

Totals may not equal addition of amounts in columns due to 5 rounding
Indirect costs are paid with local funds (see Budget Table 5).

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING

NCTC has the responsibility to prepare and adopt a Regional Transportation Plan (RTP) directed to the achievement of a coordinated and balanced regional transportation system. The plan is to be action-oriented and pragmatic, considering both the short-and-long term future, and is to present clear, concise policy guidance to local and state officials. Projects 2.1 (Transportation Planning), 2.1.1 (Nevada County Regional Transportation Plan Update), 2.2 (Transportation Improvement Programs), 2.3 (Transit and Paratransit Programs), and 2.4 (Coordination of Regional Planning), are tied to the NCTC Mission by the following activities:

- *NCTC develops a Regional Transportation Plan (RTP) which includes the actions, funding recommendations, and policy direction necessary to meet the needs of each transportation system component in the region.*
- *NCTC develops and adopts a Regional Transportation Improvement Program that is consistent with the RTP.*
- *NCTC reviews transportation plans and programs of member agencies and endorses them based on consistency with the RTP and RTIP. In keeping with this responsibility, the NCTC strives to be creative in assisting the region in developing the revenues to construct improvement projects.*
- *NCTC communicates and participates in workshops with Caltrans on proposed projects to be developed in the County of Nevada to ensure that the policies and goals of the RTP are implemented.*
- *NCTC coordinates with regional transportation planning agencies on legislation and statewide policy issues to ensure the region receives appropriate attention and funding from the State of California and the Federal government.*
- *NCTC participates in interregional planning projects to ensure Nevada County projects support both regional and statewide transportation goals.*

The following activities and products included in Work Element 2 are appropriate uses of Rural Planning Assistance Funds:

- ✓ Participate in Federal and State Clean Air Act transportation related air quality planning activities. (Projects 2.1 and 2.2)
- ✓ Develop and/or modify tools that allow for better assessment of transportation impacts on community livability and emergency preparedness (e.g. integration of GIS and census data into the regional traffic model and development of performance measurement tools and strategies). (Projects 2.1 and 2.4)
- ✓ Identify and document transportation facilities, projects, and services required to meet the regional and interregional mobility and access needs. (Projects 2.1, 2.2, and 2.3)
- ✓ Define solutions and implementation issues in terms of the multimodal transportation system, land use and economic impacts, financial constraints, air quality and environmental concerns (including wetlands, endangered species, and cultural resources). (Projects 2.1 and 2.2)
- ✓ Assess the operational and physical continuity of transportation system components within and between metropolitan and rural areas, and interconnections to and through regions. (Projects 2.1, 2.3, and 2.4)

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING (continued)

- ✓ Conduct transit needs public hearings and prepare transit development plans and transit marketing plans as appropriate. (Project 2.3)
- ✓ Investigate methods to reduce vehicle travel and methods to expand and enhance travel services. (Projects 2.3 and 2.4)
- ✓ Incorporate transit and intermodal facilities, bicycle transportation facilities, and pedestrian walkways in projects where appropriate. (Projects 2.1, 2.2 and 2.3)
- ✓ Participate with regional, local and state agencies, the general public, and the private sector in planning efforts to identify and implement policies, strategies, programs and actions that maximize and implement the regional transportation infrastructure. (Projects 2.1, 2.2, 2.3, and 2.4)
- ✓ Conduct collaborative public participation efforts to further extend transportation planning to communities previously not engaged in discussion. (Project 2.1 and 2.3)
- ✓ Create, strengthen, and use partnerships to facilitate and conduct regional planning activities between Caltrans, RTPAs, Metropolitan Planning Organizations (MPOs), transit districts, cities, counties, the private sector, and other stakeholders. (All WE 2 Projects)
- ✓ Use partners to identify and implement policies, strategies, programs and actions that enhance the movement of people, goods, services, and information. (Projects 2.1 and 2.3)
- ✓ Ensure that projects developed at the regional level are compatible with statewide and interregional transportation needs. (Projects 2.2 and 2.4)
- ✓ Conduct planning and project activities (including corridor studies, and other transportation planning studies) to identify, develop, and monitor current and future STIP projects. (Projects 2.1 and 2.2)
- ✓ Implement ways to meet transportation needs by using existing transportation facilities more efficiently. Encourage owners and operators of transportation facilities/systems to work together to develop operational objectives and plans maximizing utilization of existing facilities. (Projects 2.1, 2.3 and 2.4)
- ✓ Document environmental and cultural resources and develop and improve coordination between agencies using Geographic Information Systems (GIS), Intelligent Transportation Management Systems (ITMS), and other computer-based tools. (Projects 2.1 and 2.4)

Work Element 2, Regional Transportation Planning, incorporates the ten Federal Planning Factors into the NCTC planning program (see page I-6).

Monitoring safety and operational data of transportation facilities and services in Projects 2.1 and 2.3 will aid NCTC efforts to incorporate “safety” and “security” within the planning process. Through expanded Technical Advisory Committee meetings, transportation planning will be coordinated with emergency preparedness plans in the region. Systems management and operational data will be used to identify opportunities to increase transit ridership and develop operational improvements for regional transportation facilities. Management and operations data will also be key components in guiding capital investment plans for regional transportation system facilities and services. Planning activities will include coordination with nonemergency human service transportation providers. NCTC will also provide information to regional transit operators to ensure appropriate safety, security, and operational training opportunities are provided.

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING (continued)

Item # 4.

In January 2024, NCTC in coordination with Nevada County Transit submitted an application to the FY 2024/25 Caltrans Strategic Partnership – Transit Planning Grant program to fund a Comprehensive Operational Analysis (COA). The planning study will comprehensively review the existing transit services offered in western Nevada County and identify areas of opportunity to transition to alternative operating models to provide greater system efficiency and ridership benefits. Caltrans anticipates the award announcement to be released in the Summer of 2024. If NCTC is awarded grant funding the planning project will be amended into NCTC’s FY 2024/25 Overall Work Program.

Project 2.1 - Transportation Planning

Purpose: Regional planning and implementation, monitoring the regional transportation system, and implementation of the Regional Transportation Plan through the activities listed below.

- Update travel demand models and circulation plans.
- Coordinate the RTP with Caltrans planning documents.
- Coordinate the RTP with county, town, and city general plans.
- Complete planning studies on projects in the RTP to be programmed in the RTIP.
- Plan and coordinate local, regional, state, and federal funding for RTP projects (e.g., RTMF, STIP, RSTP, SHOPP, CMAQ, and federal grants).

Previous Work:

- Update travel demand model to address new Vehicle Miles Traveled (VMT) requirements. (Consultant)
- Development of regional transportation models. (Consultant)
- Development of the Regional Transportation Mitigation Fee program. (Consultant)
- Assist member agencies with review and update of transportation capital improvement programs (CIPs) and master plans.
- Incorporate local agency transportation CIPs and master plans into the RTP and RTIP as appropriate.
- Update traffic model land use files.
- Participate in updates of Nevada County, Truckee, Grass Valley, Nevada City General Plans.
- Conduct and update planning studies as needed for regional projects identified by NCTC, TAC, and member agencies.
- Analyze alternative growth scenarios and report on related infrastructure needs and costs.
- Identify Right-of-Way needed for future transportation projects.
- Conduct technical studies necessary to support policies and projects included in the RTP.
- Work with Nevada County's GIS staff to ensure the following airport information is included in the GIS database: airport locations, airport boundaries, noise contours, airport influence area, and ground access routes to airports.
- Participated in the update of Town of Truckee General Plan

Additional/Continuing Work:

- Monitor implementation of the Comprehensive Multimodal Corridor Plan (CMCP) recommendations. (NCTC) (RPA, LTF, & PPM)
- Solicit input from citizens and transportation stakeholders, including the Native American community, disadvantaged communities, and agencies regarding transportation issues. (NCTC) (RPA & LTF)
- Update capital improvement needs lists. (NCTC) (RPA, LTF & PPM)
- Coordinate with the Town of Truckee's update of the Trails Master Plan (RPA)
- Work with Northern Sierra Air Quality Management District (NSAQMD) to determine air quality impacts of regional transportation plans and improvement programs. (NCTC) (RPA & LTF)
- Participate with NSAQMD, Caltrans, and other agencies in planning related to Federal 8-hour ozone standards. (NCTC) (RPA & LTF)
- Develop information to evaluate goods movement impacts on the region's transportation system and consider air quality issues related to goods movement. (NCTC) (RPA, LTF, & PPM)
- Update Highway Performance Monitoring System (HPMS) data. (NCTC) (RPA, LTF, & PPM)

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING (continued)

Project 2.1 - Transportation Planning (continued)

- Coordinate with public safety agencies. (NCTC) (RPA & LTF)
- Local participation in regional planning and updating traffic counts (NCTC, Grass Valley, Nevada City, Town of Truckee, Nevada County) (RPA)
- Monitor existing traffic conditions and safety data. (NCTC) (RPA & LTF)
Coordinate with Caltrans to develop and implement performance measures in the regional planning process. (NCTC) (RPA & LTF)
- Coordinate with Northern Sierra Air Quality Management District (NSAQMD) and California Air Resources Board (CARB) to assist in development of the Statewide Implementation Plan (SIP) for western Nevada County. (NCTC) (RPA & LTF)
- Review and compare the California State Transportation Agency Final Climate Action Plan for Transportation Infrastructure (CAPTI) to the RTP policies, regional needs, and projects to determine if the projects align with proposed investment strategies. (NCTC) (RPA & LTF)
- When developing regional transportation projects and updating planning documents, NCTC will consider and incorporate transit services, intermodal facilities, and pedestrian bicycle facilities whenever appropriate. (NCTC) (RPA & LTF)
- Planning activities related to CMAQ program including preparation and releasing of call for projects, review and ranking applications, project selection, and programming. (NCTC) (RPA & LTF)
- Coordinate review of safety and design concerns of state highway projects. (NCTC) (RPA, LTF, & PPM)
- Identify and analyze issues relating to integration of regional transportation and community goals and objectives in land use, housing, economic development, social welfare and environmental preservation. (NCTC) (RPA & LTF)
- SB743 VMT Forecasting Tool and Web Hosting. (NCTC/Consultant) (LTF)
- Analyze climate related impacts to the transportation system and identify strategies to address resiliency. (NCTC) (RPA & LTF)

Products:

- Documentation of Air Quality Conformity Process (As Needed)
- Traffic count updates (Annual)
- Reports on new issues and projects to be included in the RTP (Annual)
- Progress reports on project planning activities (Bimonthly)

Budget 2.1

Revenues:		
	LTF	\$262.96
	LTF Carryover	\$28,197.36
	RPA Formula	\$39,737.04
	STIP Planning PPM	\$71,772.53
Total		\$139,969.89
Expenditures:		
	Staff	\$42,348.77
	Indirect	\$17,621.13
	Transportation Eng	\$40,000.00
	Local Agency	\$30,000.00
	Traffic Counts	\$10,000.00
Total		\$139,969.89

Totals may not equal addition of amounts in columns due to rounding
Indirect costs are paid with local funds (see Budget Table 5).

Project 2.1.1 – Nevada County Regional Transportation Plan (RTP) Update

Purpose: Update the Nevada County Regional Transportation Plan (RTP) in compliance with California Government Code Section 65041.1. Every Regional Transportation Planning Agency (RTPA) is required by law to prepare a long-range transportation plan to ensure that the region’s vision and goals are clearly identified. The long-range plan, known as the RTP, is an important policy document that is based on the unique needs and characteristics of a region, helps shape the region’s transportation system, economy, and environment, and communicates the regional transportation vision to the state and federal government. As fundamental building blocks of the State’s transportation system, the RTP also supports state goals for transportation, environmental quality, economic growth, and social equity.

Previous Work:

- 2015 Performance Based Regional Transportation Plan.
- Incorporated into the RTP, policies, strategies, programs, and actions that enhance movement of people, goods, services, and information.
- Prepared and distributed a Request for Proposals to qualified consultants to update the RTP. Reviewed proposals, selected consultant, and executed contract to update the RTP.
- RTP administrative draft and draft environmental document
- RTP final report and final environmental document

Additional/Continuing Work:

- Integrate system safety and security elements into the RTP. (NCTC/Consultant) (RPA)
- Review and analyze data from the SR 49 Highway Safety Assessment report to be incorporated into the next update of the Regional Transportation Plan. (NCTC/Consultant) (RPA)
- Project Advisory Committee activities. (NCTC/Consultant) (RPA & STIP)
- Project meetings and coordination. (NCTC/Consultant) (RPA & STIP)
- Project support and administration of grant. (NCTC/Consultant) (RPA & STIP)
- Prepare quarterly reports and invoices. (NCTC) (RPA & STIP)
- Project initiation and baseline information/data collection. (NCTC/Consultant) (RPA & STIP)
- Consultant to update content, graphics, and EIR for update of RTP. (NCTC/Consultant) (PPM)
- Review and confirm RTP goals and objectives. (NCTC/Consultant) (RPA & STIP)
- Analysis of previous performance measures. (NCTC/Consultant) (RPA & STIP)
- Identify trends and targets for each performance measure. (NCTC/Consultant) (RPA & STIP)
- Develop system performance report. (NCTC/Consultant) (RPA & STIP)
- Prepare forecast of future conditions and needs. (NCTC/Consultant) (RPA & STIP)
- Identify policies, strategies, and investments that will support attainment of performance targets and desired trends. (NCTC/Consultant) (RPA & STIP)
- Prepare financial plan regarding implementation of adopted strategies in RTP. (NCTC/Consultant) (RPA & STIP)
- Prepare media releases and hold public workshops. (NCTC/Consultant) (RPA & STIP)
- Prepare Draft RTP and environmental documentation. (Consultant) (RPA & STIP)
- Conduct public hearing on Draft RTP and environmental documentation. (RPA & STIP)
- Prepare Final RTP and environmental documentation. (Consultant) (RPA & STIP)

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING (continued)

Project 2.1.1 – Nevada County Regional Transportation Plan (RTP) Update (continued)

Products:

- Draft 2045 Nevada County Regional Transportation Plan (May 2024)
- Final 2045 Nevada County Regional Transportation Plan & Addendum EIR (July 2024)

Budget 2.1.1

Revenues:		
	RPA Formula	\$119,507.04
Total		\$119,507.04
Expenditures:		
	Staff	\$51,822.14
	Consultant	\$67,684.90
Total		\$119,507.04

Project 2.2 – Transportation Improvement Programs

Purpose: To monitor implementation of the Regional Transportation Improvement Program (RTIP) and Interregional Transportation Improvement Program (ITIP) funding and provide policy analysis and recommendations regarding the RTIP and the State Transportation Improvement Program (STIP) through the activities listed below.

Previous Work:

- Communicate and coordinate with Caltrans to identify and implement incremental projects to accelerate the safety improvements to SR 49 corridor between Grass Valley and the Combie/Wolf Road intersection.
- Submission of the 2020 Regional Transportation Improvement Program projects to the CTC
- Monitor planning, design, and construction of improvement projects on SR 49 widening between the Wolf/Combie Road intersection and Grass Valley, to ensure consistency with the adopted Transportation Improvement Program.
- Participate with Caltrans in developing the SR 49 Comprehensive Multimodal Corridor Plan (CMCP). (RPA & LTF)
- 2022 RTIP adoption (Nov 2021)
- 2024 RTIP adoption (Nov 2023)

Additional/Continuing Work:

- Monitor STIP implementation. (NCTC) (RPA & LTF)
- Encourage interagency coordination to identify and develop new RTIP projects. (NCTC) (RPA & LTF)
- Communicate and coordinate with Caltrans to identify and implement incremental projects to accelerate the safety improvements to the SR 49 corridor between Grass Valley and the Combie/Wolf Road intersection. (NCTC) (RPA & LTF)
- Coordinate with Caltrans regarding Interregional Transportation Improvement Program (ITIP) participation in STIP funded projects in Nevada County. (NCTC) (RPA & LTF)
- Review and comment on ITIP funding criteria proposed in the Caltrans Strategic Investment Strategy (CSIS). (NCTC) (RPA & LTF)
- Begin preparation of draft 2024 RTIP - October 2023 (NCTC) (RPA & LTF)
- Public hearing and adoption of 2024 RTIP - November 2023 (NCTC) (RPA & LTF)
- Submittal of 2024 RTIP to the CTC - December 2023 (NCTC) (RPA & LTF)
- Review consistency of future RTIP projects with the Climate Action Plan for Transportation Infrastructure and California Transportation Plan 2050 (NCTC) (RPA & LTF)
- Participate with Caltrans in preparation of the Project Approval and Environmental Documentation for a future widening project on SR49 from La Barr Meadows Rd to McKnight Way. (NCTC) (RPA & LTF)

Products:

- Status reports on Nevada County’s STIP projects (Bimonthly)
- Reports regarding implementation of the Nevada County RTIP (Ongoing)
- Reports on implementation of Caltrans SR 49 Comp Multimodal Corridor Plan (Annual)

Budget 2.2

Revenues:		
	LTF Carryover	\$7,231.77
	RPA Formula	\$38,648.05
Total		\$45,879.82
Expenditures:	Staff	\$38,648.05
	Indirect	\$7,231.77
Total		\$45,879.82

Totals may not equal addition of amounts in columns due to rounding

Project 2.3 – Transit and Paratransit Programs

Purpose: Work with city, county, and town staff to improve efficiency, productivity, and cost effectiveness of existing transit and paratransit systems through the activities listed below.

Previous Work:

- 2021 Western Nevada County Transit Development Plan
- 2021 Nevada County Coordinated Public Transit-Human Services Transportation Plan.
- Monitor ridership, expenditures, and revenue for each system.
- Hold coordination meetings with transit and paratransit providers.
- Check operational performance indicators for each system.
- Develop and present information regarding alternative forms of transportation that are sustainable and practical for Nevada County.
- Coordinate with human service transportation providers.
- Distribute press releases and other educational information regarding alternative forms of transportation.
- Participate on the Accessible Transportation Coalition Initiative-Mobility Action Partners Coalition.
- Administer Federal Transit Administration revenues (5311, Cares Act, and CRRSAA).
- Assisted transit operators with analysis of impacts due to COVID-19.

Additional/Continuing Work Activities:

- Assist in implementation of Transit Development Plans and Nevada County Coordinated Public Transit-Human Services Transportation Plan. (LTF & RPA)
- Monitor ridership, expenditures, and revenue for each system. (LTF & RPA)
- Hold coordination meetings with transit and paratransit providers. (LTF & RPA)
- Check operational performance indicators for each system. (LTF & RPA)
- Develop and present information regarding alternative forms of transportation that are practical for Nevada County. (LTF & RPA)
- Coordinate with human service transportation providers. (LTF & RPA)
- Distribute press releases and other educational information regarding alternative forms of transportation. (LTF & RPA)
- Participate on the Accessible Transportation Coalition Initiative-Mobility Action Partners Coalition. (LTF & RPA)
- Assist transit operators with feasibility analysis of transit electrification mandate. (LTF & RPA)
- Coordinate with Town on public polling effort in consideration of 2024 Transportation - Transit Ballot Measure (LTF & RPA)

• Products:

- Reports to the Commission regarding staff participation in the transit and paratransit planning processes (Bimonthly)
- Quarterly ridership, expenditure, and revenue reports for each system
- Quarterly operational performance reports for each system
- Bi-monthly minutes of the Accessible Transportation Coalition Initiative-Mobility Action Partners Coalition

Project 2.3 – Transit and Paratransit Programs (continued)

Budget 2.3

Revenues:		
	LTF Carryover	\$16,286.85
	RPA Formula	\$46,332.82
Total		\$62,619.67
Expenditures:		
	Staff	\$46,332.82
	Indirect	\$16,286.85
Total		\$62,619.67

Totals may not equal addition of amounts in columns due to rounding

Indirect costs are paid with local funds (see Budget Table 5).

Project 2.3.3 - Eastern Nevada County Transit Development Plan Update

Purpose: To update the Five-Year Transit Development Plan (TDP) for eastern Nevada County. This project will guide the growth of services over the next five years and will be accomplished through the following activities:

Previous Work:

- Eastern Nevada County TDP Update, 2017.
- Triennial Performance Audits.
- Nevada County Coordinated Public Transit-Human Services Transportation Plan, 2020.
- Scope of Work (May 23)
- Request for Proposals (June 23)
- Consultant contract (July 23)

Additional/Continuing Work Activities:

- Prepare and distribute a Request for Proposal to qualified consultants. (NCTC) (RPA)
- Review proposal, select consultant, and execute a contract. (NCTC) (RPA)
- Finalize the work program and refine the scope of work. (NCTC/Consultant) (RPA/LTF)
- Project initiation and data collection. (NCTC/Consultant) (RPA/LTF)
- Assess transit needs. (NCTC/Consultant) (RPA/LTF)
- Assess current transit services. (NCTC/Consultant) (RPA/LTF)
- Analyze transit demand. (NCTC/Consultant) (RPA/LTF)
- Analyze and incorporate information from the Town of Truckee micro-transit feasibility study. and pilot data (NCTC/Consultant) (RPA/LTF)
- Develop transit service alternatives (including consideration of services provided through a regional cooperative process). (NCTC/Consultant) (RPA/LTF)
- Develop capital, financial, management, marketing alternatives. (NCTC/Consultant) (RPA/LTF)
- Preparation and presentation of draft TDP. (NCTC/Consultant) (RPA/LTF)
- Modify draft TDP and prepare final plan. (NCTC/Consultant) (RPA/LTF)
- Project meetings and coordination. (NCTC/Consultant) (RPA/LTF)
- Project Advisory Committee (PAC) activities. (NCTC/Consultant) (RPA/LTF)
- Public outreach activities. (NCTC/Consultant) (RPA/LTF)
- Project support and administration of grant. (NCTC/Consultant) (RPA/LTF)

Products:

- Technical Memoranda (Mar 24)
- Draft Report (May 24)
- Final Report (July 24)

Budget 2.3.3

Revenues:		
	LTF	\$74,995.00
	LTF Carryover	\$26,534.90
	RPA Formula	\$14,172.51
Total		\$115,702.41
Expenditures:		
	Staff	\$40,707.41
	Consulting	\$74,995.00
Total		\$115,702.41

Totals may not equal addition of amounts in columns due to rounding

Project 2.4 - Coordination of Regional Planning

Purpose: Enhance NCTC's regional planning efforts through the following activities:

- Coordinate local land use planning with regional transportation planning.
- Analyze regional transportation impacts of proposed development projects, including VMT.
- Improve Transportation Systems Management (TSM) and Transportation Demand Management (TDM) efforts in the region.
- Provide for Commission participation in studies done by other agencies.
- Promote cooperation between regional planning agencies.
- Promote regional transportation services (e.g. connections to Capitol Corridor rail service).
- Participate and coordinate in regional evacuation planning efforts.

Previous Work:

- Review of local development projects and environmental documents.
- Traffic model analyses of development projects, and modifications to regional and local transportation facilities proposed by public agencies.
- Study to extend Capitol Corridor train service to Truckee/Tahoe area.
- Participate in the SR 49 Corridor Study with Placer County Transportation Planning Agency (PCTPA) and Caltrans.
- Participate in the Tahoe Gateway Intelligent Transportation Study.
- Coordinate with Placer County, PCTPA, Nevada County, and Caltrans as a Technical Advisory Committee for the SR 49 Corridor Study.
- Coordinate with Caltrans, SACOG, El Dorado Transportation Commission, Sierra County Transportation Commission, and Placer County Transportation Planning Agency to update and maintain the Tahoe Gateway ITS Regional Architecture.
- Participate with Caltrans and RTPAs to pursue rail projects that will improve goods movement and enhance passenger rail service.
- Work with the Northern Sierra Air Quality Management District (NSAQMD) to develop and implement transportation control measures consistent with the region's air quality non-attainment plan and Regional Transportation Plan.
- In conjunction with PCTPA and Caltrans, actively pursue, develop, and implement funding for SR 49 corridor improvements.
- Participate as a member of the Tahoe Gateway Architecture Maintenance Team.
- Coordinate with member agencies to reestablish and enhance Transportation Demand Management (TDM) programs in Nevada County.
- Assist with modeling and traffic analyses as requested by jurisdictions and approved by NCTC.
- Analyze transportation impacts of development proposals.
- Analyze proposed modifications to city and county land use plans.
- Participate in the North State Super Region “North State Transportation for Economic Development Study.”
- Review updates of the Circulation and Land Use Elements of General Plans for Nevada County, cities of Grass Valley and Nevada City, and the Town of Truckee to ensure consistency with the adopted Airport Land Use Compatibility Plans (ALUCPs) for the Nevada County and Truckee Tahoe airports.
- Participate in inter-regional planning projects (e.g. North State Super Region (NSSR), I-80 Corridor Management Plan, and Trans-Sierra Transportation Coalition).
- Participate with PCTPA and Caltrans to develop update of Sacramento to Reno Passenger Rail Service Planning Study – Truckee/Tahoe/Reno (LTF)

Project 2.4 - Coordination of Regional Planning (continued)Additional/Continuing Work:

- Participate in Regional Transportation Planning Agency group meetings and California Rural Counties Task Force meetings. (LTF)
- Participate in Federal and State Clean Air Act transportation related air quality planning activities. (LTF)
- Participate in the Truckee/North Tahoe Transportation Management Association (TNT/TMA) and Resort Triangle Transportation Planning Coalition (RTTPC) meetings. (LTF)
- Review and comment on Caltrans Systems Plans and related documents. (LTF)
- Coordination with the Nevada County Economic Resource Council. (LTF)
- Monitor planning efforts in Grass Valley, Nevada City, Nevada County, Truckee. (LTF)
- Present information to local civic groups regarding regional transportation planning. (LTF)
- Participate in local ad hoc committees. (LTF)
- Maintain formal consultation with Native American Tribal Governments. (LTF)
- Maintain formal consultation with the U.S Forest Service & Bureau of Land Management. (LTF)
- Monitor implementation of the Nevada County Active Transportation Plan. (LTF)
- Participate in the “Zero Traffic Fatalities Task Force”. (LTF)
- Participate in Critical Freight Corridors Working Group. (LTF)
- Participate in SR 49 Stakeholders Committee. (LTF)
- Distribute press releases. (LTF)
- California Local Streets and Roads Needs Assessment Oversight Committee Participation (LTF)
- Coordinate with partner agencies to implement the federal performance-based approach in the scope of the transportation planning process. (LTF)
- Participate in the California Federal Programming Group (CFPG). (LTF)
- Participate in the Transportation Cooperative Committee. (LTF)
- Participate on the Truckee Transit Center Study Project Advisory Committee. (LTF)
- Coordinate with local jurisdictions in the identification of pedestrian and bicycle projects that meet the requirements for Active Transportation Program grant funding and plan to resubmit grant applications. (LTF)
- Coordinate with partners to identify policies, strategies, programs, and actions that enhance the movement of people, goods, services and information on the regional, interregional, and state highway systems. (LTF)
- Participate in Interregional Transportation Strategic Plan (ITSP) Workshops. (LTF)
- Participate in Federal Rescission working group. (LTF)
- Participate with North Tahoe SSTAC and Placer County SSTAC in coordination of unmet needs hearings.
- Participate in the preparation of the SR 49 Comprehensive Multimodal Corridor Plan (CMCP). (LTF)
- Participate on the Project Advisory Committee for the SR 49 Safety Assessment. (LTF)
- Participate with CalSTA in development and implementation of the Climate Action Plan for Transportation Infrastructure (CAPTI). (LTF)
- Coordinate with California State Association of Counties and Rural County Representatives of California regarding transportation policy (LTF)
- Coordinate with Western Region Institute of Transportation Engineers on development of Induced Demand White Paper. (LTF)
- Participate and coordinate evacuation planning with the Nevada County Office of Emergency Services, Nevada County Sheriff’s Department, CAL FIRE NEU, California Highway Patrol, and other local emergency responders. (LTF)

Project 2.4 - Coordination of Regional Planning (continued)

Products:

- Reports regarding participation in regional coordination activities (e.g. Zero Traffic Fatalities Task Force, Critical Freight Corridors Working Group, ITSP Workshops, Sacramento to Reno Passenger Rail Service Planning Study – Truckee/Tahoe/Reno, and Critical Freight Corridors Working Group). (Bimonthly)
- Reports on coordination with the Nevada County Economic Resource Council. (Bimonthly)
- Reports on SR 49 Corridor improvements. (Bimonthly)
- Reports to the Commission regarding North State Super Region meetings and activities. (Bimonthly)
- Reports regarding RTPA and RCTF meetings. (Bimonthly)
- Reports regarding TNT/TMA and RTTPC activities. (Bimonthly)

Budget 2.4

Revenues:		
	LTF	\$92,113.12
	LTF Carryover	\$38,188.23
	RSTP	\$30,000.00
Total		\$160,301.35
Expenditures:		
	Staff	\$92,113.12
	Indirect	\$35,388.23
	Consulting	\$30,000.00
	Rural Counties Task Force	\$2,000.00
	Statewide Local Streets and Roads	\$800.00
Total		\$160,301.35

Totals may not equal addition of amounts in columns due to rounding
 Indirect costs are paid with local funds (see Budget Table 5).

WORK ELEMENT 2 - REGIONAL TRANSPORTATION PLANNING (continued)

Project 2.4.1 – Local Road Safety Plan

Purpose: The Federal Highway Administration (FHWA) requires all states to have a Strategic Highway Safety Plan (SHSP) that provides a framework for reducing highway fatalities and serious injuries on all public roads. In turn, California encourages local agencies to have a Local Road Safety Plan (LRSP) to competitively obtain Highway Safety Improvement Program (HSIP) funds. Nevada County will update the LRSP adopted in 2019.

Previous Work:

- Development of regional transportation models
- Update of Western Nevada County Transit Development Plans, Nevada County Bicycle Master Plan and Nevada County Pedestrian Improvement Plan
- Preparation of Nevada County 2019 LRSP

Continuing Work:

- Prepare and distribute a Request for Proposal to qualified consultants. (Nevada County DPW) (RSTP)
- Review proposal, select consultant, and execute a contract. (Nevada County DPW/NCTC) (RSTP)
- Engage consultant to prepare Nevada County LRSP. (Nevada County DPW) (RSTP)
- Draft vision statement and goals. (Nevada County DPW) (RSTP)
- Identify and select stakeholders to assist in developing safety strategies. (Nevada County DPW) (RSTP)
- Conduct public outreach activities. (Nevada County DPW) (RSTP)
- Prepare data summary, identify emphasis areas, and safety strategies. (Nevada County DPW) (RSTP)
- Prepare draft and final Nevada County LRSP. (Nevada County DPW) (RSTP)

Products:

- Scope of Work (Sep 24)
- Request for Proposals (Oct 24)
- Consultant contract (Nov 24)
- Vision and Goals (Jan 25)
- Data Summary, Emphasis Areas, and Strategies (Mar 25)
- Draft and Final Nevada County LRSP (May 25)

Budget 2.4.1

Revenues:		
	RSTP	\$80,737.18
Total		\$80,737.18
Expenditures:		
	NCTC	\$737.18
	Nevada County	\$80,000.00
Total		\$80,737.18

Totals may not equal addition of amounts in columns due to rounding
 Indirect costs are paid with local funds (see Budget Table 5).

Project 2.4.2 – Airport Land Use Commission Planning and Reviews

Purpose: Enhance NCTC's regional planning efforts through the following activities:

- Coordinate local land use planning with airport land use compatibility plans.
- Promote cooperation between land use planning agencies and airport land use commissions.
- Conduct reviews of projects near Nevada County and Truckee Tahoe Airport for consistency with adopted ALUCPs.
- Provide staff support to Nevada County and Truckee Tahoe Airport Land Use Commissions.
- Participate in statewide ALUC meetings.

Previous Work:

- Review airport land use compatibility issues.
- Conduct reviews of projects near Nevada County and Truckee Tahoe Airport for consistency with adopted ALUCPs. (ALUC Fees, LTF)

Additional/Continuing Work:

- Review airport land use compatibility issues.
- Conduct reviews of projects near Nevada County and Truckee Tahoe Airport for consistency with adopted ALUCPs. (ALUC Fees, LTF)

Products:

- Reports on airport land use compatibility issues. (Ongoing)

Budget 2.4.2

Revenues:		
	LTF Carryover	\$19,950.49
	ALUC Fees	\$15,000.00
Total		\$34,950.49
Expenditures:		
	Staff	\$19,950.49
	ALUC Reviews	\$15,000.00
Total		\$34,950.49

Totals may not equal addition of amounts in columns due to rounding

Project 2.4.3 – Zion St. Mobility/School Access Study

Purpose: Analyze cost-effective improvements in Zion Street Corridor related to improving safety and pedestrian and bicycle connectivity to school facilities.

Previous & Continuing Work:

- Completion of the 2016 Regional Transportation Plan (RTP)
- Completion of 2019 Active Transportation Plan (ATP)

Additional Work Activities:

- Prepare and distribute a Request for Proposal to qualified consultants (RPA) (NCTC)
- Review proposals, select consultant, and execute a contract (RPA) (NCTC/Consultant)
- Finalize the work program and refine the scope of work (RPA) (NCTC/Consultant)
- Project meetings and coordination (RPA) (NCTC/Consultant)
- Public Outreach (RPA) (NCTC/Consultant)
- Project Advisory Committee activities (RPA) (NCTC)
- Project support and administration of grant (RPA) (NCTC)
- Prepare quarterly reports and invoices (RPA) (NCTC)
- Project initiation and data collection (RPA) (NCTC/Consultant)
- Develop potential improvement alternatives (RPA)
- Prepare Draft Report (RPA)
- Public workshops (RPA)
- Prepare Final Report (RPA)

Products:

- Consultant Procurement Process (May – Jun 2024)
- Consultant Contract (Jul 2024)
- Working Paper #1 (Oct 2024)
- Working Paper #2 (Jan 2025)
- Draft Report (March 2025)
- Final Report (May 2025)

Budget 2.4.3

Revenues:		
	LTF	\$113.47
	RPA Grant	\$120,000.00
Total		\$120,113.47
Expenditures:		
	Staff	\$5,113.47
	Consultant	\$115,000.00
Total		\$120,113.47

Project 2.4.4 – Rural Counties Task Force Rural Induced Demand Study

Purpose: On behalf of the Rural Counties Task Force, the Nevada County Transportation Commission is managing a study to be conducted by qualified transportation consulting firms in partnership with legal firms with expertise in the California Environmental Quality Act (CEQA) to review the previous research on induced demand, as well as current available data, related guidance documents, and causal factors, to determine the significance and applicability of induced demand on rural highway improvements. In addition, the study will provide recommendations on how to appropriately address induced demand on rural highway improvements, including recommendations for addressing these rural highway improvements in relation to CEQA and recommendations for incorporating the study findings into future updates of state guidance documents.

Work Activities:

- Prepare and distribute a Request for Qualifications to qualified consultants (NCTC) (RPA Formula, LTF)
- Establish Project Selection Committee and Project Advisory Committee (NCTC) (RPA Formula, LTF)
- Review and rank proposals, conduct oral interviews, and finalize consultant ranking (NCTC) (RPA Formula, LTF)
- Select consultant and execute contract (NCTC) (RPA Formula, LTF)
- Finalize the work program and refine scope of work (NCTC/Consultant) (RPA Formula, LTF)
- Project meetings and coordination (NCTC/Consultant, RPA Formula) (RPA Grant, LTF)
- Project Advisory Committee activities (NCTC/Consultant, RPA Formula) (RPA Grant, LTF)
- Project support and administration of grant (NCTC/Consultant) (RPA Formula, LTF)
- Prepare quarterly reports and invoices (NCTC) (RPA Formula, LTF)
- Project initiation and data collection (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Review previous research on induced demand and document findings related to rural highway improvements (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Review state guidance documents in relation to induced demand for transportation projects (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Review and collect available data on induced demand related to rural highway improvements (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Review and document the causal factors related to the induced demand, including a review of their presence on rural highway projects (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Determine the significance and applicability of induced demand for roadway improvement projects in various rural corridors (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Provide recommendations on how to appropriately address induced demand on rural highway improvements, including recommendations for addressing these rural highway improvements in relation to CEQA and recommendations for incorporating the study findings into future updates of state guidance documents (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Develop recommended methodologies and thresholds for each jurisdiction (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Prepare Working Papers (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Prepare Administrative Draft (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Prepare Draft Report (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)

WORK ELEMENT 2 – REGIONAL TRANSPORTATION PLANNING (continued)

Item # 4.

Project 2.4.4 – Rural Counties Task Force Rural Induced Demand Study (continued)

- Present Draft Report to the Rural Counties Task Force (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Conduct outreach with regional, state, and federal agencies. (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)
- Prepare Final Report (NCTC/Consultant) (RPA Formula, RPA Grant, LTF)

Products:

- Draft Report (May 24)
- Final Report (July 24)
- Summary of Outreach Activities (June 2025)

Budget 2.4.4

Revenues:		
	RPA Grant	\$50,000.00
	RPA Grant Carryover	\$80,041.76
	RPA Formula	\$35,602.54
Total		\$165,644.30
Expenditures:		
	Staff	\$35,602.54
	Consulting	\$130,041.76
Total		\$165,644.30

Totals may not equal addition of amounts in columns due to rounding

WORK ELEMENT 2 – REGIONAL TRANSPORTATION PLANNING (continued)**Project 2.4.5 – Rural Counties Task Force & CARL Administration**

Purpose: To coordinate the participation of the twenty-six Rural Transportation Planning Agencies (RTPA) in the statewide issues pertinent to transportation planning, programming, and funding. This work element is in the first year of a two-year NCTC planning effort. This work element provides the resources necessary for the NCTC Deputy Director to fulfill the responsibilities of Chair of the Rural Counties Task Force (RCTF). The RCTF is an advisory committee to the California Transportation Commission (CTC). The RCTF provides a forum for the RTPAs in California to coordinate information, discuss issues, and present their unique perspective and input into the statewide decision-making process. In addition, the RCTF provides a venue to pool financial and knowledge-based resources. The Chair position provides access to policy makers from state government putting the rural counties, including NCTC, in a unique position to protect and enhance our projects and funding.

Previous and Continuing Work:

- Participate in RTPA group meetings and California RCTF meetings.

Additional Work Activities:

- Develop, organize, and distribute the RCTF meeting agendas. (Bi-Monthly)
- Represent the RCTF at ad hoc and standing Caltrans and CTC policy and technical advisory committees. (Ongoing)
- Represent the RCTF at government forums and workshops. (As needed)
- Represent the RCTF at CTC meetings and workshops. (Monthly)
- Coordinate efforts and provide technical assistance on transportation issues with the Regional Council of Rural Counties, California State Association of Counties, and League of California Cities. (Ongoing)
- Communicate with RCTF members on issues of shared interest, such as policy and procedural changes or funding opportunities. (Ongoing)

Products:

- RCTF agendas. (Bi-Monthly or as needed)
- RCTF Bi-Monthly reports and annual report to the CTC. (Ongoing)
- Correspondence and communications to Caltrans, California Transportation Commission, Regional Council of Rural Counties, California State Association of Counties, and League of California Cities. (As needed)
- Billings to RCTF member agencies for voluntary dues. (January 25)
- Billings to CALCOG to enable RCTF members to participate in the California Academy for Regional Leaders (CARL) program on scholarship. (Annually)

Budget 2.4.5

Revenues:		
	LTF	\$10,593.82
	RPA Grant	\$25,000.00
	RCTF Dues	\$8,000.00
Total		\$43,593.82
Expenditures:		
	Staff	\$10,593.82
	CARL Scholarships	\$25,000.00
	RCTF Travel	\$8,000.00
Total		\$43,593.82

WORK ELEMENT 2 – REGIONAL TRANSPORTATION PLANNING (continued)

Project 2.4.6 – Zero Emission Vehicle Transition Plan for County of Nevada

Purpose: On behalf of the County of Nevada, the Nevada County Transportation Commission will manage a fleet electrification planning study to identify how the County of Nevada can make the transition to electrification of public fleets to comply with upcoming California Air Resource Board (CARB) regulations related to the Innovative Clean Transit and lightweight, medium-duty, and heavy-duty public fleet electrification regulations.

The study will guide Nevada County in its endeavor to meet the regulations by evaluating and identifying a detailed plan to successfully convert the county vehicle fleet to electric vehicles within the timeline specified by CARB. The infrastructure needs for power delivery and charging, maintenance needs, and capital replacement considerations will be incorporated into the overall plan. Where electrification of certain vehicle fleet mix (e.g. heavy duty trucks) may not be possible due to market readiness, other zero-carbon alternatives will be explored and evaluated for fleet replacement and infrastructure improvements needs.

Previous Work:

- Small Transit Agency Rollout Plan (April 2023)
- RFP (Feb 2023)
- Contract Executed (Mar 23)

Work Activities:

- Prepare and distribute a Request for Proposals to qualified consultants (NCTC) (RPA Formula)
- Establish Project Selection Committee and Project Advisory Committee (NCTC) (RPA Formula)
- Review and rank proposals, conduct oral interviews, and finalize consultant ranking (NCTC) (RPA Formula)
- Select consultant and execute contract (NCTC) (RPA Formula)
- Finalize the work program and refine scope of work (NCTC) (RPA Formula)
- Project meetings and coordination (NCTC/Consultant) (RPA Formula, RPA Grant)
- Project Advisory Committee activities (NCTC/Consultant) (RPA Formula, RPA Grant)
- Project support and administration of grant (NCTC) (RPA Formula)
- Prepare quarterly reports and invoices (NCTC) (RPA Formula)
- Develop electric vehicle conversion plan for lightweight, medium, and heavy-duty vehicle fleet (Consultant) (RPA Grant)
- Develop electric vehicle conversion plan for the public transit fleet (Consultant) (RPA Grant)
- Recommend electric vehicle charging stations plan, including location and type of charges and electric infrastructure improvement plan (Consultant) (RPA Grant)
- Develop electric vehicle transition plan by fleet type (Consultant) (RPA Grant)
- Develop required Small Transit Rollout Plan for Nevada County Transit (Consultant) (RPA Grant)
- Develop funding plan to identify possible funding source to leverage incentives and rebate programs (Consultant) (RPA Grant)
- Prepare Administrative Draft (NCTC/Consultant) (RPA Formula, RPA Grant)
- Prepare Draft Report (NCTC/Consultant) (RPA Formula, RPA Grant)
- Prepare Final Report (NCTC/Consultant) (RPA Formula, RPA Grant)

WORK ELEMENT 2 – REGIONAL TRANSPORTATION PLANNING (continued)

Project 2.4.6 – Zero Emission Vehicle Transition Plan for County of Nevada (continued)

Products:

- Administrative Draft Report (May 2024)
- Draft Report (July 2024)
- Final Report (September 2024)

Budget 2.4.6

Revenues:		
	LTF	\$1,183.53
	RPA Grant Carryover	\$223,919.91
	RPA Formula Carryover	\$23,827.79
Total		\$248,931.23
Expenditures:		
	Staff	\$25,011.32
	Consulting	\$223,919.91
Total		\$248,931.23

Totals may not equal addition of amounts in columns due to rounding

ACTIVITY	DESCRIPTION	PRODUCTS
System Planning	Completion of system planning products used by Caltrans and its transportation partners	Caltrans District 3 System Planning documents consistent with the Caltrans District 3 System Planning Five-Year Work Plan.
Advance Planning	Completion of pre-programming studies (e.g., Project Initiation Documents) so as to be ready to program resources for capital projects	Project Initiation Documents (PID), as indicated in the Two-Year PID Work Plan.
Regional Planning	Participate in and assist with various regional planning projects and studies	Participation in the following projects and studies: <ul style="list-style-type: none"> • Rural Counties Task Force Rural Induced Demand Study • SR 49 CSMP Update • Assisting with SR 49 TCEP, SCCP, RAISE, Rural Surface Transportation Program Grant Applications • Oversight of Planning Studies/ Conceptual Projects pertaining to the State Highway System
Local Development Review Program	Review of local development proposals potentially impacting the State Highway System	Assistance to lead agencies to ensure the identification and mitigation of local development impacts to the State Highway System that is consistent with the State’s smart mobility goals.

Active Transportation Plan: Identifies a network of pedestrian and bicycle facilities and projects to support pedestrian and bicycle safety for people of all ages and abilities. Specifically, the Active Transportation Plan aims to:

- Identify barriers and innovative solutions to encourage walking and bicycling as viable travel modes
- Effectively build on recently completed and current active transportation planning efforts
- Develop walking/bicycling networks supportive of existing and future land uses and projects
- Develop a clearly defined implementation strategy with specific, creative, yet practical and financially feasible projects matched to specific funding opportunities

Active Transportation Program (ATP): Created in 2013 by the passage of SB 99 and AB 101, the Active Transportation Program consolidates existing federal and state transportation programs into a single program with a focus to make California a national leader in active transportation. The purpose of the Active Transportation Program is to encourage increased use of active modes of transportation by achieving the following goals:

- Increase the proportion of trips accomplished by biking and walking,
- Increase safety and mobility for non-motorized users,
- Advance the active transportation efforts of regional agencies to achieve Greenhouse Gas (GHG) reduction goals, pursuant to SB 375 (of 2008) and SB 341 (of 2009),
- Enhance public health and ensure that disadvantaged communities fully share in the benefits of the program, and
- Provide a broad spectrum of projects to benefit many types of active transportation users.

Airport Land Use Commission (ALUC): The fundamental purpose of ALUCs is to promote land use compatibility around airports. As expressed in state statutes, this purpose is "... to protect public health, safety, and welfare by ensuring the orderly expansion of airports and the adoption of land use measures that minimize the public's exposure to excessive noise and safety hazards within areas around public airports to the extent that these areas are not already devoted to incompatible uses." The statutes give ALUCs two principal powers by which to accomplish this objective:

1. ALUCs must prepare and adopt an airport land use plan; and
2. ALUCs must review the plans, regulations, and other actions of local agencies and airport operators for consistency with that plan.

Airport Land Use Compatibility Plan (ALUCP): A document referred to by ALUCs and individuals seeking to review standards for land use planning in the vicinity of an airport. The ALUCP defines compatible land uses for noise, safety, airspace protection, and overflight within the Airport Influence Area (AIA).

Allocation: A distribution of funds by formula or agreement. With regard to Transportation Development Act funds, allocation is the discretionary action by the RTPA which designates funds for a specific claimant for a specific purpose.

Apportionment: Distribution of funds by a formula. Apportionment under the Transportation Development Act is the determination by the RTPA of each area's share of anticipated LTF for the ensuing fiscal year.

California Environmental Quality Act (CEQA): A statute that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible.

Capital Improvement Program (CIP) or Capital Improvement Plan: A short-range plan, which identifies capital projects and equipment purchases, provides a planning schedule and identifies options, for financing the plan.

Congestion Mitigation and Air Quality (CMAQ): A federal funding program that is available in western Nevada County for transportation projects that demonstrate emission reductions to help attain federal air quality standards. Western Nevada County was classified in 2004 as “non-attainment” for 8-hour ozone standards. Project categories eligible for CMAQ funding include:

- Alternative fuels and vehicles
- Congestion reduction and traffic flow improvements
- Transit improvements
- Bicycle and pedestrian facilities
- Public education and outreach
- Diesel engine retrofits
- Car pooling and van pooling

Projects are submitted by local jurisdictions for consideration and are ranked based on air quality benefits and project readiness. NCTC then reviews the ranking and chooses projects to be funded.

Corridor System Management Plan (CSMP): Foundational documents supporting a partnership-based, integrated management of all travel modes (cars, trucks, transit, bicycles, and pedestrians) and infrastructure (highways, roads, rail tracks, information systems and bike routes) so that mobility along a corridor is provided in the most efficient and effective manner possible.

Federal Highway Administration (FHWA): An agency within the U.S. Department of Transportation that supports state and local governments in the design, construction, and maintenance of the Nation's highway system (Federal Aid Highway Program) and various federally and tribal owned lands (Federal Lands).

Federal Transit Administration (FTA): A federal agency that provides financial and technical assistance to local public transit systems, including buses, subways, light rail, commuter rail, trolleys and ferries.

Findings of Apportionment: Prior to March 1 of each year, Nevada County Transportation Commission (NCTC), pursuant to the California Code of Regulations Section 6644, transmits “Findings of Apportionment” for all prospective claimants. The apportionments are determined from the Nevada County Auditor-Controller's estimate of Local Transportation Funding (LTF) for the ensuing fiscal year, less those funds allocated for Transportation Development Act (TDA) administration, transportation planning and programming, pedestrian/bicycle projects, and community transit services. The remaining funds are then apportioned according to the population of each applicant's jurisdiction in relation to the total population of the County.

Fixing America's Surface Transportation (FAST) Act: A federal law enacted in 2015 to provide long-term funding for surface transportation infrastructure planning and investment. The FAST Act authorizes \$305 billion over fiscal years 2016 through 2020 for highway, highway and motor vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs.

FTA Section 5310: This program set forth in United States Code (U.S.C.) Title 49 Section 5310 provides formula funding to states for the purpose of assisting private nonprofit groups in meeting the transportation needs of older adults and people with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs.

FTA Section 5311: This program set forth in United States Code (U.S.C.) Title 49 Section 5311 provides grants for Rural Areas providing capital, planning, and operating assistance to states to support public transportation in rural areas with populations of less than 50,000 where many residents often rely on public transit to reach their destinations.

Interregional Transportation Improvement Program (ITIP): The ITIP is a five-year program of projects funded through the State Transportation Improvement Program (STIP) that obtains funding primarily through the per-gallon State tax on gasoline. The ITIP is prepared by the California Department of Transportation (Caltrans) and is submitted to the California Transportation Commission (CTC) for approval.

Level of Service (LOS): A qualitative measure used to relate the quality of traffic service. LOS is used to analyze highways by categorizing traffic flow and assigning quality levels of traffic based on performance measures like speed, density, etc. North American highway LOS standards use letters A through F, with A being the best and F being the worst, similar to academic grading.

Local Transportation Fund (LTF): The LTF is derived from a 1/4-cent general sales tax collected statewide. The State Board of Equalization, based on the sales tax collected in each county, returns the sales tax revenues to each county's LTF. The LTF was created in 1971 when legislation was passed to provide funding to counties for transit and non-transit related purposes.

Memorandum of Understanding (MOU): An agreement between two (or more) parties. It expresses a convergence of will between the parties, indicating an intended common line of action. Many government agencies use MOUs to define a relationship between agencies.

Metropolitan Planning Organization (MPO): MPOs are the regional planning entities in urbanized areas, usually an area with a population of 50,000 or more. There are 18 MPOs in California, accounting for approximately 98% of the state's population.

Nevada County Airport Land Use Commission (NCALUC): The Nevada County Transportation Commission was designated by the Nevada County Board of Supervisors and the city selection committee as the ALUC for the Nevada County Airport in May 2010. The NCTC Executive Director serves as the NCALUC Executive Director with support from the NCTC staff.

Nevada County Airport Land Use Compatibility Plan (NCALUCP): The basic function of this plan is to promote compatibility between the airport and surrounding land uses. The plan serves as a tool for use by the NCALUC in fulfilling its duty to review airport and adjacent land use development proposals. Additionally, the plan sets compatibility criteria applicable to local agencies and their preparation or amendment of land use plans and ordinances and to land owners in their design of new developments.

North State Super Region (NSSR): Regional transportation planning agencies from 16 counties in Northern California came together on October 20, 2010, to sign a memorandum of agreement. This agreement created an alliance between the agencies to work together and support each other on issues related to transportation and to have a unified voice representing the North State.

Northern Sierra Air Quality Management District (NSAQMD): The Northern Sierra Air Quality Management District was formed in 1986 by the merging of the Air Pollution Control Districts of Nevada, Plumas and Sierra Counties. The District is required by state law to achieve and maintain the federal and state Ambient Air Quality Standards, which are air quality standards set at levels that will protect public health. The District is composed of three primary entities, each with a specific purpose: District staff, Governing Board of Directors, and Hearing Board.

Overall Work Program (OWP): NCTC annually adopts a budget through the preparation of an Overall Work Program. This work program describes the planning projects and activities or work elements that are to be funded, and the type of funds that will pay for the expenditures.

Planning, Programming, and Monitoring (PPM): PPM is funding allocated by the California Transportation Commission (CTC) through the State Transportation Improvement Program (STIP). Designated uses of PPM include:

- Regional transportation planning – includes development and preparation of the regional transportation plan;
- Project planning – includes the development of project study reports or major investment studies conducted by regional agencies or by local agencies, in cooperation with regional agencies;
- Program development – includes the preparation of regional transportation improvement programs (RTIPs) and studies supporting them; and
- Monitoring the implementation of STIP projects – includes project delivery, timely use of funds, and compliance with state law and CTC guidelines.

Plans, Specifications, and Estimates (PS&E): In this stage of project development, the scope of the selected alternative is refined; design surveys and photogrammetric mapping is obtained; and reports including traffic data, hydrology and hydraulics, geotechnical design, pavement design, and materials and sound wall design reports are completed. Final right-of-way requirements are determined, and procurement is initiated. At the completion of the PS&E stage, a complete set of project plans have been developed that will allow a competent contractor to bid and build the project. These plans include a refined estimate of the construction costs and any required specifications on how the work is to proceed.

Project Approval and Environmental Documentation (PA/ED): The PA/ED step of project development reinforces the philosophy of balancing transportation needs with community goals and values. Outputs of the PA/ED step are the project report and environmental document. The project report is an engineering document that evaluates the various alternatives for selection of a preferred alternative. The environmental document is a disclosure document that assesses the potential impacts of the project on the environment.

Project Initiation Document (PID): a report that documents the purpose, need, scope, cost, and schedule for a transportation project. The PID identifies and describes the viable alternatives to a transportation problem.

Project Study Report (PSR): A report of preliminary engineering efforts, including a detailed alternatives analysis, cost, schedule, and scope information for a transportation project. A PSR also includes estimated schedule and costs for environmental mitigation and permit compliance.

Public Transportation Modernization Improvement & Service Enhancement Account (PTMISEA): PTMISEA was created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.925 billion available to Transportation, \$3.6 billion dollars was allocated to PTMISEA to be available to transit operators over a ten-year period. PTMISEA funds may be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement. Funds in this account are appropriated annually by the Legislature to the State Controller's Office (SCO) for allocation in accordance with Public Utilities Code formula distributions: 50% allocated to Local Operators based on fare-box revenue and 50% to Regional Entities based on population.

Regional Improvement Program (RIP): The RIP is one of two funding programs in the State Transportation Improvement Program (STIP). The RIP receives 75% of the STIP funds and the second program, the Interregional Improvement Program receives 25% of STIP funds. RIP funds are allocated every two years by the California Transportation Commission (CTC) to projects submitted by Regional Transportation Planning Agencies (RTPAs) in their Regional Transportation Improvement Programs (RTIPs).

Regional Surface Transportation Program (RSTP): The RSTP was established by the State of California to utilize federal Surface Transportation Program funds for a wide variety of transportation projects. The State exchanges these federal funds for less restrictive state funds to maximize the ability of local agencies to use the funds for transportation purposes including planning, construction of improvements, maintenance and operation of public streets, and pedestrian and bicycle projects.

Regional Transportation Improvement Program (RTIP): NCTC submits regional transportation projects to the California Transportation Commission (CTC) for funding in a list called the RTIP. The RTIP is a five-year program that is updated every two years. Projects in the RTIP are funded from the Regional Improvement Program (RIP).

Regional Transportation Mitigation Fee (RTMF): The Western Nevada County Regional Transportation Mitigation Fee Program was established in 2001 through a partnership of Nevada County, City of Nevada City, City of Grass Valley, and the Nevada County Transportation Commission (NCTC). The RTMF Program was developed to collect impact fees from new development to help fund transportation improvement projects needed to accommodate growth in the region of western Nevada County.

Regional Transportation Plan (RTP): The Regional Transportation Plan has been developed to document transportation policy, actions, and funding recommendations that will meet the short- and long-term access and mobility needs of Nevada County residents over the next 20 years. This document is designed to guide the systematic development of a comprehensive multi-modal transportation system for Nevada County.

Regional Transportation Planning Agency (RTPA): County or multi-county entities charged by state law in meeting certain transportation planning requirements. As the RTPA for Nevada County, NCTC coordinates transportation planning for Grass Valley, Nevada City, Nevada County, and the Town of Truckee.

Request for Proposal (RFP): A document that solicits proposals, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers to submit business proposals.

Rural Counties Task Force (RCTF): There are 26 rural county Regional Transportation Planning Agencies (RTPAs) or Local Transportation Commissions represented on the Rural Counties Task Force (RCTF). The RCTF is an informal organization with no budget or staff that generally meets every other month. A member of the CTC, usually acts as liaison to the RCTF, and CTC and Caltrans staff typically attend these meetings to explain and discuss changing statewide transportation issues that may be of concern to the rural counties.

Rural Planning Assistance (RPA): Annually the 26 rural RTPAs receive state transportation planning funding, known as RPA, on a reimbursement basis, after costs are incurred and paid for using local funds.

Social Services Transportation Advisory Council (SSTAC): Consists of representatives of potential transit users including the general public, seniors and/or disabled; social service providers for seniors, disabled, and persons of limited means; local consolidated transportation service agencies; and Truckee residents who represent the senior and Hispanic communities. The SSTAC meets at least once annually and has the following responsibilities:

- To maintain and improve transportation services to the residents of Nevada County, particularly the elderly and disabled.
- Review and recommend action to the NCTC relative to the identification of unmet transit needs and advise the Commission on transit issues, including coordination and consolidation of specialized transportation services.
- Provide a forum for members to share information and concerns about existing elderly and handicapped transportation resources.

State Highway Operations and Protection Program (SHOPP): The SHOPP is a four-year listing of projects prepared by Caltrans.

State Transit Assistance (STA): These funds are provided by the State for the development and support of public transportation needs. They are allocated by the State Controller's Office to each county based on population and transit performance.

State Transportation Improvement Program (STIP): The STIP is a multi-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the Transportation Investment Fund and other funding sources. STIP programming generally occurs every two years. The STIP has two funding programs, the Regional Improvement Program and the Interregional Improvement Program.

Technical Advisory Committee (TAC): The Technical Advisory Committee (TAC) is made up of representatives of local public works and planning departments, Caltrans District 3, public airport operators, the air pollution control district, public transit operators, and the NCTC consultant engineer on retainer. Members are assigned by staff of local jurisdictions and other participating organizations. Any decisions made or actions proposed by the TAC shall be subject to the review and approval of the NCTC.

TAC responsibilities include:

- Provide technical input, assistance, and recommendations to the Commission to ensure there is comprehensive coordination and cooperation in the transportation planning process for Nevada County.
- Review and comment on comprehensive regional transportation plans for the area, which include the Regional Transportation Plan (RTP), the Regional Transportation Improvement Program (RTIP), and the Overall Work Program (OWP).
- Coordinate efforts and discussions to create and maintain circulation elements of the General Plan and specific plans of the member governments.

Transit Development Plan (TDP): Transit Development Plans study the County's transit services. They help identify transit service needs, prioritize improvements and determine the resources required for implementing modified or new service. The plans also provide a foundation for requests for State and federal funding,

Transit Services Commission (TSC): This commission oversees and advises as necessary the daily operations of the western Nevada County transit system. The TSC has the following responsibilities:

- Establish fares;
- Adopt the level of transit and paratransit services, including route structure and service areas;
- Monitor public response;
- Approve proposed purchase of additional vehicles;
- Review and approve the annual budget for transit and paratransit operations.

Transportation Development Act (TDA): The Transportation Development Act was enacted in 1971 and provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance fund (STA). The TDA funds a wide variety of transportation programs, including planning and programming activities, pedestrian and bicycle facilities, community transit services, and public transportation projects. One of NCTC’s major responsibilities is the administration of TDA funding in Nevada County.

Travel Demand Model (also Traffic Model): A computer model used to estimate travel behavior and travel demand for a specific future time frame, based on a number of assumptions. In general, travel analysis is performed to assist decision makers in making informed transportation planning decisions. The strength of modern travel demand forecasting is the ability to ask critical “what if” questions about proposed plans and policies.

Truckee North Tahoe Transportation Management Association (TNT/TMA): The Truckee North Tahoe Transportation Management Association is dedicated to fostering public-private partnerships and resources for the advocacy and promotion of innovative solutions to the unique transportation challenges of the Truckee-North Lake Tahoe Resort Triangle. The TNT/TMA is a planning stakeholder and partner with NCTC.

Truckee Tahoe Airport Land Use Commission (TTALUC): The Truckee Tahoe Airport is an "intercounty" airport situated in both Nevada County and Placer County; therefore, a special ALUC with representatives from both counties was formed. Six members are selected, one each, by Placer and Nevada Counties' Board of Supervisors, City Selection Committees, and Airport Managers of each county. A seventh member is chosen by the other six members to represent the general public. NCTC authorized its staff on May 19, 2010, to provide staff support to the TTALUC.

Truckee Tahoe Airport Land Use Compatibility Plan (TTALUCP): A document referred to by the TTALUC and individuals seeking to review standards for land use planning in the vicinity of the Truckee Tahoe Airport. The plan defines compatible land uses for noise, safety, airspace protection, and overflight. The TTALUC performs consistency determinations for proposed projects in the area covered by the Compatibility Plan as needed.

Vehicle Miles Traveled (VMT): VMT is a metric of the total miles traveled by vehicles in a defined area over a defined period of time and is often used to estimate the environmental impacts of driving, such as Greenhouse Gases and air pollutant emissions. Factors that influence VMT include travel mode, number of trips, and distance traveled. California jurisdictions are transitioning from a Level of Service (LOS) metric to a Vehicle Miles Traveled (VMT) metric within the California Environmental Quality Act’s (CEQA) transportation analysis.

Table 1

Budget Summary FY2024/25 Draft OWP

Revenues	DRAFT	Amendment 2	Difference
	FY 2024/25	FY 2023/24	
LTF Administration	747,537.11	703,052.78	44,484.33
LTF Planning	179,261.89	125,019.00	54,242.89
LTF Contingency	197,764.02	49,159.84	148,604.18
Rural Planning Assistance (RPA) Formula	294,000.00	294,000.00	0.00
Rural Planning Assistance (RPA) Formula Carryover	23,827.79	23,827.79	0.00
Rural Planning Assistance (RPA) Grants	195,000.00	195,000.00	0.00
Rural Planning Assistance (RPA) Grants Carryover	303,961.67	278,961.67	25,000.00
Regional Transportation Mitigation Fees (RTMF)	7,500.00	7,500.00	0.00
RCTF Dues	8,000.00	0.00	8,000.00
STIP Planning Funds (PPM)	114,804.39	110,982.57	3,821.82
ALUC Fees	15,000.00	15,000.00	0.00
Regional Surface Transportation Program (RSTP)	110,737.18	80,720.28	30,016.90
LTF Carryover	166,201.67	189,736.24	-23,534.57
TOTAL	2,363,595.73	2,072,960.18	290,635.55

Expenditures	DRAFT	Amendment 2	Difference
	FY 2024/25	FY 2023/24	
Salary	699,075.29	679,114.00	19,961.29
Benefits	232,472.99	227,845.57	4,627.42
Direct (Table 2)	1,016,941.57	902,193.57	114,748.00
Indirect (Table 3)	174,310.00	174,310.00	0.00
Contingency	240,795.88	89,497.04	151,298.84
TOTAL	2,363,595.73	2,072,960.18	290,635.55

	Estimated	Actual	Difference
Fund Balance	FY 2024/25	FY 2022/23	
	\$32,201.94	\$198,403.61	(\$166,201.67)

Table 2**Direct Costs Budget FY 2024/25 Draft OWP**

Work Element		DRAFT 24/25	Amendment 2 23/24	Difference	Source
1.1	Intergovernmental Advocacy	\$52,000.00	\$52,000.00	\$0.00	LTF
1.1	Human Resources Consulting	\$5,000.00	\$5,000.00	\$0.00	LTF
1.2	Fiscal Auditor	\$57,500.00	\$57,500.00	\$0.00	LTF
1.2	Triennial Performance Audits	\$50,000.00	\$0.00	\$50,000.00	LTF
2.1	Traffic Counts	\$10,000.00	\$10,000.00	\$0.00	RPA, PPM, LTF
2.1	Transportation Engineering	\$40,000.00	\$40,000.00	\$0.00	RPA, PPM, LTF
2.1	Local Agencies Participation in Regional Planning	\$30,000.00	\$30,000.00	\$0.00	RPA, PPM, LTF
2.1.1	Regional Transportation Plan Update	\$67,684.90	\$67,684.90	\$0.00	RPA
2.3.3	Eastern Nevada County Transit Development Plan	\$74,995.00	\$74,995.00	\$0.00	LTF
2.4	Consultant Prepared ATP Applications	\$30,000.00	\$0.00	\$30,000.00	RSTP
2.4	Rural Counties Task Force	\$2,000.00	\$2,000.00	\$0.00	LTF
2.4	Statewide Local Streets and Roads Needs Assessment	\$800.00	\$800.00	\$0.00	LTF
2.4.1	Local Road Safety Plan	\$80,000.00	\$80,000.00	\$0.00	RSTP
2.4.2	Airport Land Use Commission Planning & Reviews	\$15,000.00	\$15,000.00	\$0.00	ALUC, LTF
2.4.3	Zion St. Mobility/School Access study	\$115,000.00	\$115,000.00	\$0.00	RPA Grant
2.4.4	RCTF Rural Induced Demand Study	\$130,041.76	\$130,041.76	\$0.00	RPA Grant
2.4.5	Rural Counties Task Force CARL Administration	\$25,000.00	\$0.00	\$25,000.00	RPA Grant
2.4.5	Rural Counties Task Force Travel	\$8,000.00	\$0.00	\$8,000.00	RCTF Dues
2.4.6	Zero Emission Vehicle Transition Plan for County of Nevada	\$223,919.91	\$223,919.91	\$0.00	RPA Grant
	TOTAL	\$1,016,941.57	\$903,941.57	\$113,000.00	

Table 3

Item # 4.

Indirect Costs Budget FY 2024/25 Draft OWP

ACCT	ITEM	Draft FY 24/25	Amendment 2 FY 23/24	Variance	Variance %
13.2	Nevada County Auditor/Controller	\$30,000	\$30,000	\$0	0.00%
13.1	Legal Counsel	\$15,000	\$15,000	\$0	0.00%
13.3	TNT/TMA Membership	\$4,125	\$4,125	\$0	0.00%
13.21	Website Update/Maintenance	\$11,500	\$11,500	\$0	0.00%
13.17	Nevada County ERC Membership	\$1,000	\$1,000	\$0	0.00%
	Insurance	\$22,250	\$22,250	\$0	0.00%
1.1	General Liability & Errors and Omissions	\$18,250	\$18,250	\$0	0.00%
1.3	Workers' Compensation	\$4,000	\$4,000	\$0	0.00%
	Office Expenses	\$29,120	\$29,120	\$0	0.00%
2.1	Phones	\$900	\$900	\$0	0.00%
2.2	Equipment Rental	\$500	\$500	\$0	0.00%
2.3	Records Storage	\$2,000	\$2,000	\$0	0.00%
2.4	Equipment Maintenance Agreements	\$1,000	\$1,000	\$0	0.00%
2.5	Publications/Legal Notices	\$2,500	\$2,500	\$0	0.00%
2.6	Janitorial Services	\$1,500	\$1,500	\$0	0.00%
2.7	Payroll Service	\$1,800	\$1,800	\$0	0.00%
2.8	Supplies	\$2,500	\$2,500	\$0	0.00%
2.9	Printing & Reproduction	\$250	\$250	\$0	0.00%
2.10	Subscriptions	\$300	\$300	\$0	0.00%
2.11	Computer Software & Network Maintenance	\$11,250	\$11,250	\$0	0.00%
2.12	Postage	\$300	\$300	\$0	0.00%
2.13	Telework Reimbursement	\$4,320	\$4,320	\$0	0.00%
3	Equipment	\$4,800	\$4,800	\$0	0.00%
	Copier/Printer	\$800	\$800	\$0	0.00%
	Office Furniture	\$500	\$500	\$0	0.00%
	Laptop /Computer	\$3,000	\$3,000	\$0	0.00%
	Miscellaneous	\$500	\$500	\$0	0.00%
5	Training and Conferences	\$2,000	\$2,000	\$0	0.00%
6	Office Lease	\$28,000	\$28,000	\$0	0.00%
7	Utilities	\$3,000	\$3,000	\$0	0.00%
8	Travel - Meals & Lodging	\$10,000	\$10,000	\$0	0.00%
9	Travel - Mileage/Fares/Parking	\$10,000	\$10,000	\$0	0.00%
10	Professional & Service Organizations	\$3,515	\$3,515	\$0	0.00%
	TOTAL	\$174,310	\$174,310	\$0	0.00%

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Table 4

Revenues - FY 2024/25 Draft OWP

Item # 4.

Work Element	24/25 LTF	LTF Carryover	RPA Grants	RPA Grant Carryover	RPA Formula	RPA Formula Carryover	ALUC Fees	RTMF	STIP Planning PPM	RSTP	Other	TOTAL
1.1 General Services	310,249.93	29,812.07						7,500.00				347,562.00
1.2 Fiscal Administration	437,287.18											437,287.18
2.1 Transportation Planning	262.96	28,197.36			39,737.04				71,772.53			139,969.89
2.1.1 Regional Transportation Plan Update					119,507.04							119,507.04
2.2 Transportation Improvement Program		7,231.77			38,648.05							45,879.82
2.3 Transit & Paratransit Programs		16,286.85			46,332.82							62,619.67
2.3.3 Eastern Nevada County Transit Development Plan	74,995.00	26,534.90			14,172.51							115,702.41
2.4 Coordination of Regional Planning	92,113.12	38,188.23								30,000.00		160,301.35
2.4.1 Local Road Safety Plan (LRSP)										80,737.18		80,737.18
2.4.2 Airport Land Use Commission Planning & Reviews		19,950.49					15,000.00					34,950.49
2.4.3 Zion St. Mobility/School Access study	113.47		120,000.00									120,113.47
2.4.4 RCTF Rural Induced Demand Study			50,000.00	80,041.76	35,602.54							165,644.30
2.4.5 Rural Counties Task Force & CARL Administration	10,593.82		25,000.00								8,000.00	43,593.82
2.4.6 Zero Emission Vehicle Transition Plan for Co of Nev	1,183.53			223,919.91		23,827.79						248,931.23
Contingency		197,764.02							43,031.86			240,795.88
Totals	926,799.00	363,965.69	195,000.00	303,961.67	294,000.00	23,827.79	15,000.00	7,500.00	114,804.39	110,737.18	8,000.00	2,363,595.73

Totals may not equal addition of amounts in columns due to rounding.

Table 5

Item # 4.

Expenditures - FY 2024/25 Draft OWP

Work Elements		PY	Staff	Indirect	Transportation Engineering	Consulting	Local Agency	Other	Total
1.1	General Services	1.65	244,762.41	45,799.60		57,000.00 (1)			347,562.00
1.2	Fiscal Administration	1.73	277,804.75	51,982.43				107,500.00 (2)	437,287.18
2.1	Transportation Planning	0.23	42,348.77	17,621.13	40,000.00		40,000.00 (3)		139,969.89
2.1.1	Regional Transportation Plan Update	0.28	51,822.14			67,684.90			119,507.04
2.2	Transportation Improvement Program	0.21	38,648.05	7,231.77					45,879.82
2.3	Transit & Paratransit Programs	0.23	46,332.82	16,286.85					62,619.67
2.3.3	Eastern Nevada County Transit Development Plan	0.20	40,707.41			74,995.00			115,702.41
2.4	Coordination of Regional Planning	0.45	92,113.12	35,388.23		30,000.00		2,800.00 (4)	160,301.35
2.4.1	Local Road Safety Plan (LRSP)	0.00	737.18				80,000.00		80,737.18
2.4.2	Airport Land Use Commission Planning & Reviews	0.11	19,950.49			15,000.00			34,950.49
2.4.3	Zion St. Mobility/School Access study	0.02	5,113.47			115,000.00			120,113.47
2.4.4	RCTF Rural Induced Demand Study	0.18	35,602.54			130,041.76			165,644.30
2.4.5	Rural Counties Task Force & CARL Administration	0.13	10,593.82					33,000.00 (5)	43,593.82
2.4.6	Zero Emission Vehicle Transition Plan for Co of Nev	0.13	25,011.32			223,919.91			248,931.23
	Contingency							240,795.88	240,795.88
TOTAL		5.46	931,548.28	174,310.00	40,000.00	713,641.57	120,000.00	384,095.88	2,363,595.73

Totals may not equal addition of amounts in columns due to rounding.

Notes:

- (1) \$52,000 Intergovernmental Advocacy, \$5,000 Human Resources Consulting
- (2) \$57,500 Fiscal Audit Contract; \$50,000 Triennial Performance Audit
- (3) \$10,000 Traffic Counts, Local Agency (WE 2.1): Nev. Co. \$7,500; Truckee \$7,500; Nevada City \$7,500; Grass Valley \$7,500.
- (4) \$2,000 Rural Counties Task Force Dues, \$800 Statewide Local Streets and Roads
- (5) \$25,000 RCTF CALCOG Leadership Academy; \$8,000 RCTF Travel Expense

Indirect Costs are paid with local funds, no RPA or STIP planning funds are used.

ACCT	Table 6 Budget Detail FY 2024/25 Draft OWP	ALLOCATION
1	Insurance	22,250.00
1.1	General Liability & Errors and Omissions	18,250.00
1.3	Workers' Compensation	4,000.00
2	Office Expenses	29,120.00
2.1	Phones	900.00
2.2	Equipment Rental	500.00
2.3	Records Storage	2,000.00
2.4	Equipment Maintenance Agreements	1,000.00
2.5	Publications/Legal Notices	2,500.00
2.6	Janitorial Services - carpets, blinds, interior painting, etc.	1,500.00
2.7	Payroll Service	1,800.00
2.8	Supplies	2,500.00
2.9	Printing & Reproduction	250.00
2.10	Subscriptions	300.00
2.11	Computer Software & Network Maintenance	11,250.00
2.12	Postage	300.00
2.13	Telework Reimbursement	4,320.00
3	Equipment	4,800.00
5	Training and Conferences	2,000.00
6	Office Lease	28,000.00
7	Utilities	3,000.00
8	Travel - Meals & Lodging	10,000.00
9	Travel - Mileage/ Fares/ Parking	10,000.00
10	Professional & Service Organizations	3,515.00
	Subtotal Items 1-10	112,685.00
11	Contingency	240,795.88
12	Salaries, Wages, & Benefits	931,548.28
12.1	Executive Director	242,896.17
12.11	Deputy Executive Director	212,691.21
12.2	Administrative Services Officer	153,922.38
12.3	Transportation Planner	148,196.28
12.4	Administrative Assistant	104,904.66
12.8	Temporary Employee	68,937.57
13	Other Services	1,078,566.57
13.1	Legal Counsel	15,000.00
13.2	Nevada County Auditor/Controller	30,000.00
13.3	TNT/TMA Membership	4,125.00
13.4	Fiscal Audits (WE 1.2)	57,500.00
13.6	Triennial Performance Audits (WE 1.2)	50,000.00
13.7	Traffic Counts (WE 2.1)	10,000.00
13.8	Transportation Engineering (WE 2.1)	40,000.00
13.11a	Local Agencies (WE 2.1)	30,000.00
13.11b	Local Agency LRSP (WE 2.4.1)	80,000.00
13.16a	Rural Counties Task Force Membership (WE 2.4)	2,000.00
13.16b	Statewide Local Streets and Roads Needs Assessment (WE 2.4)	800.00
13.17	Nevada County ERC Membership	1,000.00
13.19	Eastern Nev. Co. Transit Development Plan (WE 2.3.3)	74,995.00
13.21	Website Update/Maintenance	11,500.00
13.23	Regional Transportation Plan Update (WE 2.1.1)	67,684.90
13.30	Airport Land Use Commission Project Reviews (WE 2.4.2)	15,000.00
13.48	Human Resources Consulting (WE 1.1)	5,000.00
13.57	RCTF Rural Induced Demand Study (WE 2.4.4)	130,041.76
13.58	Zero Emission Vehicle Transition Plan for County of Nevada (WE 2.4.6)	223,919.91
13.59	Intergovernmental Advocacy (WE 1.1)	52,000.00
	Consultant Prepared ATP Applications (WE 2.4)	30,000.00
13.61	Zion St .Mobility/School Access study (WE 2.4.3)	115,000.00
	RCTF CARL Administration (WE 2.4.5)	25,000.00
	RCTF Travel (WE 2.4.5)	8,000.00
	TOTAL Budget Items 1-13	2,363,595.73
	Indirect Costs	
	Accounts 1 through 10	112,685.00
	Legal	15,000.00
	Nevada Co. Auditor/Controller	30,000.00
	TNT/TMA	4,125.00
	Nevada Co. ERC Membership	1,000.00
	Website Update/Maintenance	11,500.00
	Total Indirect Costs	174,310.00
	Calculated Indirect Rate Indirect Cost / Salaries & Benefits	18.71%

Item # 4.



**City of Grass Valley
City Council
Agenda Action Sheet**

Title: California Department of Tax and Fee Administration Examination of Sales Transaction and Use Tax Records Resolution Revised for Measure B.

CEQA: Not a project

Recommendation: That Council adopts: 1)Resolution No. 2024-18 authorizing the Examination of Sales or Transactions and use Taxes Records by the City Manager, Finance Director, and HDL Companies.

Prepared by: Taylor Day, Deputy City Manager I

Council Meeting Date: 04/23/2024

Date Prepared: 04/18/2024

Agenda: Consent

Background Information: On April 9th, 2024, Council approved Resolution 2024-14 that would allow the City Manager, Finance Director, and HDL to examine the Sales or Transaction and Use Tax Records and to allow the City Manager and Finance Director to designate other in writing to the California Department of Tax and Fee Administration (CDTFA) for others to examine. However after the resolution was sent to CDTFA they returned it with required changes, and recommended that we superseded other resolutions for the past local and transaction taxes. Staff has added those taxes and made the required updates requested by CDTFSA.

Council Goals/Objectives: The execution of this action attempts to achieve Strategic Goal #5 - High Performance Government and Quality Service.

Fiscal Impact: N/A

Funds Available: N/A

Account #: N/A

Reviewed by: Tim Kiser, City Manager

Attachments:

- R2024-18
 - Designation Letter

RESOLUTION NO. 2024-18

A Resolution of the City Council of the City of Grass Valley Authorizing Examination of Sales or Transactions and Use Tax Records

WHEREAS, pursuant to Ordinance Number 330, the City of Grass Valley (City) entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of sales and use taxes; and

WHEREAS, pursuant to Ordinance Number 740, 795, and 826, Revenue and Taxation Code section 7270, the City entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of transactions and use taxes; and

WHEREAS, the City Council of the City of Grass Valley deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected by the Department for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRASS VALLEY HEREBY RESOLVES AS FOLLOWS:

Section 1. That the City Manager and Finance Director, or other officer or employee of the City designated in writing by the City Manager and Finance Director to the California Department of Tax and Fee Administration is hereby appointed to represent the City with authority to examine sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by the Department pursuant to the contract between the City and the Department.

Section 2.

The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to that contract.

Section 3. That Hinderliter de Llamas & Associates dba HDL Companies is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to sales or transactions and use taxes collected for the City by

the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the City and the Hinderliter de Llamas & Associates dba HDL Companies:

- a) has an existing contract with the City to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records, after that contract has expired.

BE IT FURTHER RESOLVED that the information obtained by examination of Department records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Department pursuant to the contract between the City and the Department.

Section 4. That this resolution supersedes all prior resolutions of the City Council of the City of Grass Valley adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

Adopted as a resolution of the City Council of the City of Grass Valley at a meeting thereof held on the 23rd, day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST:

APPROVED AS TO FORM:

Taylor Day, City Clerk

Michael G. Colantuono, City Attorney



**City of Grass Valley
City Council
Agenda Action Sheet**

Title: Hinderliter de Llamas & Associates (HdL) Sales, Use and Transactions Tax Services Contract Amendment

CEQA: Not a project

Recommendation: It is recommended that the City Council adopt Resolution No.2024-20 approving a contract amendment between the City of Grass Valley and Hinderliter de Llamas & Associates (HdL) for Sales, Use and Transactions Tax Services

Prepared by: Andy Heath

Council Meeting Date: 04/23/2024

Date Prepared: 04/17/2024

Agenda: Consent

Background Information: Hinderliter de Llamas & Associates (HdL) has provided sales, use and transactions tax audit and information services to the City since 2001. This contract has allowed HdL to work the State of California Department of Tax and Fee Administration (CDTFA) to monitor sales tax records and identify misallocations of sales tax to other jurisdictions, while also providing in depth quarterly analysis on sales taxes received by the City. Since 2001, HdL's team of consultants have provided a high level of sales tax expertise and auditing services, working to assure the City regularly receives it's appropriate share of sales tax.

The City currently collects two components of sales, use and transactions tax - (1) the local 1% share provided to all incorporated cities, and (2) the Measure E 1% transactions tax. Although HdL's current contract provide allows for the provision of sales tax services for the local 1% share, and the Measure E 1%, it does not allow such services for the Measure B transactions tax. As such, a contract amendment is required before HdL can begin providing sales tax and auditing services for Measure B 3/8% transaction tax.

Council Goals/Objectives: The approval of the amended contract between HdL and the City executes a portion of the work tasks towards achieving Economic Development and Vitality; and High Performance Government and Quality Service.

Fiscal Impact: Annual costs of less than \$2000 for Measure B transactions tax administration will be borne by the Measure B Fund. Payments to HdL for audits

conducted will be sourced from the proceeds of newly generated Measure B transaction taxes as they are collected by the City.

Funds Available: Yes

Account #: Measure B Fund

Reviewed by: City Manager

Attachments:

- Resolution 2024-20 - Sales Tax Services Contract Amendment
- Second Amendment to Agreement for Sales, Use and Transactions Tax Service - City of Grass Valley and HdL
- 2001 Agreement for Sales Tax and Information Service - City of Grass Valley and HdL

RESOLUTION NO. 2024-20

RESOLUTION OF THE GRASS VALLEY APPROVING A CONTRACT AMENDMENT BETWEEN THE CITY OF GRASS VALLEY AND HINDERLITER DE LLAMAS & ASSOCIATES (HDL) FOR SALES, USE AND TRANSACTIONS TAX SERVICES

WHEREAS, the City of Grass Valley and HdL entered into an Agreement for Sales, Use and Transactions Tax services dated September 25, 2001; and

WHEREAS, on March 5, 2024, the City of Grass Valley electorate passed Measure B providing for the collection of a three eighths (3/8%) transactions sales tax consistent with California Department of Tax and Fee Administration guidelines; and

WHEREAS, the City of Grass Valley and HdL desire to amend the 2001 Agreement for Sales, Use and Transactions Tax services by adding a provision for services related to the Measure B transactions tax;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRASS VALLEY, as follows:

1. The above recitals are true and correct and are a substantive part of this Resolution.
2. The City Council of the City of Grass Valley hereby approves the contract amendment between the City of Grass Valley and Hinderliter de Llamas & Associates (HdL) for Sales, Use and Transactions Tax Services.

ADOPTED as a Resolution of the City of Grass Valley City Council at a meeting thereof held on the 23rd day of April 2024 by the following vote:

AYES:
 NOES:
 ABSENT:
 ABSTAINING:

 Jan Arbuckle, Mayor

ATTEST:

APPROVED AS TO FORM:

 Taylor Day, City Clerk

 Michael Colantuono, City Attorney

**CITY OF GRASS VALLEY
SECOND AMENDMENT TO
AGREEMENT FOR USE AND TRANSACTIONS TAX SERVICES**

1. PARTIES AND DATE.

This Second Amendment to the Agreement for Use and Transactions Tax Services ("Second Amendment") is entered into on the 5th day of April, 2024, by and between the CITY of GRASS VALLEY ("CITY") and Hinderliter de Llamas and Associates, a California corporation ("Consultant"). CITY and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Agreement. The Parties entered into that certain Agreement for Sales, Use and Transaction Tax Services dated September 25, 2001 ("Agreement").

2.2 Second Amendment. The Parties now desire to amend the Agreement to include consultation for Transaction and Use Tax Services for Measure B.

See Exhibit A for Scope of Services and Compensation for Measure B.

2.3 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this Second Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

CITY OF GRASS VALLEY

HINDERLITER DE LLAMAS & ASSOC.

By: _____
Jan Arbuckle, Mayor

By: _____
Andrew Nickerson, President

Exhibit A
Transactions Tax Audit Services
Economic Analysis/Forecasting and Related Services

SERVICES

1. Transactions Tax and Economic Analysis/Forecasting Services/Reports

- 1.1. Consultant shall establish a database containing all applicable Department of Tax and Fee Administration (CDTFA) registration data for each business within the Measure “B” District boundaries holding a seller’s permit account. Said database shall also identify the quarterly transactions and use tax allocations under each account for the most current and previous quarters where available.
- 1.2. Consultant shall provide updated reports each quarter identifying changes in allocation totals by individual businesses, business groups and by categories. Quarterly aberrations due to State audits, fund transfers, and receivables, along with late or double payments, will also be identified. Quarterly reconciliation worksheets to assist finance officer with budget forecasting will be included.
- 1.3. Consultant shall advise and work with CITY Staff on planning and economic questions related to maximizing revenues, preparation of revenue projections and general information on transactions and use tax questions.
- 1.4. Consultant shall make available to CITY the HdL proprietary software program and Measure “B” database containing all applicable registration and quarterly allocation information for CITY business outlets registered with the Department of Tax and Fee Administration. The database will be updated quarterly.

2. Deficiency/Allocation Reviews and Recovery

- 2.1. Consultant shall conduct on-going reviews to identify and correct unreported transactions and tax payments and distribution errors thereby generating previously unrealized revenue for the City. Reviews shall include:
 - 2.1.(a) Comparison of county-wide local tax allocations to transactions tax for brick and mortar stores and other cash register-based businesses, where clearly all transactions are conducted on-site within the Measure “B” City boundaries, and therefore subject to transactions tax.
 - 2.1.(b) Review of any significant one-time use tax allocations to ensure that there is corresponding transaction tax payments for taxpayers with nexus within the City boundaries.
 - 2.1.(c) Review of state-wide transactions tax allocations and patterns to identify any obvious errors and omissions.
 - 2.1.(d) Identification and follow-up with any potentially large purchasers of supplies and equipment (e.g. hospitals, universities, manufacturing plants, agricultural operations, refineries) to ensure that their major vendors are properly reporting corresponding transactions tax payments to the Measure “B” Transactions Tax District.
- 2.2. Consultant will initiate, where the probability of an error exists, contacts with the appropriate taxpayer management and accounting officials to verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner so as to enhance CITY’s relations with the business community.

Exhibit A
 Transactions Tax Audit Services
 Economic Analysis/Forecasting and Related Services

2.2. Consultant shall prepare and submit to the Department of Tax and Fee Administration all information necessary to correct any allocation errors and deficiencies that are identified and shall follow-up with the individual businesses and the California Department of Tax and Fee Administration to ensure that all back quarter payments due the CITY are recovered.

3. Consulting and Other Optional Services

Consultant may from time to time in its sole discretion, consult with City's staff, including without limitation, regarding (i) technical questions and other issues related to sales, use and transactions tax, (ii) utilization of reports to enhance business license collection efforts, (iii) sales tax projections for proposed annexations, economic development projects and budget planning, (iv) negotiating/review of tax sharing agreements, (v) establishing purchasing corporations, (vi) meeting with taxpayers to encourage self-assessment of tax obligations, and (vii) other sales, use or transactions tax revenue-related matters.

FEES

4. Transactions Tax and Economic Analysis/Forecasting Services/Reports

- 4.1. Fees shall be paid **\$200** monthly billed quarterly for the transaction district tax reports that we include with the quarterly sales tax analyses. The monthly fee shall be invoiced quarterly in arrears and shall be paid by City no later than 30 days after the invoice date.
- 4.2. Consultant may change the non-hourly Fees established above once a year. Any such change must be with reference to the 12-month percent change in the most recently published annual Consumer Price Index for All Urban Consumers (CPI-U), as reported by the U.S. Bureau of Labor Statistics (the "CPI Change").

5. Allocation and Audit Recovery Services

- 4.1 Fees shall be paid **25%** of the initial amount of new transactions or use tax revenue received by the City because of audit and recovery work performed by Consultant, (hereafter referred to as "audit fees"). New revenue shall not include any amounts determined and verified by City or Consultant to be increment attributable to causes other than Consultant's work pursuant to this agreement. In the event, Consultant is responsible for an increase in the tax reported by businesses already properly making tax payments to the City, it shall be Consultant's responsibility to separate and support the incremental amount attributable to its efforts prior to the application of the audit fee. Said audit fees will apply to state fund transfers received for those specific quarters identified as being missing and/or deficient following completion of the audit by Consultant and confirmation of corrections by the California Department of Tax and Fee Administration but shall not apply prospectively to any future quarter. Consultant shall provide City with an itemized quarterly invoice showing all formula calculations and amounts due for audit fees.

6. Consulting and Other Optional Services

- 6.1. Fees for performing the consulting and other optional Services described above shall be based on the following initial hourly rates: (i) Principal - \$325; (ii) Programmer - \$295; (iii) Senior Analyst - \$245; and (iv) Analyst - \$195.
- 6.2. Consultant may change the rates for its hourly Fees from time to time. A 30 days' prior written notice to City will be given.

7. General Provisions Relating to Fees

Exhibit A
 Transactions Tax Audit Services
 Economic Analysis/Forecasting and Related Services

- 7.1. Fees for travel and lodging expenses will be invoiced at cost and applied to all meetings (including implementation, training, operations, and support). Travel expenses only apply to out-of-scope travel and must therefore be pre-approved by City.
- 7.2. Fees will be invoiced monthly to City for Services performed during the prior month. To the extent that Consultant has commercially reasonable means to do so, Fees will be netted out of City's monthly revenue disbursement.

7. Confidentiality Information

Section 7056 of the State of California Revenue and Taxation Code ("R&T Code") specifically limits the disclosure of confidential taxpayer information contained in the records of the CDTFA. Section 7056 specifies the conditions under which a city, county or district may authorize persons other than such city, county or district's officers and employees to examine state sales and use tax records.

The following conditions specified in Section 7056-(b)(1) of the State of California R&T Code are hereby made part of this Agreement:

- 7.1. Consultant is authorized by this Agreement to examine sales, use or transactions and use tax records of the CDTFA provided to City pursuant to contract under the Bradley-Burns Uniform Local Sales and Use Tax Law R&T Code Section 7200 et.seq.
- 7.2. Consultant is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of City who is authorized by City resolution provided to the CDTFA to examine the information.
- 7.3. Consultant is prohibited from performing consulting services for a retailer (as defined in R&T Code Section 6015), during the term of this agreement.
- 7.4. Consultant is prohibited from retaining the information contained in or derived from those sales, use or transactions and use tax records after this agreement has expired. Information obtained by examination of the CDTFA records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the City as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the Consultant as a person authorized to examine sales and use tax records and certify that this agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.

8. Software Use and Proprietary Information

Software Use. Consultant hereby provides authorization to City to access Consultant's Sales Tax website if City chooses to subscribe to the software and reports option. The website shall only be used by authorized City staff. No access will be granted to any third party without explicit written authorization by Consultant. City shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said software. The software use granted hereunder shall not imply ownership by City of said software, or any right of City to sell said software or the use of same, or any right to use said software for the benefit of others. This software use authorization is not transferable. Upon termination or expiration of this Agreement, the software use authorization shall expire, and all City staff website logins shall be de-activated.

Proprietary Information. As used herein, the term "proprietary information" means all information or material that has or could have commercial value or other utility in Consultant's business, including

Exhibit A
Transactions Tax Audit Services
Economic Analysis/Forecasting and Related Services

without limitation: Consultant's (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and (v) materials and techniques used; as well as the terms and conditions of this Agreement. Except as otherwise required by law, City shall hold in confidence and shall not use (except as expressly authorized by this Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by City in connection with this Agreement. The obligations imposed by this Section shall survive any expiration or termination of this Agreement or otherwise. The terms of this Section shall not apply to any information that is public information.

C-29031
OW 11/19/01

Item # 6.

AGREEMENT FOR SALES TAX AUDIT AND INFORMATION SERVICES

This Agreement is made and entered into as of the 25th day of SEPTEMBER, 2001 by and between the CITY OF GRASS VALLEY, a municipal corporation hereinafter called CITY, and HINDERLITER, DE LLAMAS AND ASSOCIATES a California Corporation, hereinafter called CONTRACTOR.

I. RECITALS

WHEREAS, sales tax revenues can be increased through: a system of continuous monitoring, identification and correction of "point of sale" allocation errors, and

WHEREAS, an effective program of sales tax management will improve identification of sales tax opportunities as they relate to economic development and provide for more accurate sales tax forecasting; and

WHEREAS, City desires the combination of data entry, report preparation, and data analysis necessary to effectively manage the municipal sales tax base and recover revenues erroneously allocated to other jurisdictions and allocation pools; and

WHEREAS, Contractor has the programs, equipment and personnel required to deliver the sales tax services referenced herein;

THEREFORE, City and Contractor, for the consideration hereinafter described, mutually agree as follows:

II. SERVICES

The Contractor will perform the following services:

A. Allocation Audit and Recovery

1. Contractor will conduct an initial and on-going sales tax audit in order to identify and correct "point-of-sale" distribution errors and thereby generate previously unrealized sales tax income for the City. Common errors that will be monitored and corrected include: transposition errors resulting in misallocations; erroneous consolidation of multiple outlets; misreporting of "point of sale" from the wrong location; delays in reporting new outlets; misidentifying transactions as a "use tax" rather than a "sales tax," and erroneous fund transfers and adjustments.
2. Contractor will initiate contacts with the appropriate sales management and accounting officials in companies that have businesses where a probability of error exists to verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner so as to encourage local business retention and expansion.
3. Contractor shall prepare and submit to the Board of Equalization all information necessary to correct any allocation errors that are identified and shall follow-up with the individual businesses and the State Board of Equalization to ensure that all back quarter payments due the City are recovered.
4. If during the course of its audit, Contractor finds businesses located in the City that are properly reporting sales tax but have the potential for modifying their operation to provide an even greater share to the City, Contractor shall so advise

City and upon request, shall work with those businesses and the City to encourage such changes.

III. Optional Services

At City's option and on written request from the City Manager:

B. Sales Tax and Economic Analysis

1. Contractor will establish a special database that identifies the name, address and quarterly allocations of the major sales tax producers within the City for the most current and previous five quarters from the date of this agreement, or longer, if the City has historical sales tax data available on computer readable magnetic media that extends beyond the most recent five quarters. A second database covering the same period will be established showing total sales tax receipts for each business category identified by the Board of Equalization. These databases will be utilized to generate special reports to the City on: major sales tax producers by rank and category, analysis of sales tax activity by category, business district or redevelopment area specified by City, analysis of reporting aberrations, and per capita and outlet comparisons with state wide sales.
2. Contractor will provide up-dated reports each quarter identifying changes in sales by major outlets and by category; area growth and decline comparisons; and current graphics, tables, and top 100 listings. Quarterly aberrations due to State audits, fund transfers, and receivables along with late or double payments will be identified. Quarterly reconciliation worksheets to assist finance officer with budget forecasting will be included.

3. Contractor will additionally provide an analysis for the City or its Redevelopment Agency to share with Chambers of Commerce and other economic development interest groups that analyze City's sales tax trends by major groups, and geographic areas without disclosing confidential information.
4. Contractor will make available to City Staff the HdL DATA computer program and database containing sellers permit information for all in-city business outlets registered with the Board of Equalization. In addition, contractor shall process for City the monthly registration and allocation files provided by the Board in magnetic media. Printouts of registration changes and dollars allocated by business name and number will be provided from these files on a monthly basis.
5. Throughout the term of this agreement, Contractor shall advise and work with City and City Redevelopment Agency staff on questions related to tenant mix alternatives for maximum sales tax returns; advise City business license staff on utilization of reports to enhance business license collection efforts; provide sales tax projections on specific projects for redevelopment negotiation and city budget purposes; and provide data support to enhance the sales tax base through improved economic development efforts.

IV. CONFIDENTIALITY

Section 7056 of the State of California Revenue and Taxation code specifically limits the disclosure of confidential taxpayer information contained in the records of the State Board of Equalization. This section specifies the conditions under which a City may authorize persons other than City officers and employees to examine State Sales and Use Tax records.

The following conditions specified in Section 7056 (b), (1) of the State of California Revenue and Taxation Code are hereby made part of this agreement.

- A. Contractor is authorized by this Agreement to examine sales or transactions and use tax records of the Board of Equalization provided to City pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law.
- B. Contractor is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of the City who is authorized by resolution to examine the information.
- C. Contractor is prohibited from performing consulting services for a retailer, as defined in California Revenue & Taxation Code Section 6015, during the term of this Agreement.
- D. Contractor is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records, after this Agreement has expired. Information obtained by examination of Board of Equalization records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the City as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the Contractor as a person, authorized to examine sales and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.

V. PROPRIETARY INFORMATION

In performing its duties under this agreement, Contractor will produce reports, technical information and other compilations of data to City. These reports, technical information and compilations of data are derived by Contractor using methodologies, formulae, programs, techniques and other processes designed and developed by Contractor at a substantial expense. Contractor's reports, technical information, compilations of data, methodologies, formulae, programs, techniques and other processes designed and developed by Contractor shall be referred to as 'Proprietary Information. Contractor's Proprietary Information is not generally known by the entities with which Contractor competes.

Contractor desires to protect its Proprietary Information. Accordingly, City agrees that neither it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will at any time during or after the term of the Agreement, directly or indirectly use any of Contractor's Proprietary Information for any purpose not associated with Contractor's activities. Further, City agrees that it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will disseminate or disclose any of Contractor's Proprietary Information to any person or organization not connected with Contractor, without the express written consent of Contractor. The City also agrees that it will undertake all necessary and appropriate steps to maintain the proprietary nature of Contractor's Proprietary Information.

VI. CONSIDERATION

- A. Contractor shall be paid 15% of all new Sales and/or Use tax revenue received by the City as a result of audit and recovery work performed by Contractor (hereafter referred

to as "audit fees"). New sales and/or use tax revenue shall not include any amounts determined by City or Contractor to be increment attributable to causes other than Contractor's work pursuant to this agreement. In the event that Contractor is responsible for an increase in the tax reported by businesses already properly making tax payments to the City, it shall be Contractor's responsibility to separate and support the incremental amount attributable to its efforts prior to the application of the audit fee. Said audit fees will apply to state fund transfers received for back quarter reallocations and monies received in the first eight consecutive reporting quarters following completion of the audit by Contractor and confirmation of corrections by the State Board of Equalization. Contractor shall provide City with an itemized quarterly invoice showing all formula calculations and amounts due for audit fees.

Contractor shall obtain City approval prior to beginning the work of correcting tax reporting methodology or "point of sale" for specific businesses where said payment of the percentage fee will be expected. Said approval shall be accomplished by the City Administrator or his designated representative on the Sales Tax Audit Authorization form, a copy of which is attached as "Exhibit A." City shall pay audit fees upon Contractor's submittal of evidence of State Fund Transfers and payments to City from businesses identified in the audit and approved by the City.

- B. Above sum shall constitute full reimbursement to Contractor for all direct and indirect expenses incurred by Contractor in performing audits including the salaries of Contractor's employees, and travel expenses connected with contacting local and out-of-state businesses and Board of Equalization representatives.
- C. The City may at anytime during the contract, exercise the option to receive the additional services outlined in Section III (page 3). Contractor shall establish the sales tax and audit databases, will provide the ongoing reports and analysis and will make

available the computer program and databases referenced above for a fee of \$325.00 per month, invoiced quarterly (hereafter referred to as "monthly fee").

VII. CITY MATERIALS AND SUPPORT

City shall adopt a resolution in a form acceptable to the State Board of Equalization and in compliance with Section 7056 of the Revenue and Taxation Code, authorizing Contractor to examine the confidential sales tax records of City. City further agrees to provide any information or assistance that may readily be available such as business license records within the City and to provide Contractor with proper identification for contacting businesses. City further agrees to provide copies of the monthly allocation reports received for the most recent five quarters from the execution of this agreement and to continue to provide copies of future allocation reports on computer readable magnetic media until such time as all audit adjustments have been completed by the State Board of Equalization and audit fees due the Contractor have been paid.

VIII. TERMINATION

This Agreement may be terminated by either party by giving 30 days written notice to the other of such termination and specifying the effective date thereof. Upon the presentation of such notice, Contractor may continue to work through the date of termination. Upon termination as provided herein, Contractor shall be paid the value of all tax analysis and reporting work performed less payments previously made by City. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to amounts due for any unpaid invoices, and to businesses identified by Contractor which make tax payments after termination of this Agreement as a result of Contractor's work. After City receives said tax payments for such businesses, Contractor shall be paid the audit fees resulting from tax payments made by the business for back quarter reallocations

and the first eight consecutive reporting quarters following completion of the audit by Contractor and confirmation of corrections by the State Board of Equalization. Compensation for any audit work previously authorized and satisfactorily performed shall be made at the times provided in the preceding section entitled "Consideration."

All documents, data, surveys and reports prepared by Contractor pursuant to this Agreement shall be considered the property of the City and upon payment for services performed by Contractor, such documents and other identified materials shall be delivered to City by Contractor.

IX. INDEPENDENT CONTRACTOR

Contractor shall perform the services hereunder as an independent contractor and shall furnish such services in his own manner and method, and under no circumstances or conditions shall any agent, servant, or employee of Contractor be considered as an employee of City.

X. NON-ASSIGNMENT

This Agreement is not assignable either in whole or in part by Contractor without the written consent of City.

XI. ATTORNEY'S FEES

In the event a legal action is commenced to enforce any of the provisions of this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorney's fees.

XII. GOVERNING LAW

The laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall also govern the interpretation of this agreement.

XIII. INDEMNIFICATION

Contractor hereby agrees to, and shall hold City, its elective and appointive boards, officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for breach of confidentiality or property damage which may arise from Contractor's willful or negligent acts, errors or omissions or those of its employees or agents. Contractor agrees to and shall defend City and its elective and appointive boards, officers, agents and employees from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid willful or negligent acts, errors or omissions.

City hereby agrees to, and shall hold Contractor, its officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for breach of confidentiality or property damage which may arise from City's negligent acts, errors or omissions under this Agreement. City agrees to and shall defend Contractor and its officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason of any of the aforesaid negligent acts, errors or omissions.

XIV. NOTICE

All notices required by this Agreement shall be given to City and Contractor in writing, by personal delivery or first class mail postage prepaid, addressed as follows:

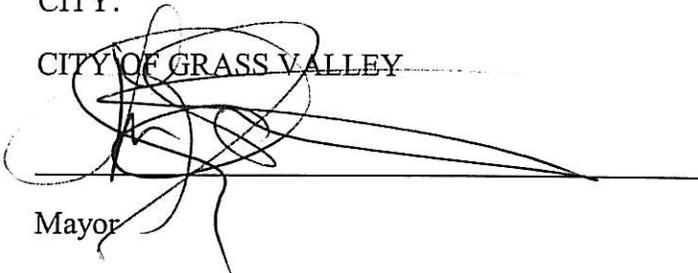
City: CITY OF GRASS VALLEY
125 E Main Street
Grass Valley, California 95945

Contractor: HINDERLITER, DE LLAMAS, &
ASSOCIATES
1340 Valley Vista Drive, Suite 200
Diamond Bar, CA 91765

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written by their respective officers duly authorized in that behalf.

CITY:

CITY OF GRASS VALLEY



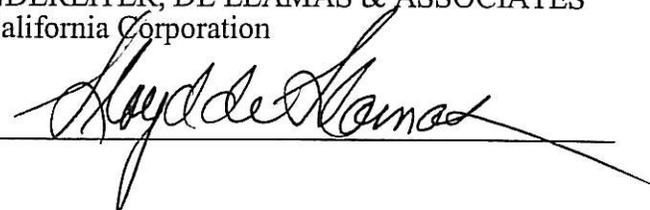
Mayor



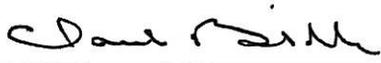
City Clerk

CONTRACTOR:

HINDERLITER, DE LLAMAS & ASSOCIATES
A California Corporation



APPROVED AS TO FORM:



City Attorney

SAMPLE

SAMPLE

EXHIBIT A

Sales Tax Audit

Work Authorization No. _____

The following business or businesses, located in the City of _____, have been identified as having the potential for generating additional sales tax revenue to the City of _____. Contractor is hereby authorized to contact the given business(s) and the State Board of Equalization to verify the accuracy of the current reporting methodology and obtain the necessary documentation for the Board of Equalization, to modify allocation formulas, and to return previous misallocated revenue that may be due to City.

Contractor's compensation shall be 15% of the new sales and/or use tax revenue received by the City as a result of audit and recovery work performed by Contractor, as set forth in the Agreement between Contractor and City.

CITY OF GRASS VALLEY

By: _____

Date _____

HINDERLITER, DE LLAMAS AND ASSOCIATES

By: _____

Date _____

**CITY OF GRASS VALLEY
FIRST AMENDMENT TO
AGREEMENT FOR SALES, USE AND TRANSACTIONS TAX SERVICES**

1. PARTIES AND DATE.

This First Amendment to the Agreement for Sales, Use and Transactions Tax Services ("First Amendment") is entered into on the 3rd day of February, 2022, by and between the CITY of Grass Valley, organized under the laws of the State of California, with its principal place of business at 125 East Main Street, Grass Valley, CA 95945, ("CITY") and Hinderliter de Llamas and Associates, a California corporation, with its principal place of business at 120 S. State College Blvd., Suite 200, Brea, CA 92821 ("Consultant"). CITY and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Agreement. The Parties entered into that certain Agreement for Sales, Use and Transaction Tax Services dated September 25, 2001 ("Agreement").

2.2 First Amendment. The Parties now desire to amend the Agreement for ongoing consultation for Transaction and Use Tax Services for Measure E.

See Exhibit A for Scope of Services and Compensation for Measure E.

2.3 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this First Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

CITY OF GRASS VALLEY

DocuSigned by:

By: _____
7CC5CA0DC4D2491
Tim Kiser, City Manager

HINDERLITER DE LLAMAS & ASSOC.

DocuSigned by:

By: _____
2A8393594812482...
Andrew Nickerson, President

APPROVED AS TO FORM:

DocuSigned by:

By: _____
26A9DEDD2EF34A4...
Taylor Day, City Clerk

EXHIBIT A

SCOPE OF SERVICES

A. DEFICIENCY/ALLOCATION REVIEWS AND RECOVERY

1. CONTRACTOR shall conduct on-going reviews to identify and correct unreported transactions and tax payments and distribution errors thereby generating previously unrealized revenue for the CITY. Said reviews shall include:
 - (i) Comparison of county-wide local tax allocations to transactions tax for brick and mortar stores and other cash register-based businesses, where clearly all transactions are conducted on-site within the Measure “E” CITY boundaries, and therefore subject to transactions tax.
 - (ii) Review of any significant one-time use tax allocations to ensure that there is corresponding transaction tax payments for taxpayers with nexus within the CITY boundaries.
 - (iii) Review of state-wide transactions tax allocations and patterns to identify any obvious errors and omissions.
 - (iv) Identification and follow-up with any potentially large purchasers of supplies and equipment (e.g. hospitals, universities, manufacturing plants, agricultural operations, refineries) to ensure that their major vendors are properly reporting corresponding transactions tax payments to the Measure “E” Transactions Tax District.
2. CONTRACTOR will initiate, where the probability of an error exists, contacts with the appropriate taxpayer management and accounting officials to verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner so as to enhance CITY’s relations with the business community.
3. CONTRACTOR shall prepare and submit to the Department of Tax and Fee Administration all information necessary to correct any allocation errors and deficiencies that are identified, and shall follow-up with the individual businesses and the California Department of Tax and Fee Administration to ensure that all back quarter payments due the CITY are recovered.

B. DATA BASE MANAGEMENT, REPORTS AND STAFF SUPPORT

1. CONTRACTOR shall establish a database containing all applicable Department of Tax and Fee Administration (CDTFA) registration data for each business within the Measure “E” District boundaries holding a seller’s permit account. Said database shall also identify the quarterly transactions and use tax allocations under each account for the most current and previous quarters where available.

2. CONTRACTOR shall provide updated reports each quarter identifying changes in allocation totals by individual businesses, business groups and by categories. Quarterly aberrations due to State audits, fund transfers, and receivables, along with late or double payments, will also be identified. Quarterly reconciliation worksheets to assist finance officer with budget forecasting will be included.
3. CONTRACTOR shall advise and work with CITY Staff on planning and economic questions related to maximizing revenues, preparation of revenue projections and general information on sales, transactions and use tax questions.
4. CONTRACTOR shall make available to CITY the HdL proprietary software program and Measure "E" database containing all applicable registration and quarterly allocation information for CITY business outlets registered with the Department of Tax and Fee Administration. The database will be updated quarterly.

COMPENSATION

CONTRACTOR shall be paid **\$100** monthly billed quarterly for the transaction district tax reports that we include with the quarterly sales tax analyses. CONTRACTOR shall be paid **25%** of the initial amount of new transactions or use tax revenue received by the CITY as a result of audit and recovery work performed by CONTRACTOR (hereafter referred to as "audit fees"). New revenue shall not include any amounts determined and verified by CITY or CONTRACTOR to be increment attributable to causes other than CONTRACTOR'S work pursuant to this agreement. In the event that CONTRACTOR is responsible for an increase in the tax reported by businesses already properly making tax payments to the CITY, it shall be CONTRACTOR'S responsibility to separate and support the incremental amount attributable to its efforts prior to the application of the audit fee. Said audit fees will apply to state fund transfers received for those specific quarters identified as being missing and/or deficient following completion of the audit by CONTRACTOR and confirmation of corrections by the California Department of Tax and Fee Administration but shall not apply prospectively to any future quarter. CONTRACTOR shall provide CITY with an itemized quarterly invoice showing all formula calculations and amounts due for audit fees.

CONFIDENTIALITY

- A. Section 7056 of the State of California Revenue and Taxation Code specifically limits the disclosure of confidential taxpayer information contained in the records of the California Department of Tax and Fee Administration. Section 7056 specifies the conditions under which a CITY may authorize persons other than CITY officers and employees to examine State Sales and Use Tax records.
- B. The following conditions specified in Section 7056-(b), (1) of the State of California Revenue and Taxation Code are hereby made part of this Agreement:
 1. CONTRACTOR is authorized by this Agreement to examine sales, use or transactions and use tax records of the Department of Tax and Fee Administration provided to CITY pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law Revenue and Taxation Code section 7200 et.seq.

2. CONTRACTOR is required to disclose information contained in, or derived from, those sales, use or transactions and use tax records only to an officer or employee of the CITY who is authorized by resolution to examine the information.
3. CONTRACTOR is prohibited from performing consulting services for a retailer, as defined in California Revenue & Taxation Code Section 6015, during the term of this Agreement.
4. CONTRACTOR is prohibited from retaining the information contained in, or derived from those sales, use or transactions and use tax records, after this Agreement has expired. Information obtained by examination of Department of Tax and Fee Administration records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the CITY as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the CONTRACTOR as a person authorized to examine sales and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.



City of Grass Valley City Council Agenda Action Sheet

Title: Direction to file annual reports for Landscape and Lighting Districts (LLD) and Benefit Assessment Districts (BAD) for Fiscal Year 2024-25

CEQA: Not a project

Recommendation: It is recommended that the City Council adopt five Resolutions (2024-21, 2024-22, 2024-23, 2024-24, 2024-25) directing the filing of annual reports for Landscaping and Lighting Districts (LLD) - Annual Assessment for Fiscal Year 2024-25 and Benefit Assessment Districts (BAD) - Annual Assessments for Fiscal Year 2024-25.

Prepared by: Andy Heath

Council Meeting Date: 04/23/2024

Date Prepared: 04/15/2024

Agenda: Consent

Discussion:

In order to continue funding for the maintenance of improvements in the City's landscaping and lighting districts and benefit assessment districts, an annual assessment must be levied and placed on the County of Nevada Tax Roll. The proceeds of the annual landscaping and lighting district assessments pay for maintenance of landscaping and associated structures, landscape related utilities, city administration costs and street lighting costs within the boundaries of the district. The proceeds of the annual benefit assessment districts pay for storm drain maintenance and city administration cost within the boundaries of the district.

Directing the City Engineer to prepare the annual reports is the first step in the process of placing the assessments on the tax rolls.

Council Goals/Objectives: The Landscape & Lighting Districts (LLD) and Benefit Assessment Districts (A.D.) annual assessments supports the Strategic Plan - City Infrastructure Investment by covering costs for community-specific structures and services.

Fiscal Impact: To be determined once the reports are completed.

Funds Available: NA

Account #: NA

CEQA: Not a Project.

Reviewed by: City Manager

Attachments: Resolutions (5)

RESOLUTION NO. 2024 - 21

RESOLUTION DIRECTING FILING OF ANNUAL REPORT
PURSUANT TO THE BENEFIT ASSESSMENT ACT
OF 1982 ASSESSMENT DISTRICT NO. 2003-1
(Morgan Ranch Unit 7)

The City Council of the City of Grass Valley resolves:

Bjorn Jones, P.E., the person designated by this Council as the Engineer of Work for Benefit Assessment District No. 2003-1, is hereby directed to file an annual report for Fiscal Year 2024-25 in accordance with the provisions of the Benefit Assessment Act of 1982 (Sections 54703 and following, California Government Code; hereafter referred to as the "1982 Act")

ADOPTED as a Resolution of the Council of the City of Grass Valley at a meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST:

Taylor Day, City Clerk

APPROVED AS TO FORM:

Michael G. Colantuono, City Attorney

RESOLUTION NO. 2024-22

RESOLUTION DIRECTING FILING OF ANNUAL REPORT
PURSUANT TO THE BENEFIT ASSESSMENT ACT
OF 1982 ASSESSMENT DISTRICT NO. 2010-1
(Morgan Ranch West)

The City Council of the City of Grass Valley resolves:

Bjorn Jones, P.E., the person designated by this Council as the Engineer of Work for Benefit Assessment District No. 2010-1, is hereby directed to file an annual report for Fiscal Year 2024-25 in accordance with the provisions of the Benefit Assessment Act of 1982 (Sections 54703 and following, California Government Code; hereafter referred to as the "1982 Act")

ADOPTED as a Resolution of the Council of the City of Grass Valley at a meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST: _____
Taylor Day, City Clerk

APPROVED AS TO FORM: _____
Michael G. Colantuono, City Attorney

RESOLUTION NO. 2024-23

RESOLUTION DIRECTING FILING OF ANNUAL REPORT
PURSUANT TO THE BENEFIT ASSESSMENT ACT
OF 1982 ASSESSMENT DISTRICT NO. 2016-1
(Ridge Meadows)

The City Council of the City of Grass Valley resolves:

Bjorn Jones, P.E., the person designated by this Council as the Engineer of Work for Benefit Assessment District No. 2016-1, is hereby directed to file an annual report for Fiscal Year 2024-25 in accordance with the provisions of the Benefit Assessment Act of 1982 (Sections 54703 and following, California Government Code; hereafter referred to as the "1982 Act")

ADOPTED as a Resolution of the Council of the City of Grass Valley at a meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST:

Taylor Day, City Clerk

APPROVED AS TO FORM:

Michael G. Colantuono, City Attorney

RESOLUTION NO. 2024-24

RESOLUTION DIRECTING FILING OF ANNUAL REPORT
PURSUANT TO THE LANDSCAPING AND LIGHTING ACT
OF 1972 ASSESSMENT DISTRICT NO. 1988-1
(Commercial Landscaping and Lighting District -
Whispering Pines and Litton Business Park)

The City Council of the City of Grass Valley resolves:

1. Bjorn Jones, P.E., the person designated by this Council as the Engineer of Work for Assessment District No. 1988-1, is hereby directed to file an annual report for Fiscal Year 2024-25 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

ADOPTED as a Resolution of the Council of the City of Grass Valley at a meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST: _____
Taylor Day, City Clerk

APPROVED AS TO FORM: _____
Michael G. Colantuono, City Attorney

RESOLUTION NO. 2024 - 25

RESOLUTION DIRECTING FILING OF ANNUAL REPORT
PURSUANT TO THE LANDSCAPING AND LIGHTING ACT
OF 1972 ASSESSMENT DISTRICT NO. 1988-2
(Residential Landscaping and Lighting District – Morgan Ranch, Ventana Sierra,
Scotia Pines, Morgan Ranch West and Ridge Meadows)

The City Council of the City of Grass Valley resolves:

1. Bjorn Jones, P.E., the person designated by this Council as the Engineer of Work for Assessment District No. 1988-2, is hereby directed to file an annual report for Fiscal Year 2024-25 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

ADOPTED as a Resolution of the Council of the City of Grass Valley at a meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Jan Arbuckle, Mayor

ATTEST:

Taylor Day, City Clerk

APPROVED AS TO FORM:

Michael G. Colantuono, City Attorney



City of Grass Valley City Council Agenda Action Sheet

Title: Transportation Impact Fees - Public Hearing for Fee Program Updates

CEQA: Not a Project

Recommendation: That Council hold a public hearing and adopt two resolutions; updating the Grass Valley Transportation Impact Fee Program and updating the Regional Transportation Mitigation Fee (RTMF) Program.

Prepared by: Bjorn P. Jones, PE, City Engineer

Council Meeting Date: 4/23/2024

Date Prepared: 4/18/2024

Agenda: Public Hearing

Background Information: Growth and development brings changes and impacts to existing communities, often notably with strains on the transportation infrastructure. In 2001, Nevada County and the cities of Grass Valley and Nevada City joined together and separately adopted the Regional Transportation Mitigation Fee (RTMF) program which is administered by the Nevada County Transportation Commission (NCTC). Similarly in 2008, the City of Grass Valley adopted its own Grass Valley Transportation Impact Fee (GVTIF) program to address local transportation concerns. These programs were developed to ensure that new development projects pay their fair share of the cost of improvements required to mitigate their impacts on the existing transportation network.

Per California Government Code Sections 66000 et seq., also known as the Mitigation Fee Act, comprehensive updates are required periodically to fee programs to ensure that the assumptions regarding the need for the projects, costs, growth, etc. continue to provide a nexus between the development impacts and the fees charged. On August 22, 2023, Council adopted updated fee programs for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) after a comprehensive study process. Program updates were performed in coordination with Nevada County Transportation Commission (NCTC) and consultant GHD.

Soon after implementation of the new fees last year, it was discovered that an error in the calculations led to some residential categories being overcharged and some under charged from what the nexus study would support. On March 12, 2024, Council was briefed on this miscalculation and authorized immediate implementation of the corrected, reduced Single Family rates for both GVTIF and RTMF programs, while leaving the under-charged categories (Multi Family, Mobile Home and Senior Housing) temporarily unchanged.

Additionally, at the March council meeting a Council member request was made for Staff to evaluate the feasibility of reducing the residential fees charged to developers to near

zero and to supplement the Transportation Fee Programs with other funding sources as residential development occurs. City Staff have worked closely with GHD, NCTC and legal counsel to discuss the ramifications of such a modification. If alternate funding sources were utilized in order to keep the programs intact and avoid the undesirable consequences of dissolving the programs completely, the determination is that this would primarily be a policy decision for Council on the GVTIF Program. There are serious concerns from legal counsel with the RTMF Program; however, that such a reimbursement using public funds would very likely trigger the need for the developer to pay prevailing wages on their entire project being mitigated.

General Funds would be the most likely source of funding for these supplemental transfers to the Impact Fee programs. As the number of residential development permits pulled year by year varies widely, the impact on the General Fund would be unpredictable and, in some cases, quite substantial. The approximate sum of the transportation fees for both GVTIF and RTMF programs for a standard, medium size (1500-2500sf) single family residential development is currently \$7,850. If five permits were issued in a given year the transfer necessary from the General Fund might be a little less than \$40,000. However, if a more significant development such as Loma Rica Ranch pulled 50 permits in a single year, the General Fund impact could total close to \$400,000. Considering the prevailing concerns over balancing the General Fund in the coming fiscal years, Staff would not recommend instituting a reimbursement policy with such unknown, variable and potentially significant impacts to the General Fund.

At the Council meeting, GHD and NCTC staff will be present to give a brief summary of the history and purpose of the Transportation Fee Programs; a discussion of the update process and subsequent 2024 revision; and be available to answer questions about the programs. With the proposed modifications necessary to all residential categories to correct the previous errors it was determined that simply adopting new Impact Fee Nexus Study reports was the most concise route to amend the fee programs and would essentially reset the clock of when the next update to the programs would be required. Attached are the Nexus Study Update, Final Reports - 2024 Revision for both the GVTIF and RTMF programs.

Both Impact Fee Programs recommend an annual review to determine if applying an inflation increase is applicable based on the Engineering News Record Construction Cost Index (ENR-CCI) for San Francisco for the 12-month period ending in December. The RTMF Technical Advisory Committee and City Staff have reviewed the data and recommend an annual inflation adjustment in the amount of 3.59%. The summary table excerpts on the following pages show the final proposed fee amounts based on the unit type, with the addition of the inflation adjustment to the proposed, corrected fee amounts.

Proposed RTMF Residential Fees

Typical Use	ITE Code & Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Residential (Dwelling Unit)				
Single Family	210			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,406	1.0359	\$3,528
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$4,115	1.0359	\$4,263
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,561	1.0359	\$4,725
Multi-Family	251			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,981	1.0359	\$2,052
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$2,393	1.0359	\$2,479
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,653	1.0359	\$2,748
Mobile Home	220			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,107	1.0359	\$3,219
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,753	1.0359	\$3,888
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,160	1.0359	\$4,309
Senior Housing	252			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,647	1.0359	\$1,706
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$1,990	1.0359	\$2,061
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,206	1.0359	\$2,285
Accessory Dwelling Unit (ADU)				
< 750 sq.ft.		Exempt		
> 750 sq.ft.		Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF (F) for primary unit) x (ADU sq.ft. divided by primary unit sq.ft.)		
Typical Use	Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Non-Residential				
Office	KSF	\$755	1.0359	\$782
Industrial	KSF	\$281	1.0359	\$291
Warehouse	KSF	\$211	1.0359	\$219
Retail/Service - Low	KSF	\$1,280	1.0359	\$1,326
Retail/Service - Medium	KSF	\$2,990	1.0359	\$3,097
Retail/Service - High	KSF	\$5,443	1.0359	\$5,638
* Lodging	Room	\$249	1.0359	\$258
** Public & Quasi-Public	KSF			Exempt
** School K-8th Grade	Student			Exempt
** School 9-12th Grade	Student			Exempt
** Public College	Student			Exempt

* The unit of analysis for this category is "rooms".

** Public-sector land uses are generally exempt from local fees

Proposed GVTIF Fees

Typical Use	ITE Code & Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Residential (Dwelling Unit)				
Single Family	210			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,090	1.0359	\$3,201
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,732	1.0359	\$3,866
Large (<2,500 sq.ft.)	Dwelling Unit	\$4,138	1.0359	\$4,287
Multi-Family	251			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,797	1.0359	\$1,862
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$2,171	1.0359	\$2,249
Large (<2,500 sq.ft.)	Dwelling Unit	\$2,406	1.0359	\$2,492
Mobile Home	220			
Small (<1,500 sq.ft.)	Dwelling Unit	\$2,818	1.0359	\$2,919
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,404	1.0359	\$3,526
Large (<2,500 sq.ft.)	Dwelling Unit	\$3,774	1.0359	\$3,909
Senior Housing	252			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,494	1.0359	\$1,548
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$1,805	1.0359	\$1,870
Large (<2,500 sq.ft.)	Dwelling Unit	\$2,001	1.0359	\$2,073
Accessory Dwelling Unit (ADU)				
< 750 sq.ft.		Exempt		
> 750 sq.ft.		Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF (F) for primary unit) x (ADU sq.ft. divided by primary unit sq.ft.)		

Typical Use	Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Non-Residential				
Office	KSF	\$1,576	1.0359	\$1,633
Industrial	KSF	\$587	1.0359	\$608
Warehouse	KSF	\$440	1.0359	\$456
Retail/Service - Low	KSF	\$2,671	1.0359	\$2,767
Retail/Service - Medium	KSF	\$6,241	1.0359	\$6,465
Retail/Service - High	KSF	\$11,360	1.0359	\$11,768
* Lodging	Room	\$520	1.0359	\$539
** Public & Quasi-Public	KSF			Exempt
** School K-8th Grade	Student			Exempt
** School 9-12th Grade	Student			Exempt
** Public College	Student			Exempt

* The unit of analysis for this category is "rooms".

** Public-sector land uses are generally exempt from local fees

The RTMF Nexus Study and Program Update were approved by the Nevada County Transportation Commission at their March 20th meeting and are scheduled to be heard at the Nevada County Board of Supervisors meeting on April 23rd. Once all participating agencies adopt the proposed update, an RTMF Agreement would be executed with NCTC to administer the program and the fees would become effective a minimum of 60 days after adoption. For the GVTIF, if Council adopts the program updates, it is proposed that new fees would become effective on July 1, 2024.

Staff recommends that Council hold a public hearing and adopt two resolutions; adopting the updated Grass Valley Transportation Impact Fee Program; and adopting the updated Regional Transportation Mitigation Impact Fee Program.

Council Goals/Objectives: Implementation of the proposed Impact Fees program updates executes portions of work tasks towards achieving/maintaining Goal #2 - Transportation, and Goal #4 - Economic Development and Vitality.

Fiscal Impact: The proposed transportation impact fees are established based on the capital costs for facilities and transportation improvement projects needed to mitigate the impacts of additional development.

Funds Available: N/A

Account #: N/A

Reviewed by: ___ City Manager

Attachments: Public Hearing Notice, GVTIF Final Revision, RTMF Final Revision, R2024-26 and R2024-27

NOTICE OF PUBLIC HEARING

Item # 8.

Public Hearing for the City Council regarding revisions to 2023 Nexus Study for Transportation Fees

NOTICE IS HEREBY GIVEN that the City of Grass Valley City Council will hold a public hearing on April 23rd, 2024 at 6:00 pm at City Hall located at 125 East Main Street, Grass Valley. The purpose of the hearing will be to hold a notice public hearing to for City Council to consider the adoption the Transportation Fee revisions for the 2023 Nexus Study.

Information related to this agreement is available at 125 East Main Street, Grass Valley, between the hours of 7:30AM-5PM on Monday thru Thursday.

Written comments can be directed to the City of Grass Valley, at 125 East Main Street, Grass Valley, CA 95945 or by telephone or email at 530-274-4353 no later than 5 pm on April 3rd, 2024, to ensure placement in the official record of the hearing.

The City of Grass Valley does not discriminate on the basis of race, color, national origin, sex, sexual orientation, gender identify, age, religion or disability. If you require specific accommodations to participate in the public hearing, please contact Taylor Day, City Clerk, at 530-274-4716 at least 2 days prior to the scheduled hearing.

Date: March 23, 2024

Taylor Day, City Clerk



Regional Transportation Mitigation Fee 2023 Nexus Study Update

Final Report – 2024 Revision

Nevada County Transportation Commission

5 March 2024

GHD 380

2200 21st Street,
 Sacramento, California 95818, United States
 T 916-782-8688 | ghd.com

Printed date	3/11/2024 5:16:00 PM
Last saved date	March 11, 2024
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Author	Rosanna Southern, EIT Don Hubbard, TE, AICP Todd Tregenza, AICP
Project manager	Todd Tregenza, AICP
Client name	Nevada County Transportation Commission
Project name	WESTERN NEVADA CO RTMF
Document title	Regional Transportation Mitigation Fee 2023 Nexus Study Update Final Report – 2024 Revision
Revision version	Rev 9
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Executive summary

The Mitigation Fee Act requires that mitigation fees be periodically updated. This is to ensure that the assumptions regarding future growth, the need for projects, their costs, etc. continue to provide a reasonable nexus between the impacts of new development and the fees charged. This report describes the methodology used in updating the nexus, the resulting recommended fee structure, and the revised forecast for Regional Transportation Mitigation Fee (RTMF) program revenues based on the new growth assumptions and recommended fees.

Since the previous RTMF nexus study was prepared in 2016, the effects of the global COVID-19 pandemic caused an economic slump which not only effected most industries but also affected travel patterns nationwide due to stay-at-home orders, school closures, and a prolonged increase in employees being able to work from home. New forecasts for future development incorporate a slight increase in the existing base of households and employment, and a change in anticipated growth allocation, with lower future growth rates. These factors have resulted in lower reduced forecasts for future traffic congestion and a reduced need for roadway operational improvements. However, it also means that the cost of projects will be spread over fewer new units. Additionally, trip generation rates have been updated to reflect the most recent data presented in the Institute of Transportation Engineer's Trip Generation Manual, which results in some differences in the percentage change in the proposed fees.

Assembly Bill (AB) 602, signed into law January 1, 2022, imposed new requirements for fees on residential development (effective July 1, 2022). The law requires that the fee reflect a reasonable relationship to the size of the dwelling unit. This is explained further in Section 3.6. This 2024 Revision to the 2023 Nexus Study is intended to provide an update to the RTMF calculation, to adjust the residential trip generation and Dwelling Unit Equivalent (DUE) factor in the fee per unit calculation, where the trip generation adjustments for floor area for multi-family, mobile homes, and senior housing were being applied twice (both in Table 3.7 and 3.9), resulting in a lower fee for these units and a higher fee on single-family units. The proposed fees in the 2023 RTMF Nexus Study Update were recommended by the Nevada County Transportation Commission (NCTC) for local agency adoption in July 2023. This 2024 Revision also includes an annual inflation adjustment, consistent with the fee program's Administrative Manual.

Table ES.1.1 and Table ES.1.2 present the recommended revised fee structure for residential and non-residential developments, respectively, which take into account the factors described above.

Table ES.1.1 Current and Recommended RTMF Fees – Residential Land Uses

Typical Use	Unit	2022 Fee per Unit	Proposed Fee per Unit ¹	% Change in Fee
Single Family				
Small (<1,500 sq.ft.)	Dwelling Unit	\$4,621	\$3,528	-24%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$4,621	\$4,263	-8%
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,621	\$4,725	2%
Multi-Family				
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,199	\$2,052	-36%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,199	\$2,479	-23%
Large (>2,500 sq.ft.)	Dwelling Unit	\$3,199	\$2,748	-14%
Mobile Home				
Small (<1,500 sq.ft.)	Dwelling Unit	\$2,422	\$3,219	33%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$2,422	\$3,888	61%
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,422	\$4,309	78%

Senior Housing				
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,728	\$1,706	-1%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$1,728	\$2,061	19%
Large (>2,500 sq.ft.)	Dwelling Unit	\$1,728	\$2,285	32%
Accessory Dwelling Unit (ADU) - Calculated based on ratio of size to primary unit. See below for more information.				
1. Proposed Fee per Unit includes the Annual Inflation Adjustment for 2024.				

Table ES.1.2 Current and Recommended RTMF Fees – Non-Residential Land Uses

Typical Use	Unit	2022 Fee per Unit	Proposed Fee per Unit ¹	% Change
Office	Thousand Sq. ft.	\$1,033	\$782	-24%
Industrial	Thousand Sq. ft.	\$457	\$291	-36%
Warehouse	Thousand Sq. ft.	\$305	\$219	-28%
Retail/Service - Low	Thousand Sq. ft.	\$2,047	\$1,326	-35%
Retail/Service - Medium	Thousand Sq. ft.	\$4,373	\$3,097	-29%
Retail/Service - High	Thousand Sq. ft.	\$7,754	\$5,638	-27%
Lodging	Room	\$553	\$258	-53%
Public & Quasi-Public	Thousand Sq. ft.	Exempt	Exempt	N/A
School K-8th Grade	Student	Exempt	Exempt	N/A
School 9-12th Grade	Student	Exempt	Exempt	N/A
Public College	Student	Exempt	Exempt	N/A
1. Proposed Fee per Unit includes the Annual Inflation Adjustment for 2024.				

Senate Bill (SB) 13, passed in 2019, establishes a new system for assessing fees on accessory dwelling units (ADUs). The law states that ADUs less than 750 square feet are exempt from impact fees, and that ADUs larger than 750 square feet are charged the impact fee based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today (i.e., ADU sq.ft. / primary unit sq.ft. x RTMF for primary unit). This is explained further in Section 3.6.1.

The recommendation includes a slight decrease in the residential fees for single-family and multi-family units, an increase for mobile homes and larger sized senior housing, and a larger decrease in non-residential fees. This is largely due to the removal of expensive projects to widen several sections of SR 49, which greatly lowered the costs that new development will be expected to bear. Although those projects are justifiable on technical grounds, the fee program would provide only a relatively small portion of the funds needed to complete the project, and there is no guarantee of obtaining State or Federal competitive grant funds to cover the remaining costs. Since State law precludes NCTC from collecting funds for projects that do not have a reasonable expectation of being implemented, these projects were removed from the RTMF project list.

The other factor in the recommended fee reduction was a reduction in the percentage of project costs attributable to new development. This applied especially to non-residential development. Analysis using NCTC's traffic model showed that, given the county's current jobs/housing imbalance, development of places for Nevada County residents to work and shop locally will reduce the need for some long trips out of the county. As a result, this type of localized development will have fewer traffic impacts than was previously forecast, which also leads to a lower impact fee.

The recommended fee schedule will continue to have residential fees in the lower range of foothill counties while non-residential fees will be lower than peer counties. If the forecasts for future residential and non-residential development prove correct, then total revenues from the RTMF over the next twenty years will be approximately \$17.6M, which will

provide approximately 28% of the total cost of the projects on the updated Capital Improvements Program (CIP). The remaining 72% of project costs are attributable to existing deficiencies and by law must be covered by some source other than impact fees. The other sources of project funding are identified in Section 3.10 of this report.

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Existing Traffic Volumes
 Forecasted Traffic Volumes
 Level of Service Worksheets

1. Introduction

The western Nevada County Regional Transportation Mitigation Fee (RTMF) program was established in 2001 through a partnership of Nevada County, Nevada City, Grass Valley, and the Nevada County Transportation Commission (NCTC). The program provides a mechanism for new development to pay its fair share towards the cost of construction of the regional system of roads, streets, and highways needed to accommodate growth in western Nevada County.

1.1 Background

The RTMF program operates pursuant to the Mitigation Fee Act, also known as California Assembly Bill 1600 (AB 1600) or California Government Code Sections 66000 et seq., which governs impact fees in California. The Mitigation Fee Act requires that all local agencies in California, including cities, counties, and special districts follow some basic principles when instituting impact fees as a condition of new development. Agencies must:

1. Identify the purpose of the fee. (Government Code Section 66001(a)(1))
2. Identify the use to which the fee is to be put. (Government Code Section 66001(a)(2))
3. Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed. (Government Code Section 66001(a)(3))
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. (Government Code Section 66001(a)(4))
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is to be imposed. (Government Code Section 66001(b))

These principles closely emulate two landmark U.S. Supreme Court rulings that each provide guidance on the application of impact fees. The first case, *Nollan v. California Coastal Commission* (1987) 107 S.Ct. 3141, established that local governments are not prohibited from imposing impact fees or dedications as conditions of project approval provided the local government establishes the existence of a "nexus" or link between the exaction and the state interest being advanced by that exaction. The *Nollan* ruling clarifies that once the adverse impacts of development have been quantified, the local government must then document the relationship between the project and the need for the conditions that mitigate those impacts. The ruling further clarifies that an exaction may be imposed on a development even if the development project itself will not benefit, provided the exaction is necessitated by the project's impacts on identifiable public resources.

The second case, *Dolan v. City of Tigard* (1994) 114 S.Ct. 2309, held that in addition to the *Nollan* standard of an essential nexus, there must be a "rough proportionality" between proposed exactions and the project impacts that the exactions are intended to allay. As part of the *Dolan* ruling, the U.S. Supreme Court advised that "*a term such as 'rough proportionality' best encapsulates what we hold to be the requirements of the Fifth Amendment. No precise mathematical calculation is required, but the city (or other local government) must make some sort of individualized determination that the required dedication is related both in nature and extent to the impact of the proposed development.*"

The combined effect of both rulings is the requirement that public exactions must be carefully documented and supported. This requirement is reiterated by the provisions of the Mitigation Fee Act and subsequent rulings in the California Supreme Court (*Ehrlich v. City of Culver City* (1996) 12 C4th 854) and the California Court of Appeals (*Loyola Marymount University v. Los Angeles Unified School District 45* (1996) Cal.App.4th 1256).

This Nexus Study report is intended to satisfy the requirements of the State of California Mitigation Fee Act. Specifically, this Nexus Study report will outline the purpose and use of the RTMF, the relationship between new development and impacts on the transportation system, the estimated cost to complete necessary improvements to

the regional street system within western Nevada County, and the 'rough proportionality' or 'fair share' fee for differing development types.

In 2021, AB-602 was signed into law, which amended the Mitigation Fee Act to include new requirements regarding the contents (§66016.5(a)(4)) and timing (§66016.5(a)(8)) of nexus studies adopted after July 2022, and how fees for residential development are to be computed (§66016.5(a)(5)). Chapters 2 and 3 of this report fulfill the new requirement to describe changes in input assumptions that led to the changes in fees. Section 3.6 fulfills the new requirements regarding how fees for residential development is to be computed.

1.2 Program Experience to Date

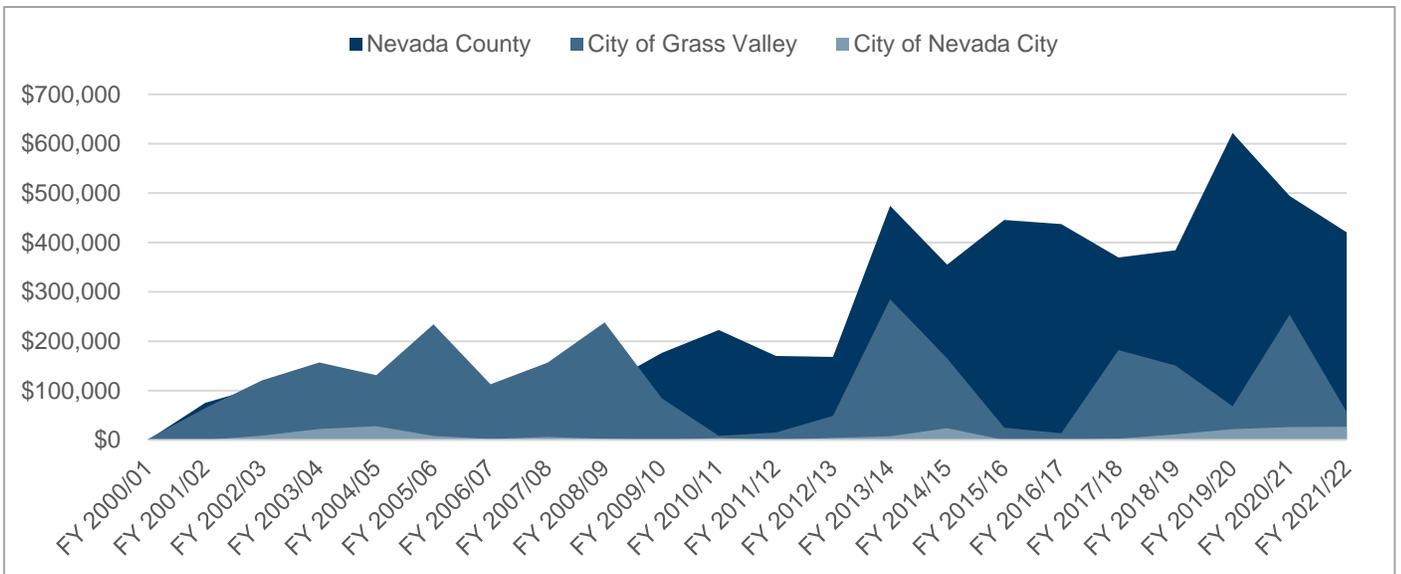
From its inception in fiscal year 2000/2001 until the end of the second quarter of fiscal year 2022/23 a total of \$8.4M was collected in RTMF fees. Of this, 67% came from developments in unincorporated Nevada County, 31% from developments in Grass Valley, and 2% from developments in Nevada City (see Table 1.1 and Figure 1.1).

Table 1.1 RTMF Revenues, 2000 – 2021

Fiscal Year	Nevada County	City of Grass Valley	City of Nevada City	Total
FY 2000/01	\$0	\$1,897	\$0	\$1,897
FY 2001/02	\$75,183	\$64,383	\$0	\$139,565
FY 2002/03	\$108,576	\$120,764	\$8,664	\$238,004
FY 2003/04	\$94,530	\$156,887	\$22,468	\$273,885
FY 2004/05	\$72,575	\$131,114	\$28,028	\$231,717
FY 2005/06	\$138,480	\$234,399	\$7,987	\$380,866
FY 2006/07	\$63,253	\$112,896	\$1,890	\$178,039
FY 2007/08	\$44,445	\$156,834	\$6,308	\$207,587
FY 2008/09	\$111,937	\$238,031	\$2,499	\$352,466
FY 2009/10	\$176,458	\$84,370	\$0	\$260,828
FY 2010/11	\$222,750	\$8,459	\$3,928	\$235,138
FY 2011/12	\$170,155	\$15,178	\$0	\$185,333
FY 2012/13	\$168,255	\$48,771	\$4,201	\$221,228
FY 2013/14	\$474,393	\$284,987	\$7,482	\$766,863
FY 2014/15	\$355,081	\$165,255	\$23,842	\$544,178
FY 2015/16	\$445,599	\$24,798	\$-	\$470,397
FY 2016/17	\$437,147	\$13,622	\$-	\$450,770

Fiscal Year	Nevada County	City of Grass Valley	City of Nevada City	Total
FY 2017/18	\$369,707	\$182,227	\$2,563	\$554,497
FY 2018/19	\$384,019	\$150,821	\$11,378	\$546,218
FY 2019/20	\$621,779	\$68,476	\$21,961	\$712,217
FY 2020/21	\$494,265	\$253,690	\$26,094	\$774,049
FY 2021/22	\$420,561	\$56,527	\$26,862	\$503,950
FY 22/23 Q1, Q2	\$355,081	\$165,255	\$23,842	\$544,178
Total	\$5,623,024	\$2,574,387	\$206,154	\$8,403,565
Percentage Split	67%	31%	2%	100%

Figure 1.1 RTMF Revenues by Year & Jurisdiction



Since the previous nexus study (in 2016), revenues have averaged \$569,000 per year, which is a significant increase from the period prior to the 2014 study, when the average was approximately \$337,000 per year. Despite the higher revenue collection, this was only 34% of the amount anticipated in the previous nexus study (\$1.7M/year). This was due to the suppressive effect of the Great Recession on real estate development and the 2009 housing market crash. On the other hand, NCTC had great success in securing other funds for projects on the Capital Improvement Program (CIP) including a \$19M grant for the Dorsey Drive Interchange which more than made up for the less-than-expected RTMF revenues.

The RTMF has used the revenues it has collected to fund a variety of improvement projects. These are listed in Table 1.2 below. Table 1.2 shows that the RTMF program is important not just for the funding it provides but also because the RTMF dollars are used as local matching funds to leverage funding from other sources.

Table 1.2 Projects that have Received RTMF Funds (2011-2022)

Project	RTMF Funding	Funding from Other Sources	Total Funding
East Main/Idaho-Maryland Roundabout	\$1,823,000	\$777,000	\$2,600,000
Dorsey Drive Interchange	\$214,020	\$19,333,980	\$19,548,000
Brunswick/Loma Rica	\$488,790	\$536,865	\$1,025,655
E Main/Bennett St	\$1,500,000	\$0	\$1,500,000
NCTC Admin Annual Administration Charges	\$37,158	\$0	\$37,158
RTMF Update Charges	\$221,244	\$0	\$221,244
Total Paid	\$4,284,212	\$20,647,845	\$24,932,057
	17%	83%	100%

2. Updates to Key Inputs

2.1 Trip Generation Rates

ITE's Trip Generation Manual has been updated with new survey material since the edition that was used in the previous nexus study. The trip generation rates have accordingly been updated to those of the latest (11th) edition.

Table 2.1 shows a detailed correspondence list between general land use categories, the ITE land use codes, and the derivation of the trip generation rate used for broad categories from the individual rates of the sub-categories.

Table 2.1 Trip-Generation Rates by Land Use

Land Use Category	Unit	ITE Code	Weekday Trips per Unit
RESIDENTIAL			
Single Family Detached House	Dwelling Unit	210	9.43
Multi-Family			
Apartment	Dwelling Unit	220	6.74
Low Rise Apartment	Dwelling Unit	221	4.54
Residential Condominium/Townhouse	Dwelling Unit	230	3.44
<i>Median for Multi-Family</i>			4.54
Mobile Home in Park	Dwelling Unit	240	7.12
Senior Residential			
Senior Adult Housing - Detached	Dwelling Unit	251	4.31
Senior Adult Housing - Attached	Dwelling Unit	252	3.24
<i>Median for Senior Residential</i>			3.78
NON-RESIDENTIAL			
Office			
General Office	KSF	710	10.84
Single Tenant Office	KSF	715	13.07
Office Park	KSF	750	11.07
Business Park	KSF	770	12.44
Clinic	KSF	630	37.60
Medical-Dentist Office	KSF	720	36.00
<i>Median for Office</i>			12.76
Industrial			
General Light Industry	KSF	110	4.87
General Heavy Industry	KSF	120	1.50
Industrial Park	KSF	130	3.37
Manufacturing	KSF	140	4.75
<i>Median for Industrial</i>			4.06
Warehousing	KSF	150	3.56
Retail/Service - Low			
Building Materials and Lumber	KSF	812	17.05
Hardware/Paint Store	KSF	816	8.07
Furniture Store	KSF	890	6.30
Discount Home Furnishing Superstore	KSF	869	20.00
Tire Superstore	KSF	849	20.37
Department Store	KSF	875	22.88
Tire Store	KSF	848	27.69

Land Use Category	Unit	ITE Code	Weekday Trips per Unit
Factory Outlet Center	KSF	823	26.59
Home Improvement Superstore	KSF	862	30.74
New Car Sales	KSF	841	27.06
<i>Median for Retail - Low</i>			21.63
Retail/Service - Medium			
Discount Club	KSF	857	42.46
Shopping Center	KSF	820	37.01
Electronics Superstore	KSF	863	41.05
Discount Superstore	KSF	813	50.52
Arts and Crafts Store	KSF	879	56.55
Discount Store	KSF	815	53.87
Auto Parts Store	KSF	843	54.57
Specialty Retail Center	KSF	814	63.66
<i>Median for Retail - Medium</i>			50.52
Retail/Service - High			
Nursery (Garden Center)	KSF	817	68.10
Supermarket	KSF	850	93.84
Apparel Store	KSF	876	66.40
Pharmacy/Drugstore w/o Drive Through Window	KSF	880	90.08
Pharmacy/Drugstore with Drive Through Window	KSF	881	108.40
Drive-in Bank	KSF	912	100.35
Quality Restaurant	KSF	931	83.84
High Turnover (Sit-Down) Restaurant	KSF	932	107.20
<i>Median for Retail - High</i>			91.96
Lodging			
Hotel	Room	310	7.99
All Suites Hotel	Room	311	4.40
Business Hotel	Room	312	4.02
Motel	Room	320	3.35
<i>Median for Lodging</i>			4.21
Public & Quasi-Public			
Military Base	KSF	501	0.39
Library	KSF	590	72.05
Government Office Building	KSF	730	22.59
State Motor Vehicles Department	KSF	731	11.21
United States Post Office	KSF	732	103.94
Government Office Complex	KSF	733	27.92
<i>Median for Public Sector</i>			25.26
School K-8th Grade	Student	520 & 522	2.25
School 9th-12 Grade	Student	522 & 530	1.98
Junior/Community College	Student	540	1.15
Other Non-Residential			
All Port and Terminal Uses		000-099	The trip generation for any project in these categories shall be computed using the ITE daily trip-generation rate for their land use type or, at the discretion of
All Recreational Uses		300-399	
All Private Institutional Uses (Public Institutions are Exempt)		500-599	
Convenience Market		851	
Convenience Market with Gasoline Pumps		853	
Fast Food Restaurant with Drive Through		934	
Coffee/Donut Shop with Drive Through		937	
Coffee/Donut Shop Drive Through No Seating		938	
Gasoline/Service Station		944	

Land Use Category	Unit	ITE Code	Weekday Trips per Unit
Gasoline/Service Station with Convenience Market		945	agency staff, through a
Gasoline/Service Station with Convenience Market and Car Wash		946	separate traffic study
Self-Service Car Wash		947	study

Based on ITE Trip Generation Manual, 11th Ed.
KSF = 1,000 square feet

2.2 Growth Forecasts

Assumptions regarding future growth are critical inputs for a traffic mitigation fee since they help determine both whether roadway deficiencies will develop and how many new homes or square feet of new commercial development will contribute towards the costs of mitigations. Since the RTMF is a long-term program, we must look at long-term trends to arrive forecast growth over the study horizon. Figure 2.1 shows the number of housing starts for California for the period 1954 to 2020.

Figure 2.1 Housing Starts in California by Year¹

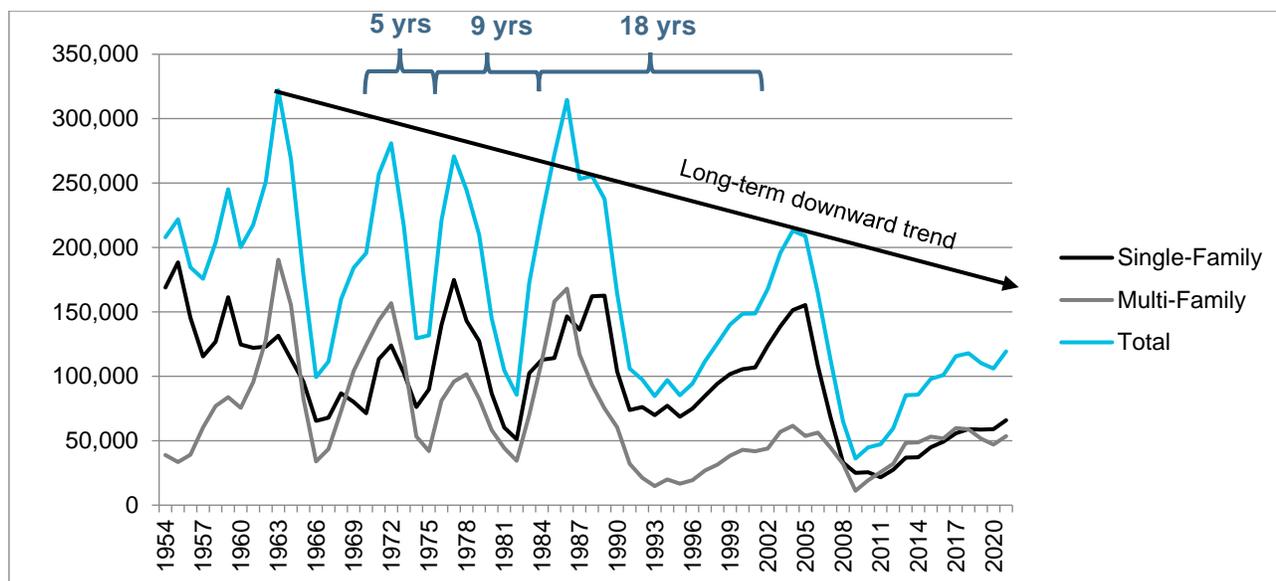


Figure 2.1 shows the unstable nature of the housing market in California, with five major “housing booms” and five “housing busts” occurring during this period. Several patterns are discernible, namely:

- The housing booms are occurring further and further apart. Five years elapsed between the peaks of the 1972 and 1977 booms, 9 years between the peaks of the 1977 and 1986 booms, and 18 years between the 1986 and 2004 booms. If this pattern continues it may be decades before the next peak occurs.
- The size of the booms is trending downwards. The 2004 boom was the smallest of the five, being only about 2/3rds the size of the previous boom.
- From the 1960’s through the 1980’s single-family and multi-family housing was being built in similar quantities in California. Multi-family housing production exceeded single-family housing in 3 of the 4 housing booms in this period. The period from 1990 to 2005, when single-family housing was produced at more than 2½ times the pace of multi-family, appears in retrospect to have been an aberration from the historical pattern. Since 2005, multi-family housing has returned to being about half of all new housing being built.

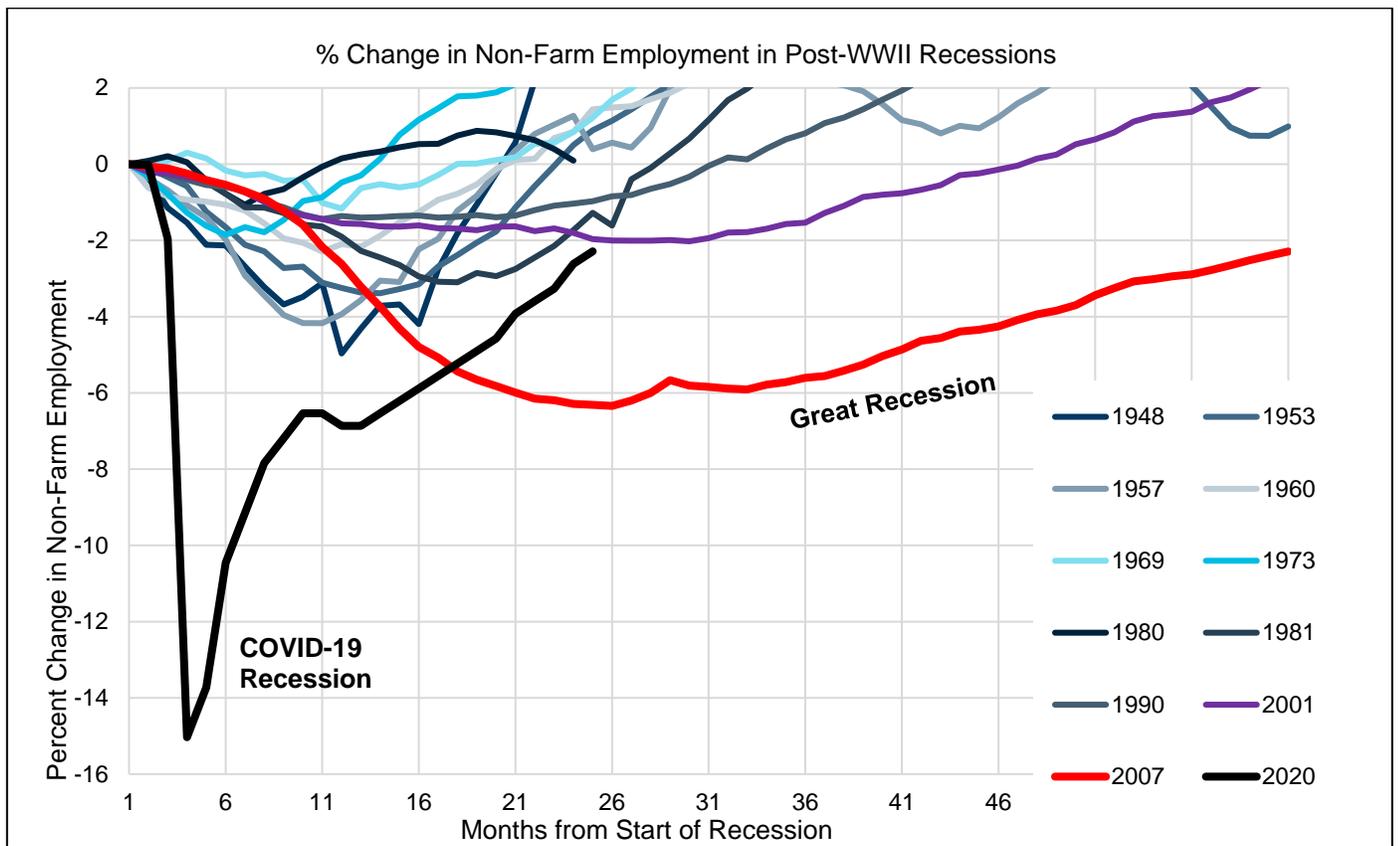
¹ Source: California Building Industry Association

- The housing market crash in 2008 also affected housing production significantly, where housing production was the lowest it's been since before the 1950's. As shown, the market is on a gradual recovery from that.

The Great Recession was deeper and much longer than any previous recession since WWII (see Figure 2.2) and the collapse of the real estate market was at the heart of the recession. This was, hopefully, a one-off event unlikely to recur within the time horizon of the current study (to 2045). More recently the real estate market has been affected by inflation and construction costs due to supply limitations from COVID. Employment losses with the statewide shut-down were significantly deeper than even the Great Recession. However, employment has bounced back relatively swiftly almost to post-2001 recession levels. There have been long-term travel and housing changes resulting from COVID-19 due to employers implementing flexible schedules and more people working from home. Housing prices were affected, short-term, and there was an increased demand for senior housing due to people going into early retirement from the shut-down and layoffs.

Nevertheless, it seems unlikely that things will “go to back to normal” (i.e., to the conditions prevailing in the 1990-to-2005 period) in terms of real estate development; structural and demographic changes have occurred resulting in a new normal. Any assumptions regarding real estate development that were made based on pre-recession or pre-COVID data therefore need to be re-examined to determine if they remain valid.

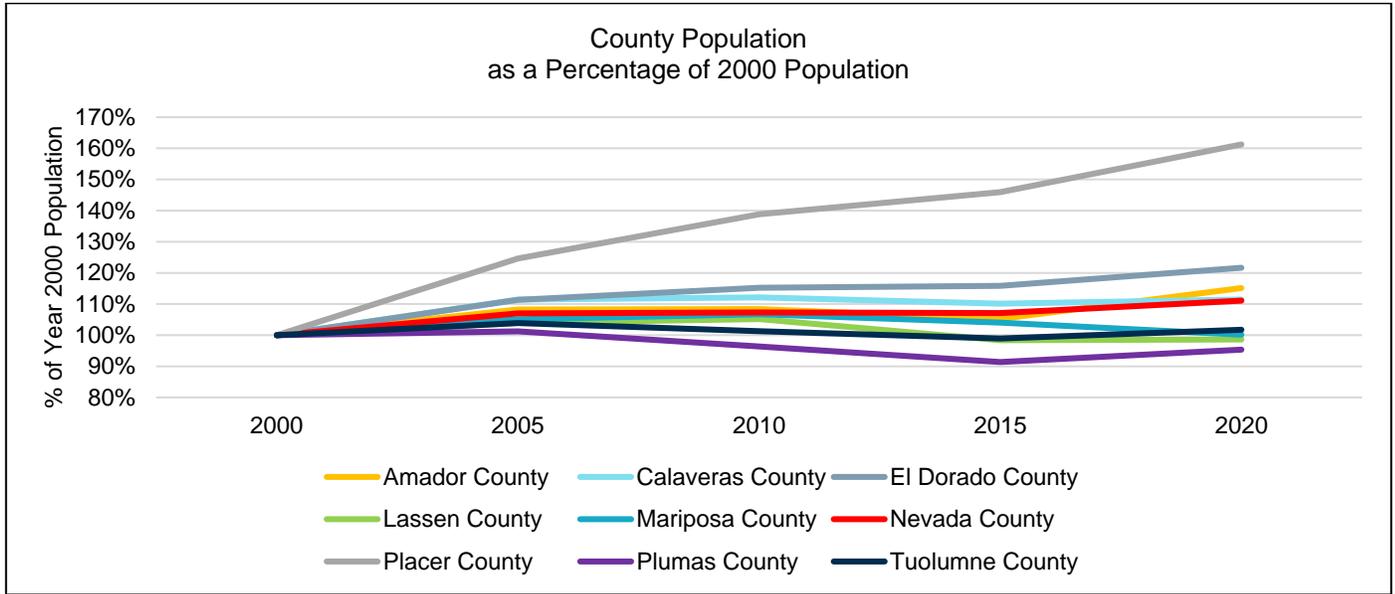
Figure 2.2 US Employment by Year²



Scaling down from the state-wide level to the local level, data from the U.S. Census Bureau shows that in recent years the foothills counties have been growing slowly, if at all, apart from Placer County (see Figure 2.3).

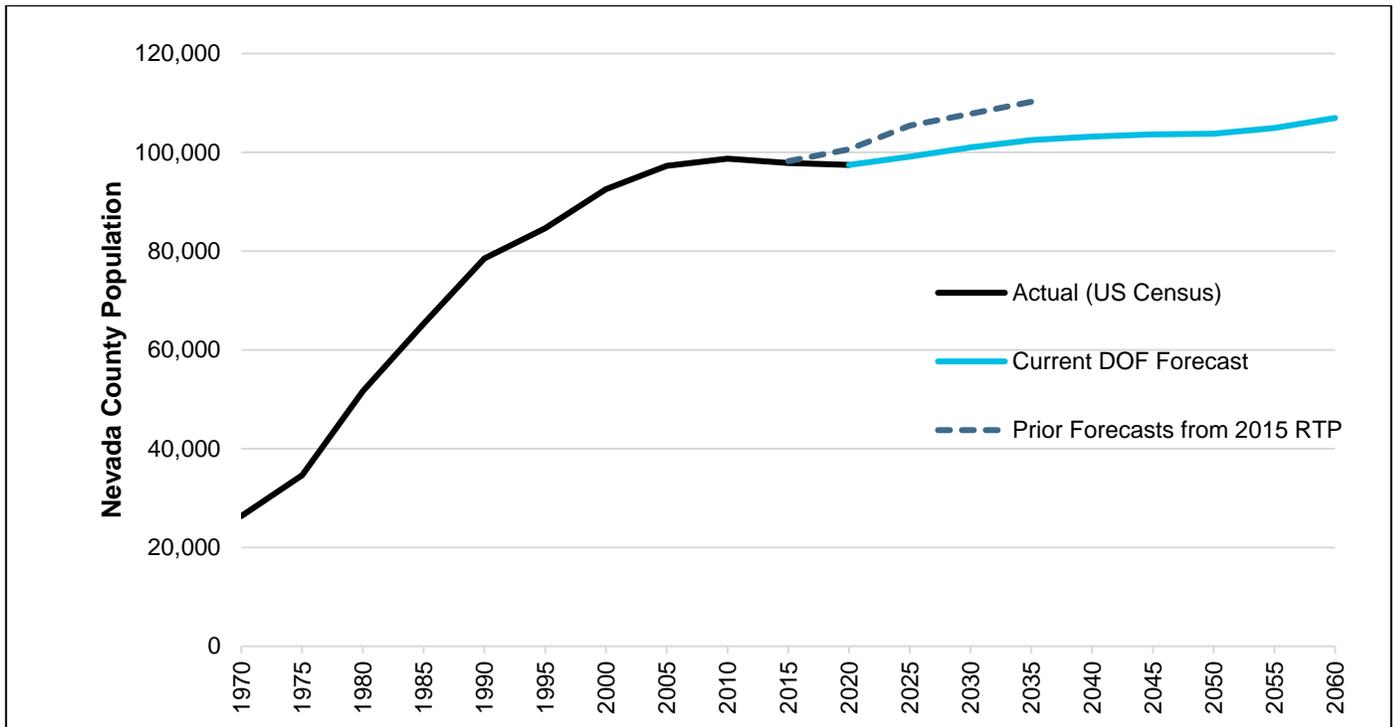
² Source: Federal Reserve Bank of Minneapolis

Figure 2.3 Foothill Counties Population by Year



Population forecasts by Caltrans³ suggests that only modest growth can be expected for the foreseeable future (see Figure 2.4). The DOF's most recent forecast is for slower growth than had been anticipated in the 2015 forecasts used for the NCTC Regional Transportation Plan (RTP).

Figure 2.4 Nevada County Population by Year - Actual & Forecasted



The growth forecasts used in the previous nexus study, which began in 2012, were based on data collected in the construction boom leading up to the Great Recession. The forecasts used in the current study are based on an

³ California Department of Finance. Demographic Research Unit. Report P-2A: Total Population Projections, California Counties, 2010-2060 (Baseline 2019 Population Projections; Vintage 2020 Release). Sacramento, California. July 2021.

assumed lower growth rate and therefore the 2040 population in the current forecast is lower than the prior 2035 forecast used in the previous study.

The lower forecast for future population has several effects on the RTMF, most notably:

- Fewer new households mean less traffic impacts and therefore less need for roadway improvements as mitigation. Some projects may no longer be needed, and a smaller portion of the need will be attributable to new development.
- However, for those projects that are still needed, fewer new dwelling units means that each will have to pay a higher share of the cost.

These trends work in opposite directions; the first would tend to lower fees while the second would tend to raise them. The interaction of these opposing trends is discussed further in a later section of this report.

Based on the growth projections supplied by the local jurisdictions and using the land use categories described in, the growth forecast by land use type is shown in Table 2.2.

Table 2.2 Land Use Growth Forecast

Land Use Category		Entire RTMF Area			% Growth
Description	Unit	Year 2018	Year 2040	Growth	
Residential					
Single-Family Dwelling	DU	31,768	34,353	2,585	8%
Multi-Family Dwelling	DU	2,422	4,003	1,581	65%
Mobile Home	DU	1,540	1,791	251	16%
Senior Housing	DU	1,101	1,561	460	42%
	Total	36,831	41,708	4,877	13%
Non-Residential					
Retail/Service - Low	KSF	1,670	1,925	255	15%
Retail/Service - Medium	KSF	1,336	1,540	204	15%
Retail/Service - High	KSF	334	385	51	15%
Office	KSF	1,256	1,772	516	41%
Office-Medical	KSF	284	337	53	19%
Industrial	KSF	1,924	4,086	2,162	112%
Lodging	Rooms	573	670	97	17%

2.3 Funding from Other Sources

When computing the amount of an impact fee, the amount of funding available from other sources must be deducted from the project cost estimates to ensure that new development is not paying more than the actual cost of the project to the agency. State and federal funds for transportation improvements are channeled through the State Transportation Improvement Program (STIP), which is administered by the California Transportation Commission (CTC). For the purposes of this study there are two key features of the STIP; namely: 1) that the CTC allocates a share of statewide funding to Nevada County which NCTC then allocates among individual projects, subject to later review by the CTC, and 2) that STIP funding is difficult to predict and varies widely from year to year depending on the budget situation on the state level. Under these circumstances the best way to estimate future funding from the STIP is to look at the long-term average of funding from this source. This is done in Table 2.3. Based on the historical

average of \$7.9M/year in STIP funding we estimate that \$158M will be available from this source over the next 20 years.

Table 2.3 Funding Available from Other Sources

Year	Project	STIP Funding
2002	SR 267 Truckee Bypass	\$33,500,000
2012	SR 49/La Barr Meadows Road Intersection Improvements	\$40,500,000
2014	Dorsey Drive Interchange	\$17,000,000
2015	SR 89 Mousehole - Pedestrian/Bike Path	\$6,400,000
2015	SR 49 La Barr Project North to McKnight Widening	\$3,000,000
Total Over 14-Year Period		\$110,800,000
Annual Average of 14-Year Period		\$7,914,000
Amount Available Over 20 Years, Based on 14-Year Annual Average		\$158,280,000

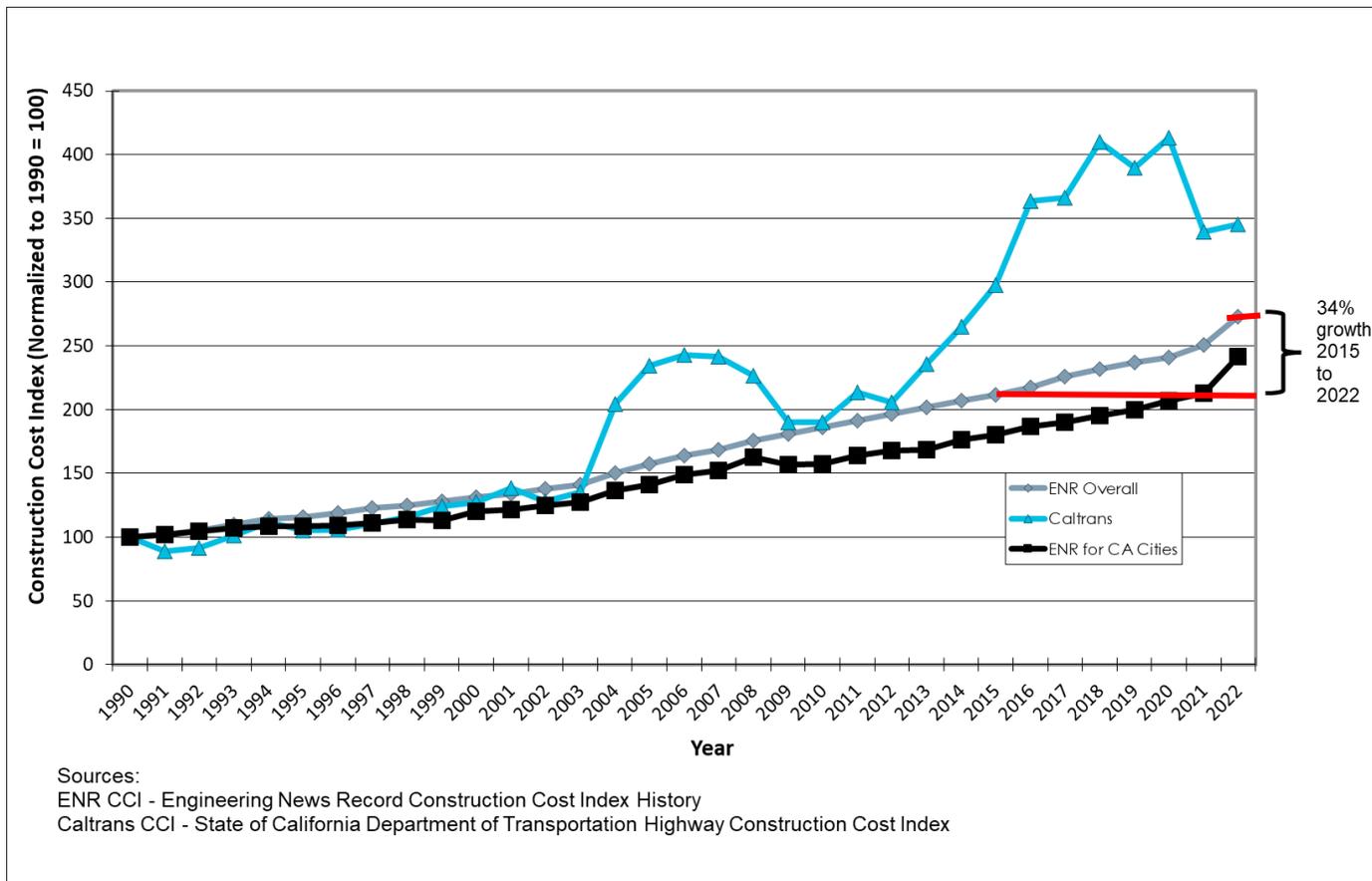
2.4 Updated Project Costs

The cost of road construction has varied significantly over the course of the last decade, so it is important that this be factored into the fee structure for the RTMF.

Figure 2.5 shows Caltrans' construction price index for highway projects for the period from 1900 to 2022. As shown, there was a slow and stable rise in prices throughout the 1990's and early years of the 2000's. However, in 2004 a combination of a construction boom, rising land and fuel costs, and the effect of a weakening U.S. dollar on the cost of imported construction materials, caused construction prices to rise more in a single year than they had in the previous 15 years combined; it is still the highest single-year increase since Caltrans started the index. This was followed in 2005 by the third-highest single-year increase. The rapid increase was followed by a rapid decrease with the collapse of the housing market, which used many of the same construction inputs as Caltrans.

The Caltrans cost index is based on actual bid prices for projects done in the previous year. There is a second cost index, prepared by the Engineering News Record (ENR) that is computed based on the market prices for various major inputs to road projects (concrete, steel, aggregate, etc.). This index is less volatile than the Caltrans index because it does not include the effect of contractors' changing profit expectations in response to strong or weak market conditions. The two indices are compared in Figure 2.5. The Caltrans index over the past seven years (since 2015) has experienced an overall 16% increase, and a 39% increase between 2015 and 2020, while the ENR index for California cities has experienced a 34% increase, and the ENR overall index have only experienced a 29% increase. The impacts of the COVID-19 pandemic increased and then subsequently lowered the index.

Figure 2.5 Caltrans' Construction Price Index, 1990-2022



NCTC policy specifies that the ENR index for California Cities is to be used as the basis for cost adjustments for the RTMF. This decision was based in part on the relative stability of the ENR index, which makes the fee program more predictable for developers compared to the highly volatile Caltrans index. Therefore, since the ENR (CA) index has risen 34% since the last nexus study, for projects where no recent cost estimates are available, the project cost estimates were increased 34% from the estimates used in the previous nexus study.

3. Updates to the Fee Calculation

An overview of the methodology used to compute the RTMF is provided in the section below, followed by sections providing more in-depth discussion of the key components. These are followed by sections describing the resulting fees and the revenues that would be raised by the RTMF under the different sets of policy options.

3.1 Computation Methodology

The methodology used in the fee computation is outlined in Figure 3.1 below. The major steps include:

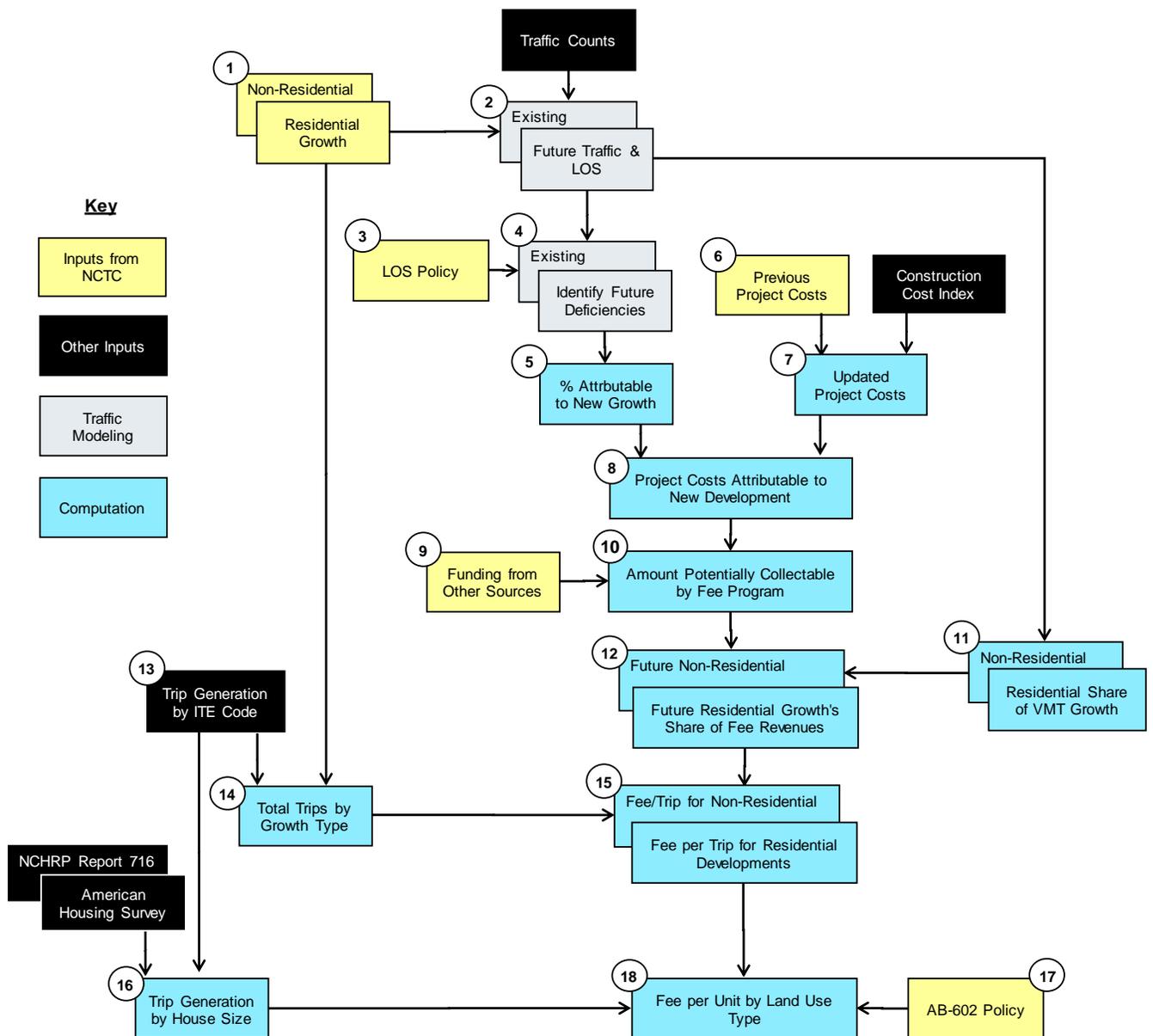
1. The starting point was a set of forecasts for residential and non-residential growth from NCTC, the City of Grass Valley, Nevada City, and Nevada County. The forecasts were described in Section 2.2.
2. The growth forecasts were used as inputs into the NCTC traffic model, which was then used to forecast traffic volumes for 2040. Recent traffic counts were used to find current traffic volumes. The volumes were then used to determine the level of service (LOS) for each potential project site under 2022 and 2040 conditions.
3. Each jurisdiction sets its LOS standards through resolutions, usually as part of its General Plan.
4. The existing and future LOS were compared to the LOS standard to determine where deficiencies currently exist and where they may develop in the future. Potential projects were identified that would correct the deficiencies.
5. The outputs of Step 4 were used to determine the percentage of the need for each potential project that is attributable to new development.
6. The estimated cost for different projects come from a variety of sources, including engineering studies and planning-level estimates.
7. The project cost estimates were updated, if necessary, using the Engineering New Record construction cost index to reflect current prices. This was described in Section 2.4.
8. The outputs from steps 5 and 7 were used to determine the dollar cost for each project that is attributable to new development.
9. Next, any funding that may be available from other sources for the listed projects was identified. This was discussed in Section 2.3.
10. The amount of funding available from other sources was compared to the project costs to determine if it exceeded the amount attributable to existing deficiencies (i.e., not attributable to new development). If so, the surplus of other funds was used to reduce the amount needed from new development. The result was the maximum amount of funding allowable by law that could potentially be collected using the RTMF.
11. The NCTC traffic model was used to determine the percentage share of growth in vehicle-miles traveled (VMT) that will be associated with residential and non-residential development.
12. The results of Steps 10 and 11 were then combined to determine the portion of project costs that could be attributed to new residential and non-residential development.
13. Next, the trip generation rate was determined for each land use type. For residential land uses the unit of measurement was daily trips/dwelling unit, while for non-residential uses trip-generation was measured in terms of daily trips/thousand square feet of space, except for schools, where the unit was daily trips/student and lodging, where daily trips/room were used.
14. The number of new units for each development type was then multiplied by the trip generation rate to produce the total number of new trips associated with each type of land use development.
15. The project funding attributable to residential and non-residential developments (from Step 12) was then divided by the expected number of new residential and non-residential trips (from Step 14) to produce the potential impact fee per trip for each type of unit.
16. AB 602 introduced a requirement that unit size be taken into account when assessing impact fees on new residential development. Data from the American Housing Survey and the National Cooperative Highway

Research Program (NCHRP) were used to estimate trip generation rates for different sized residential units. This is described in Section 3.7.

17. AB 602 offers agencies several options for incorporating dwelling size into a fee program. The NCTC Technical Advisory Committee selected an option that divided new dwellings into small, medium, and large size categories and applies different rates for different types of dwellings. This is described in Section 3.7.
18. The policies from Step 17 were applied to take the fees per trip from Step 15 and combine them with the trip generation rates from Step 13 (for non-residential units) and Step 16 (for residential units) to compute the fee per unit.

The next sections describe several key steps in the process in more detail.

Figure 3.1 Fee Computation Methodology Flowchart



3.2 Existing & Future Deficiencies

Existing and future deficiencies were identified by comparing the existing and future LOS to the LOS standards adopted by the local jurisdictions. For unincorporated Nevada County the LOS standard is D in all locations. For Grass Valley, the General Plan calls for LOS D at most locations. However, in some locations LOS E is allowed in order to maintain the walkable character of the historic downtown area⁴. For Nevada City, the LOS standard is at LOS D.

Table 3.1 shows the existing and future LOS at the project locations listed in the previous nexus study. Existing and forecasted traffic volumes and the LOS worksheets are included in the Appendix. Several additional sites were identified as potentially requiring improvement; these were added to the bottom of the table.

The previous nexus study (2016) identified 11 projects for the fee program. Of these:

- 2 have been completed but not yet paid for. This includes the Dorsey Drive Interchange, which was financed through bonds that will be repaid through the RTMF program, and improvements at the East Main/Bennett/Richardson intersection, which the City of Grass Valley paid for and will be seeking reimbursement from NCTC.
- 1 is now deemed unnecessary, due to the new, lower growth expectations.
- 8 are recommended to be retained in the fee program.

In addition, two new locations were considered: SR-49 south of McKnight Way (PM 13.1 to PM 11.0), and SR 174/Colfax Highway at Brunswick Road. These two locations were identified as having a future deficiency and being eligible for inclusion in the RTMF program.

The proposed improvements identified for the fee program are listed below:

1. SR 49 Interchange at Dorsey Drive – new interchange (already constructed, retain for reimbursement)
2. E. Main Street at Bennett Street/Richardson Street – install a traffic signal (constructed, retain for reimbursement)
3. SR 49 Southbound – PM 13.1 to PM 11.0 – widen to 2 lanes
4. SR 49 at McKnight Way – Interchange improvement project
5. McCourtney Road at SR 20 Eastbound Ramps – intersection improvements
6. SR 20/49 Northbound Ramps at Idaho-Maryland Road – install traffic signal
7. SR 20/49 at Uren Street – intersection improvements or traffic signal
8. Brunswick Road at SR 174/Colfax highway - intersection improvements or traffic signal
9. SR 29 at Coyote Street – intersection improvements

⁴ See City of Grass Valley Resolution 2013-33

Table 3.1 Existing & Future LOS at Proposed Project Locations

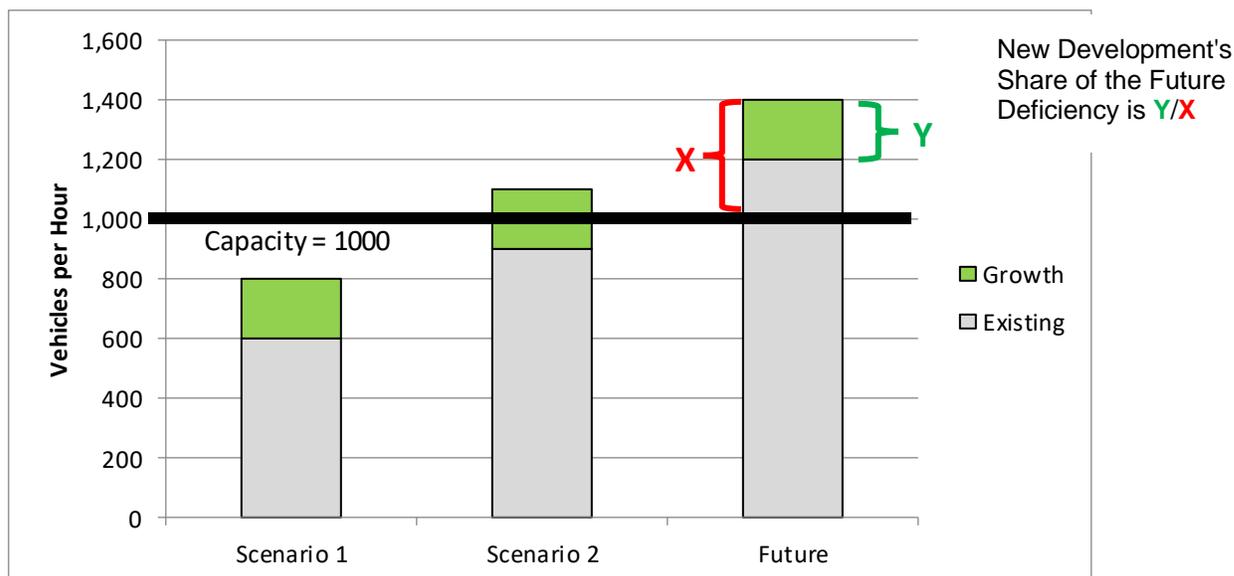
Project ID (Prior 2015 Study)	Project ID (New)	Intersection	Traffic Control	LOS Standard	Previous Nexus Study (Existing)		Previous Nexus Study (2035)		Current Nexus Study (Existing)		Current Nexus Study (2040)		Notes
					Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	
1	1	SR 20/49 SB Ramps/Dorsey Dr	Signal	D	10.8	B	40.4	D	N/A		N/A		Improvements identified in the previous study have already been built - keep for reimbursement.
		SR 20/49 NB Ramps/Dorsey Dr	Signal	D	13.2	B	13.0	B	N/A		N/A		
	2	E. Main St/Bennett/Richardson	Signal	D					N/A		N/A		The improvements identified in the original RTMF study have already been built. Keep for reimbursement.
		SR-49: South of McKnight Way to PM 13.1	4-lane Freeway	D	26,085	C	27,800	C	27,500	C	37,440	C	
	3	SR-49: PM 13.1 to PM 11.0	2-lane Highway	D				27,500	F	37,440	F	Deficient for 2-lane highway section.	
2		SR-49: South of La Barr Meadows Rd (SB)	1 lane	D	11,604	F	12,050	F	12,400	F	16,470	F	Has 2 lanes NB and 1 lane SB, so LOS is different for the two directions of travel. Deficiency remains, however funding not identified and too costly to keep in program.
		SR-49: South of La Barr Meadows Rd (NB)	2 lanes	D	11,604	C	12,050	C	12,400	C	17,190	E	
3		SR-49: South of Alta Sierra Dr (SB)	1 lane	D	11,498	F	11,650	F	12,800	F	15,500	F	Has 2 lanes NB and 1 lane SB, so LOS is different for the two directions of travel. Deficiency remains, however funding not identified and too costly to keep in program.
		SR-49: South of Alta Sierra Dr (NB)	2 lanes	D	11,498	C	11,650	C	12,800	C	16,550	D	
4		SR-49: South of Wolf Creek		D	27,852	F	28,300	F	23,300	F	31,490	F	Deficiency remains, however funding not identified and too costly to keep in program.
		SR-20/49: Bennett St to Idaho-Maryland Rd		D			54,400	C	39,500	D	46,840	D	Reviewed at NCTC's request. No deficiency found.
5	4	McKnight Way/Taylorville Rd	SSSC	D	13.3	B	14.5	B	12.1	B	13.6	B	Deficient in both previous and current nexus study. An in-depth Intersection Control Evaluation (ICE) was performed in 2018/19, which determined that the complex turning movements in these 4 closely-spaced intersections would always result in at least one intersection failing. The recommended solution was several roundabouts. The attribution to future development is based on the change in entering volumes.
		McKnight Way/SR 49 NB Ramps	Signal	D		F	14.8	B	16.8	B	21.1	C	
		McKnight Way/SR 49 SB Ramps	Signal	D		F	41.5	D	13.1	B	16.8	B	
		McKnight Way/S.Auburn St/La Barr Meadows Rd	SSSC	D	13.3	B	14.5	B	20.4	C	106.3	F	
6	5	McCourtney Rd/SR 20 EB Ramps	SSSC	D	155.8	F	155.4	F	43.5	E	127.3	F	Deficiency remains.
7	6	SR 20/49 NB Ramps/Idaho Maryland Rd	AWSC	D	20.6	C	50.8	F	22.1	C	62.9	F	Deficiency remains.
8		SR 20/49 NB Ramps/Ridge Rd/Gold Flat Rd	AWSC	D	19.3	C	21.5	C	17.6	C	19.9	C	Reviewed again. Not deficient under prior or revised assumptions.
		SR 20/49 SB Ramps/Ridge Rd/Gold Flat Rd	AWSC	D	39.7	E	55.2	F	26.6	D	31.7	D	Deficient in previous nexus study but not deficient under revised assumptions (lower counts and higher peak hour factor).
9	7	SR 20/SR 49/Uren St	SSSC	D	OVR	F	OVR	F	OVR	F	OVR	Deficiency remains.	
		Brunswick Rd/E Bennett St/Greenhorn Rd	AWSC	D	21.3	C	41.4	E	19.0	C	27.5	D	Deficient in previous nexus study but not deficient under revised assumptions; slightly lower forecasts. LOS D/E cusp.
	8	Brunswick Rd/SR 174/Colfax Highway	SSSC	D	17.1	C	20.4	C	33.3	D	59.5	F	Deficient in 2008 study but not in 2016 forecast. Revised base and forecast models shows deficiency in future.
		SR-49/Cement Hill Rd	SSSC	D	23.7	C	34.0	D	16.5	C	20.5	C	NCTC requested to review again. No deficiency.
11	9	SR-49/Coyote St	SSSC	D	66.5	F	116.9	F	44.3	E	54.3	F	Deficiency remains.
		State Highway Projects										Listed individually - REMOVED	
		Admin Costs and 5-year reviews										Computed as a percentage of total project costs.	

Notes:
 For signalized intersections average delay and LOS for all approaches are reported.
 "AWSC" means "all way stop-controlled." For AWSC intersections, average intersection delay and LOS are reported.
 "SSSC" means "side-street stop controlled." For SSSC intersections, delay and LOS for the worst performing approach are reported.
 "OVR" means >300 seconds of delay per vehicle.
 LOS results beyond the LOS standards are shown in gray cells with bold text.

3.3 Portion of Project Need Attributable to New Development

The procedure for determining the percentage of the need to improve a roadway facility that is attributable to new development is illustrated in Figure 3.2.

Figure 3.2 Percent Attributable Cases



The capacity is the maximum volume that can be accommodated at the adopted LOS. Figure 3.2 shows a hypothetical roadway with a capacity of 1,000 vehicles/hour. There are three possible cases, namely:

- In Case 1, the roadway facility is operating at below its capacity under existing conditions and is forecast to continue to do so under future (2040) conditions. In such cases there is no deficiency and so no impact fees can be collected for the project⁵.
- In Case 2 the facility operates below its maximum capacity under existing conditions, but the capacity is insufficient to accommodate the expected future growth in traffic. In such cases the need to provide additional capacity is entirely attributable to new development.
- In Case 3 the traffic using the facility already exceeds its rated capacity and the expected growth in traffic will exacerbate the situation. In such cases the percentage attributable to new development is the portion of the volume beyond the rated capacity that comes from new development (Y/X).

Table 3.2 shows how this methodology was applied to the projects identified in Table 3.1 as having existing and/or future deficiencies.

⁵ This is not to say that the project is not justified; only that the justification is unrelated to the need to provide additional capacity to accommodate future development. The seismic retrofit of a bridge would be an example of a project where the need is not based on insufficient capacity.

Table 3.2 Percent of Project Need Attributable to New Development (Project LOS)

Project ID (from Previous Study)	Project ID (New)	Facility	Location	LOS Standard	Existing				Future (2040) Without Improvements				% of Deficiency Attributable to New Development
					Peak-Hour Entering Volume or ADT	Capacity*	V/C Ratio	LOS	Peak-Hour Entering Volume or ADT	Capacity*	V/C Ratio	LOS	
					(A)	(B)	(C)=(A)/(B)	(D)	(E)	(F)	(G)=(E)/(F)	(H)	
1	1	Dorsey Drive Interchange		D						(keep for reimbursement)			33%
	2	E. Main St	@Bennett/Richardson	D						(keep for reimbursement)			100%
	3	SR-49	PM 13.1 to PM 11.0	D	27,500	16,650	1.65	F	37,440	16,650	2.25	F	48%
5,10	4	McKnight Way	@ S. Auburn St/La Barr Meadows Rd	D				C				F	100%
6	5	McCourtney Rd	@ SR 20 Eastbound Ramps	D	1,072	980	1.09	E	1,230	980	1.26	F	63%
7	6	SR 20/49 NB Ramps	@ Idaho-Maryland Road	D				C				F	100%
9	7	SR 20/49	@ Uren Street	D	1,492	1,190	1.25	F	1,685	1,190	1.42	F	39%
	8	Brunswick Road	@ SR 174/Colfax Highway	D				D				F	100%
11	9	SR 49	@ Coyote Street	D	1,132	960	1.18	E	1,260	960	1.31	F	43%

* For roadway segments, capacity is as defined in the General Plan. For intersections, capacity is defined as the maximum sum of the approach volumes that does not exceed the LOS standard

** Calculated using model runs that showed the percentage of future traffic was attributable to existing demand and how much was attributable to new demand

*** Not in previous nexus study

V/C Ratio = Volume to Capacity ratio

As can be seen from Table 3.2, of the 11 sites where deficiencies were identified, there were only 2 locations where the need for the project is wholly attributable to new development (i.e., Case 2 in Figure 3.2). In the 9 other locations a deficiency already exists to some degree and new development is responsible for only a portion of the need for improvement (i.e., Case 3 in Figure 3.2).

3.4 Determination of Amount Collectible through the RTMF

The amount potentially collectible through the RTMF program was calculated using the updated project costs, the percentage of project need attributable to new development shown in Table 3.2, and the funding available from other sources shown in Table 2.3. This calculation is shown in Table 3.3.

Column F in Table 3.3 shows funding available that is in excess of the funding needed to correct existing deficiencies (Column D). The funds shown in Column J show how future development in Nevada County has benefitted from state and federal grant funding, since if funds had not come from those other sources, then these amounts would have been collectible from new development through impact fees.

Additionally, a policy decision was made to remove several widening projects along SR 49 in this update. This is due to the high cost associated with those improvements (approximately >\$200M) and the fact that funds from other sources for the portion not funded through the fee program are not realistically attainable. However, NCTC will continue to pursue funding sources for the SR 49 widening improvements and these projects may return in the next update of the nexus study. Please note that SR 49 southbound from post mile 13.1 to 11.0 continues to be in the program because funding for that section has been identified.

Table 3.3 Amount Potentially Collectable Through RTMF between 2023 to 2040 (Project Costs)

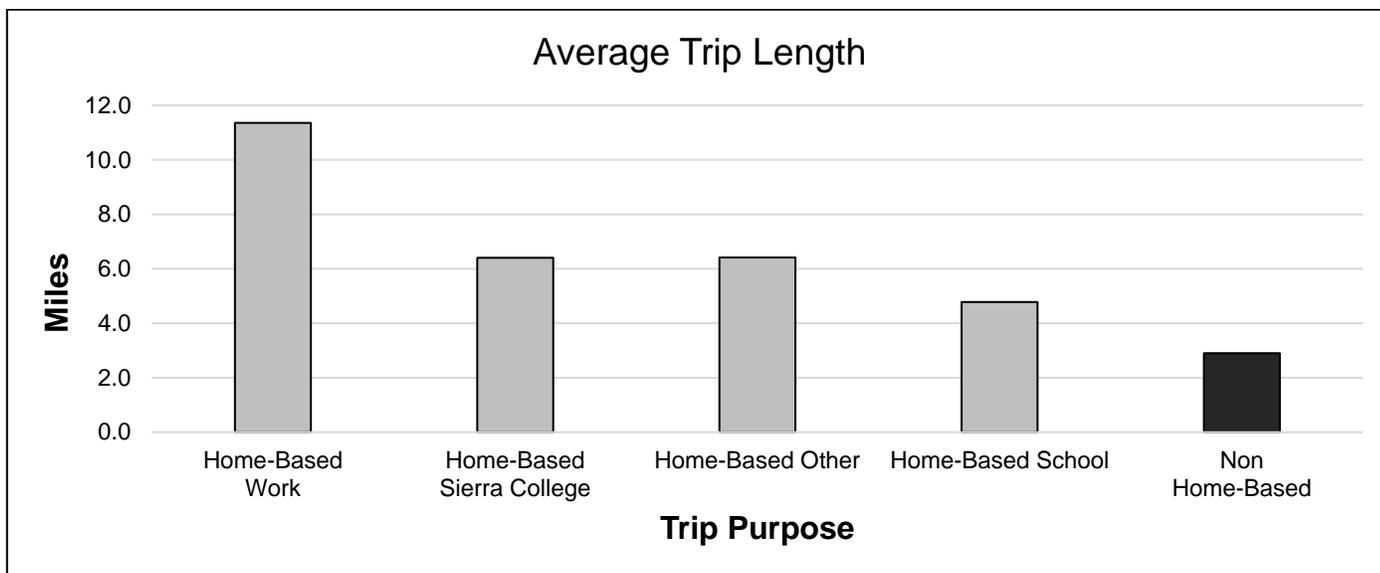
Project ID (New)	Facility	Location	Updated Cost Estimate	% of Need Attributable to New Development	Costs Attributable to New Development	Costs Attributable to Existing Deficiencies (not New Development)	Funding from Other Sources (STIP, SHOPP, etc.)	Funds from other sources beyond what is needed for existing deficiencies	Amount Potentially Collectable from Mitigation Fees	RTMF Funds Currently Available	RTMF Funds Collected in Prior Years	RTMF Funds Previously Collected	Amount Potentially Collectable from Mitigation Fees	Funds Needed from Other Sources
1	SR-49 Interchange	Dorsey Drive	\$24,000,000	33%	\$7,991,555	\$16,008,445	\$19,385,609	\$3,377,164	\$4,614,391	\$1,016,041	\$1,713,691	\$2,729,732	\$1,884,659	\$0
2	E.Main St	@ Bennett St/Richardson	\$1,500,000	100%	\$1,500,000	\$0	\$0	\$0	\$1,500,000	\$0	\$1,500,000	\$1,500,000	\$0	\$0
3	SR-49 SB	PM 13.1 to PM 11.0 (SB)	\$21,000,000	48%	\$10,040,404	\$10,959,596	\$18,400,000	\$7,440,404	\$2,600,000	\$0	\$0	\$0	\$2,600,000	\$0
4	McKnight Way Interchange	@ S. Auburn St/La Barr Meadows Rd	\$9,663,269	100%	\$9,663,269	\$0	\$2,000,000	\$2,000,000	\$7,663,269	\$0	\$0	\$0	\$7,663,269	\$0
5	McCourtney Rd	@ SR 20 EB Ramps	\$2,083,969	63%	\$1,317,068	\$766,901	\$0	\$0	\$1,317,068	\$0	\$0	\$0	\$1,317,068	\$766,901
6	SR 20/49 NB Ramps	@ Idaho Maryland Rd	\$1,847,696	100%	\$1,847,696	\$0	\$0	\$0	\$1,847,696	\$0	\$0	\$0	\$1,847,696	\$0
7	SR 20/SR 49	@ Uren St	\$1,457,566	39%	\$568,304	\$889,263	\$0	\$0	\$568,304	\$0	\$0	\$0	\$568,304	\$889,263
8	Brunswick Road	@ SR 174/Colfax	\$1,384,179	100%	\$1,384,179	\$0	\$0	\$0	\$1,384,179	\$0	\$0	\$0	\$1,384,179	\$0
9	SR-49	@ Coyote St	\$468,604	43%	\$199,938	\$268,666	\$0	\$0	\$199,938	\$0	\$0	\$0	\$199,938	\$268,666
10	program)			100%									\$349,302	
Total			\$63,405,283		\$34,512,413	\$28,892,870	\$39,785,609	\$12,817,568	\$21,694,845	\$1,016,041	\$3,213,691	\$4,229,732	\$17,814,415	\$1,924,829
As a percent of total costs for needed projects					54%	46%	63%	20%	34%	2%	5%	7%	28%	3%

3.5 Residential & Non-Residential Shares of Traffic Impacts

Vehicle-miles travelled (VMT) is the main indicator of traffic impacts. VMT takes into account the fact that traffic impacts are proportional both to the number of new trips associated with the development and the average length of those trips. Outputs from the NCTC Travel Demand Model were used to forecast the growth in VMT for the five different types of trips that are represented in the model. The growth in VMT from new development was attributed to residential and non-residential developments based on trip type. Standard practice for how to do this can be found in NCHRP Report 187⁶, a primary reference for travel estimation techniques used in travel demand modeling, which states that "HBW (Home Based Work) and HBNW (Home Based Non-Work) trips are generated at the households, whereas the NHB (Non-Home Based) trips are generated elsewhere." NCTC policy follows this practice by attributing all trips beginning or ending at the traveler's home (roughly 2/3rds of all trips) to the residential land use while all trips not involving a residential location (roughly 1/3rd of all trips) are attributed to non-residential land uses. The Non-Home-Based trips include things like trip chaining between locations other than the traveler's home.

Figure 3.3 shows the average trip length by trip purpose in the NCTC traffic model. The four home-based trip purposes, shown in grey, have longer average lengths than non-home-based trips. VMT-based fees tend to shift the incidence of the fees away from non-residential development and more towards residential development, compared to trip-based fees.

Figure 3.3 Average Trip Length by Trip Purpose



The forecast growth in VMT from residential and non-residential land uses is shown Table 3.4.

Table 3.4 Percentage of VMT Growth Attributable to Residential & Non-Residential Development

Trip Purpose	Growth in VMT	% of Total VMT Growth
Attributable to Residential Development		
Home-Base Other Trips	122,759	36%
Home-Base Work Trips	169,544	49%

⁶ Quick Response Urban Travel Estimation Techniques and Transferable Parameters User's Guide, Transportation Research Board, 1978

Trip Purpose	Growth in VMT	% of Total VMT Growth
Home-Based School Trips	2,068	1%
Home-Based Sierra College Trips	1,427	0%
Attributable to Non-Residential Development		
Non-Home-Based Trips	47,670	14%
Total	343,467	100%

Based on this calculation, 86% of VMT growth was attributed to residential development and 14% was attributed to non-residential development.

3.6 Consideration of Residential Floor Area

Since the 2016 nexus study, the State of California has instituted a new policy⁷ pertaining to fees on residential developments. California Government Code (CGC) Section 66016.5(a)(5), which is new with the enactment of AB-602, states that,

“(A) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.

(B) A nexus study is not required to comply with subparagraph (A) if the local agency makes a finding that includes all of the following:

- (i) An explanation as to why square footage is not appropriate metric to calculate fees imposed on housing development project.*
- (ii) An explanation that an alternative basis of calculating the fee bears a reasonable relationship between the fee charged and the burden posed by the development.*
- (iii) That other policies in the fee structure support smaller developments, or otherwise ensure that smaller developments are not charged disproportionate fees.*

(C) This paragraph does not prohibit an agency from establishing different fees for different types of developments.”

AB 602 applies to impact fee programs generally and was not specifically designed to suit transportation impact fees regarding trip generation and unit size. Web research revealed that there are currently no well-established sources for trip generation rates based on residential unit size. However, data on the number of persons per household can be obtained from the U.S. Census Bureau’s American Housing Survey, and data on the number of trips by household size is available from the National Cooperative Highway Research Program (NCHRP) Report 716, *Travel Demand Forecast: Parameters and Techniques*. This data was combined as shown in Table 3.5.

⁷ Assembly Bill 602, signed into law in September 2021.

Table 3.5 Computation of Average Trip Generation by Dwelling Size Category

Persons per Household	Trips per Household	Less than 1,500 sq.ft			1,500 to 2,500 sq.ft			Greater than 2,500 sq.ft		
		Number of Units	Percent of Units	Trips	Number of Units	Percent of Units	Trips	Number of Units	Percent of Units	Trips
	(A)	(B)	(C)=(B)*Σ(B)	(D)=(A) *(C)	(E)	(F)=(E)* Σ(E)	(G)=(A)*(F)	(H)	(I)=(H)* Σ(H)	(J)=(A)*(I)
1	4.1	21,895	39%	1.58	7,828	20%	0.81	2,387	12%	0.48
2	8.2	18,076	32%	2.61	14,701	37%	3.04	7,754	38%	3.11
3	11.2	7,592	13%	1.50	6,928	17%	1.96	3,098	15%	1.70
4	16.1	5,355	9%	1.52	5,928	15%	2.41	4,106	20%	3.24
5	18.6	2,368	4%	0.78	2,754	7%	1.29	1,924	9%	1.75
6	18.6	907	2%	0.30	989	2%	0.46	755	4%	0.69
7+	18.6	525	1%	0.17	553	1%	0.26	398	2%	0.36
Total		56,718	100%	8.46	39,681	100%	10.22	20,422	100%	11.33
Average Persons Per Household		2.17			2.66			2.97		
Trip-Gen Rate as a % of SFD Average		83%			100%			111%		
Sources:		Columns (A),(C) - NCHRP Report 716, Columns (B), (E), and (H) - American Housing Survey								

As can be seen in Table 3.5, although the trip generation rate is somewhat related to the size of the residence, it is not directly proportional to the floor area, as is assumed in Section 66016.5(a)(5)(A). We therefore find, pursuant to Section 66016.5(a)(5)(B)(i), that it would not be appropriate to use square footage directly as the metric of traffic impacts for the purposes of this fee program. We instead find, pursuant to Section 66016.5(a)(5)(B)(ii), that the data supports basing the fees on new small, medium, and large-sized homes on the relationships shown in the bottom row of Table 3.5. We further find, pursuant to Section 66016.5(a)(5)(B)(iii), that these relationships would ensure that smaller units would not be charged disproportionate fees compared to larger units.

CGC Section 66016.5(a)(5)(C) allows agencies to establish different fees for different types of developments. In alignment with AB 602, NCTC believes that fees on multi-family and senior housing should be set lower than those of single-family dwellings, in recognition of their lower trip generation rates. Unfortunately, a calculation like that shown in Table 3.5 could not be done for these other classes of residential development because the American Housing Survey only has data on the number of persons per household for single-family dwellings (Table 3.5 uses SFD data). DUEs for multi-family, mobile homes, and senior age-restricted housing were therefore calculated based on their respective PM peak-hour trip-generation rates found in ITE's *Trip Generation Manual*. The average size for these housing types in the RTMF fee area falls within the "Small" category, so the ITE average rate for them was used to compute the "Small" value. The ratio of the values shown in the bottom row of Table 3.5 were then used to compute the DUEs for "Medium" and "Large" multi-family, mobile homes, and senior age-restricted housing. The results as shown in Table 3.6.

Table 3.6 Computation of Dwelling DUEs by Size and Dwelling Type

Dwelling Type	ITE 11th Edition Trip-Gen Rate (Daily)	Average Unit as % of Average SFD Trip-Gen Rate	Dwelling Unit Equivalents (DUE)		
			Small (< 1,500 sq.ft)	Medium (1,500 to 2,500 sq.ft)	Large (> 2,500 sq.ft)
Single-Family Dwelling	9.43	100%	0.83	1.00	1.11
Multi-Family Dwelling	4.54	48%	0.48	0.58	0.64
Senior Age-Restricted	3.78	40%	0.40	0.48	0.54
Mobile Home	7.12	76%	0.76	0.91	1.01

Since fees are based on DUEs, as can be seen in Table 3.6, the highest fees would be paid by large single-family dwellings, which would pay 111% of the base rate for SFD. The lowest fees would be paid by small senior dwellings, which would pay 40% of the base rate.

3.6.1 Accessory Dwelling Units (ADUs)

In addition to the considerations discussed above pursuant to AB-602, a separate piece of legislation, SB-13, passed in 2019, establishes a new system for assessing fees on accessory dwelling units (ADUs). It amended CGC Section 65852.2(3)(A)(f)(3) to read,

“A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.”

Based on this sub-section, if an ADU is smaller than 750 square feet then it is exempt from RTMF fees. Fees on ADU's larger than 750 square feet require a two-part calculation. First the RTMF fee that would be charged to the primary unit (if it were new) is calculated, then the fee on the ADU is computed based on the ratio of its floor area in relation to the primary unit. For example, if the primary dwelling was 2,000 sq.ft. and would be charged a fee of \$800, then an ADU 1,000 sq.ft. in size on that property would be charged a fee of \$400.

3.7 Determination of Total Trips and Fee per Trip

As described earlier, the next step in the process is to determine the total number of trips for residential and non-residential development. For residential units, the total number of new dwelling units from Table 2.2 is split amongst small, medium, and large unit sizes, and then multiplied by the trip generation rate for each category (see Table 2.1) and also by the DUE for each dwelling size from Table 3.6. For non-residential units, the total trips were calculated by multiplying the trip generation rate for each land use category (see Table 2.1) by number of new units of each land use type (Table 2.2). The results are shown in Table 3.7.

Table 3.7 Total Trips by Land Use - Residential and Non-Residential Trips

Land Use	Unit	Trip-Gen Rate per DUE	Estimated Split of Residential Units by Dwelling Type	# of New Units	Dwelling Unit Equivalent (DUE)	Daily Trips
		(A)	(B)	(C)=(C _{Total})*(B)	(D)	(E)=(A)*(C)*(D)
Residential						
Single-Family Dwelling Totals	DU			2,585		23,844
Small (<1,500 sq.ft.)	DU	9.43	29%	750	83%	5,870
Medium (1,500-2,500 sq.ft.)	DU	9.43	46%	1,189	100%	11,212
Large (>2,500 sq.ft.)	DU	9.43	25%	646	111%	6,762
Multi-Family Dwelling Totals	DU			1,581		7,156
Small (<1,500 sq.ft.)	DU	9.43	100%	1,581	48%	7,156
Medium (1,500-2,500 sq.ft.)	DU	9.43	0%	0	58%	0
Large (>2,500 sq.ft.)	DU	9.43	0%	0	64%	0
Mobile Home in Park	DU			251		1,933
Small (<1,500 sq.ft.)	DU	9.43	63%	158	76%	1,132
Medium (1,500-2,500 sq.ft.)	DU	9.43	36%	90	91%	772
Large (>2,500 sq.ft.)	DU	9.43	1%	3	101%	29
Senior Housing	DU			460		2,048
Small (<1,500 sq.ft.)	DU	9.43	29%	133	40%	502
Medium (1,500-2,500 sq.ft.)	DU	9.43	46%	212	48%	960
Large (>2,500 sq.ft.)	DU	9.43	25%	115	54%	586
Total Residential						34,981
Non-Residential						
Retail - Low	KSF	24.74		255		5,514
Retail - Medium	KSF	47.62		204		10,306
Retail - High	KSF	91.96		51		4,690
Office	KSF	12.76		569		7,258
Light Industry	KSF	4.75		2,162		10,270
Warehouse	KSF	3.56		73		260
Lodging	Rooms	4.21		97		408
Public & Quasi-Public*	KSF	22.59		28		633
School K-8th Grade*	Students	2.25		499		1,122
School 9-12th Grade*	Students	1.98		298		590
Community College*	Students	1.15		439		505
Total Non-Residential						41,555
* Public Sector						
Note: Column (B), Estimated Split of Residential Units by Dwelling Type, is based on last 5 years of housing permits from Nevada County and Grass Valley.						

The portion of project costs attributable to new development (see Table 3.3) was multiplied by the percent attributable to residential and non-residential development (see Table 3.4) to find the fee-eligible costs for residential and non-residential development. This was then divided by the number of total trips shown in Table 3.7 to determine the fee per trip for residential and non-residential developments (see Table 3.8). Lastly, the fee per trip end for residential units was multiplied by the daily trip generation rate of 9.43 to determine the fee per DUE (dwelling unit equivalent) for residential uses.

Table 3.8 Fee per Trip and DUE

Item	Formula	Total RTMF-Eligible Project Costs	Attributable to Residential Development	Attributable to Non-Residential Development
Total Project Costs	(A)	\$17,814,415		
RTMF Fund Balance (Amount Collected)*	(B)	\$91,702		
Remaining Cost for Fee Collection	(C)	\$17,722,712		
% Attributable by Category	(D)		86%	14%
Amount Attributable by Category	(E)=(C)*(D)		\$15,262,990	\$2,459,722
Trip Ends	(F)		34,981	41,555
RTMF per Trip End	(G)=(E)/(F)		\$436.32	\$59.19
Fee per DUE	(H)=(G)_{RES}*9.43		\$4,114.52	

* RTMF Fund Balance excludes balance set aside for Dorsey Drive
Note: 9.43 is the trip rate equivalent to a single family detached housing unit

3.8 Recommended Fee by Land Use Category

The final step is to compute the fee to be charged for each unit of new development. For residential uses, this is done by multiplying the DUE rates for each dwelling size shown in Table 3.6 by the fee per DUE shown in Table 3.8. For non-residential uses, the fee for each unit type is calculated by multiplying the trip generation rates from Table 2.1 by the fee per trip from Table 3.8. The residential fee results are shown in Table 3.9, and the non-residential fee results are shown in Table 3.10. These tables also compare the new fees with the current fees. The key points from this comparison are:

- Due to the change in the fee calculation methodology to consider unit size by types for residential uses, the resulting fee is reduced for all single-family units, for all multi-family units, and for small sized senior housing. The fee is increased for mobile homes, and medium and large sized senior housing unit types.
- A larger reduction in fees is recommended for every category of non-residential land use. The decrease is primarily a function of the change in traffic growth of non-residential uses, with less non-residential development expected, and more trips attributable to residential uses.

Policymakers are sometimes concerned about the effects that a fee program might have in terms of making their county less competitive than peer counties in attracting development. There are two aspects to this, namely:

- People and businesses moving to foothills counties expect to find little or no traffic congestion. To the extent that the RTMF provides funding for needed capacity improvements it improves the competitiveness of Nevada County.

Impact fees, like any other cost, inhibit development to some extent. However, this does not mean that they necessarily reduce competitiveness. As can be seen in Figure 3.4, the recommended RTMF fees would be in the low end among peer counties and so are unlikely to deter development. The recommended RTMF fees for non-residential development would be quite low compared to peer counties (see Figure 3.5).

Table 3.9 Revised Fee Levels – Residential Uses

Typical Use	ITE Code & Unit	Current Fee per Trip	Current Trip-Gen Rate	Current Fee per Unit	Dwelling Unit Equivalents (DUE)	Proposed Cost per DUE	Proposed Fee per Unit	% Change in Fee
		(A)	(B)	(C)=(A)*(B)	(D)	(E)	(F)=(D)*(E)	(G)=(F)/(C)-1
Residential (Dwelling Unit)								
Single Family								
	210							
Small (<1,500 sq.ft.)	Dwelling Unit	\$485	9.52	\$4,621	0.83	\$4,115	\$3,406	-26%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$485	9.52	\$4,621	1.00	\$4,115	\$4,115	-11%
Large (>2,500 sq.ft.)	Dwelling Unit	\$485	9.52	\$4,621	1.11	\$4,115	\$4,561	-1%
Multi-Family								
	251							
Small (<1,500 sq.ft.)	Dwelling Unit	\$485	6.59	\$3,199	0.48	\$4,115	\$1,981	-38%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$485	6.59	\$3,199	0.58	\$4,115	\$2,393	-25%
Large (>2,500 sq.ft.)	Dwelling Unit	\$485	6.59	\$3,199	0.64	\$4,115	\$2,653	-17%
Mobile Home								
	220							
Small (<1,500 sq.ft.)	Dwelling Unit	\$485	4.99	\$2,422	0.76	\$4,115	\$3,107	28%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$485	4.99	\$2,422	0.91	\$4,115	\$3,753	55%
Large (>2,500 sq.ft.)	Dwelling Unit	\$485	4.99	\$2,422	1.01	\$4,115	\$4,160	72%
Senior Housing								
	252							
Small (<1,500 sq.ft.)	Dwelling Unit	\$485	3.56	\$1,728	0.40	\$4,115	\$1,647	-5%
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$485	3.56	\$1,728	0.48	\$4,115	\$1,990	15%
Large (>2,500 sq.ft.)	Dwelling Unit	\$485	3.56	\$1,728	0.54	\$4,115	\$2,206	28%
Accessory Dwelling Unit (ADU)								
< 750 sq.ft.		Exempt						
> 750 sq.ft.		Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF (F) for primary unit) x (ADU sq.ft. divided by primary unit sq.ft.)						

Table 3.10 Revised Fee Levels – Non-Residential Uses

Typical Use	Unit	Current Fee per Trip	Current Trip-Gen Rate	Current Fee	Proposed Fee per Trip	Updated Trip-Gen Rate	Proposed Fee	% Change
		(A)	(B)	(C)=(A)*(B)	(D)	(E)	(F)=(D)*(E)	(G)=(F)/(C)-1
Non-Residential								
Office	KSF	\$86	12.05	\$1,033	\$59	12.76	\$755	-27%
Industrial	KSF	\$86	5.33	\$457	\$59	4.75	\$281	-38%
Warehouse	KSF	\$86	3.56	\$305	\$59	3.56	\$211	-31%
Retail/Service - Low	KSF	\$86	23.88	\$2,047	\$59	21.63	\$1,280	-37%
Retail/Service - Medium	KSF	\$86	51.02	\$4,373	\$59	50.52	\$2,990	-32%
Retail/Service - High	KSF	\$86	90.46	\$7,754	\$59	91.96	\$5,443	-30%
* Lodging	Room	\$86	6.45	\$553	\$59	4.21	\$249	-55%
** Public & Quasi-Public	KSF			Exempt			Exempt	N/A
** School K-8th Grade	Student			Exempt			Exempt	N/A
** School 9-12th Grade	Student			Exempt			Exempt	N/A
** Public College	Student			Exempt			Exempt	N/A

* The unit of analysis for this category is "rooms". Trip-gen rate shown is the average for the hotel and motel categories

** Public-sector land uses are generally exempt from local fees

Figure 3.4 Residential Impact Fee Comparison - Foothills Counties

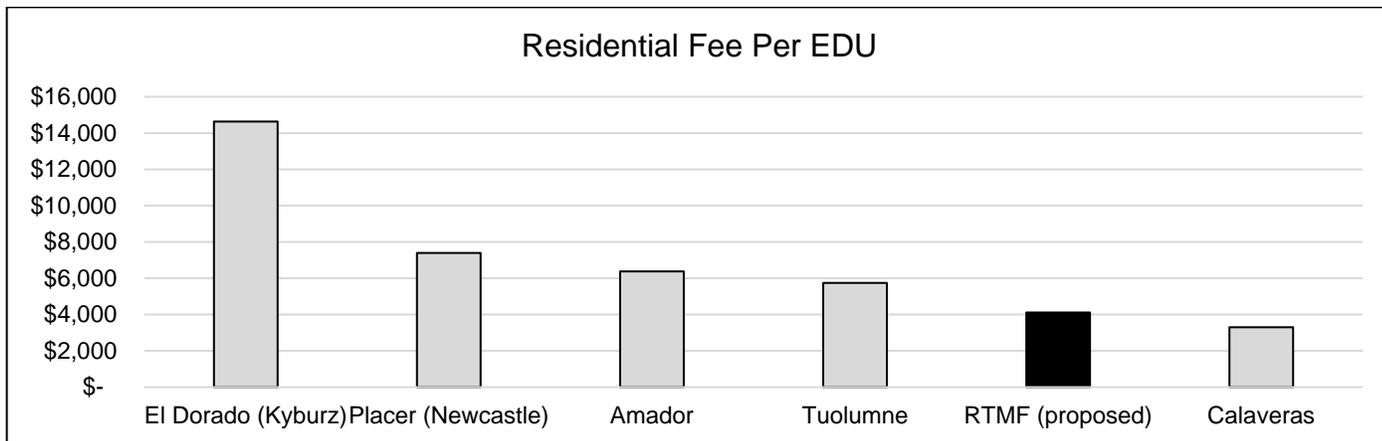
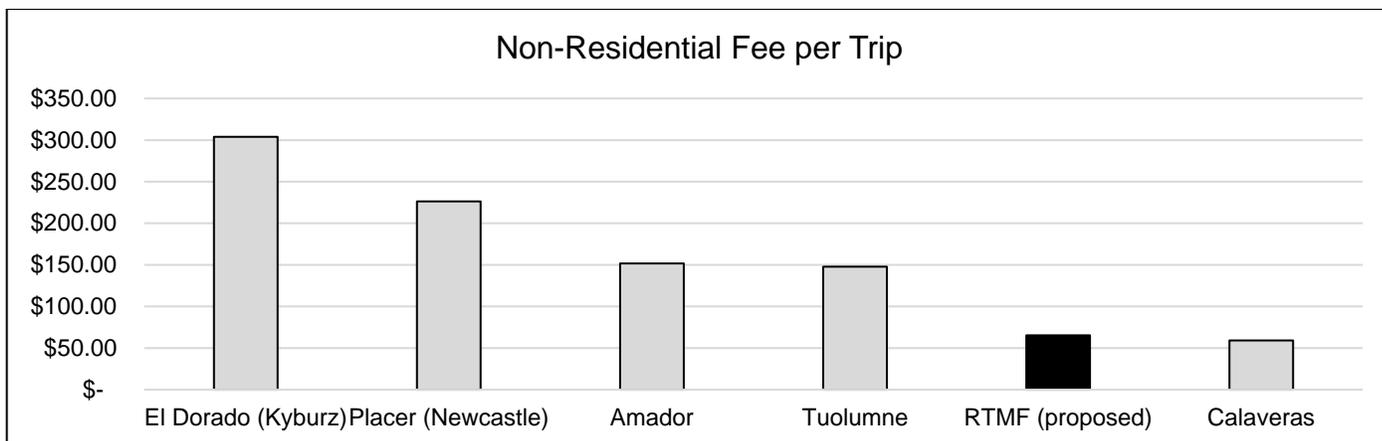


Figure 3.5 Non-Residential Impact Fee Comparison - Foothills Counties



3.9 Revenues Raised by the RTMF Program

Based on the number of new units of development shown in Table 2.2 and the recommended fee schedule shown in Table 3.9 and Table 3.10, the total fee revenue expected to be generated by the RTMF in the next 20 years is \$17.6 million, as shown in Table 3.11. Note that this is slightly (1%) less than the \$17.7 million in project costs attributable to new development shown in Row C of Table 3.8. This is because public-sector developments are exempt from the RTMF, and their share of the costs cannot legally be transferred to other development since the latter are responsible only for mitigating their own impacts.

Table 3.11 Forecast of RTMF Revenues

Land Use Category	Unit	Proposed RTMF/ Trip End	Trip-Gen Rate per DUE	RTMF/ Unit	Expected # of New Units	Expected Revenues	Percent of Revenues
Residential							
Single Family	DU	\$436.32	9.43	\$4,115	2,585		
Small (<1,500 sq.ft.)	DU		83%	\$3,406	29%	\$2,553,449	14.5%
Medium (1,500-2,500 sq.ft.)	DU		100%	\$4,115	46%	\$4,892,575	27.9%
Large (>2,500 sq.ft.)	DU		111%	\$4,561	25%	\$2,947,804	16.8%
Multi-Family	DU	\$436.32	9.43	\$4,115	1,581		
Small (<1,500 sq.ft.)	DU		48%	\$1,981	100%	\$3,131,808	17.8%
Medium (1,500-2,500 sq.ft.)	DU		58%	\$2,393	0%	\$0	0.0%
Large (>2,500 sq.ft.)	DU		64%	\$2,653	0%	\$0	0.0%
Mobile Home	DU	\$436.32	9.43	\$4,115	251		
Small (<1,500 sq.ft.)	DU		76%	\$3,107	63%	\$491,249	2.8%
Medium (1,500-2,500 sq.ft.)	DU		91%	\$3,753	36%	\$339,089	1.9%
Large (>2,500 sq.ft.)	DU		101%	\$4,160	1%	\$10,442	0.1%
Senior Housing	DU	\$436.32	9.43	\$4,115	460		
Small (<1,500 sq.ft.)	DU		40%	\$1,647	29%	\$219,725	1.3%
Medium (1,500-2,500 sq.ft.)	DU		48%	\$1,990	46%	\$421,008	2.4%
Large (>2,500 sq.ft.)	DU		54%	\$2,206	25%	\$253,660	1.4%
Residential Total >						\$15,260,810	86.9%
Non-Residential							
Office	KSF	\$59.19	12.76	\$755	569	\$429,588	2.4%
Light Industry	KSF	\$59.19	4.75	\$281	2,162	\$607,868	3.5%
Warehouse	KSF	\$59.19	3.56	\$211	73	\$15,383	0.1%
Retail/Service - Low	KSF	\$59.19	21.63	\$1,280	255	\$326,404	1.9%
Retail/Service - Medium	KSF	\$59.19	50.52	\$2,990	204	\$610,033	3.5%
Retail/Service - High	KSF	\$59.19	91.96	\$5,443	51	\$277,606	1.6%
Lodging	Rooms	\$59.19	4.21	\$249	97	\$24,172	0.1%
Public & Quasi-Public	KSF	Exempt	22.59	\$0	28	\$0	0.0%
School K-8th Grade	Students	Exempt	2.25	\$0	499	\$0	0.0%
School 9-12th Grade	Students	Exempt	1.98	\$0	298	\$0	0.0%
Public College	Students	Exempt	1.15	\$0	439	\$0	0.0%
Non-Residential Total >						\$2,291,054	13.1%
Combined Total >						\$17,551,864	
As a Percentage of Project Costs Attributable to New Development >							99%

Approximately 77% of the forecast revenue will come from single and multi-family housing. It is therefore crucial to the viability of the program that fees on those two categories of development is not further reduced.

3.10 Results in Terms of Project Funding

The revenue forecast computed in the previous section can be compared to the project costs shown in Table 3.3. Prorating the \$17.6M in RTMF revenue over the \$17.8M in eligible project costs results in the allocations by project shown in Table 3.12.

Table 3.12 shows that \$23M in additional funding will be needed over the course of the next 20 years to fully fund the project list. Section 2.4 of this report showed that if future state funding is similar to previous funding, then approximately \$158M will become available over the 20-year period (see Table 2.3). We therefore believe that there is a reasonable expectation that the projects identified for RTMF funding can be fully funded within the planning time horizon.

Table 3.12 Proposed Allocation of RTMF Revenues to Projects

Project ID (from Previous Study)	Project ID (New)	Facility	Segment	Updated Cost Estimate	RTMF Funds		Funds from Other Sources	
					Already Collected	Fees on Future Development	Already Secured	Future Funding
1	1	SR-49 Interchange	Dorsey Drive	\$24,000,000	\$2,729,732	\$1,884,659	\$19,385,609	\$0
9	2	E.Main St	@ Bennett St/Richardson St	\$1,500,000	\$1,500,000	\$0	\$0	\$0
*	3	SR-49 SB	PM 13.1 to PM 11.0 (SB)	\$21,000,000	\$0	\$2,574,936	\$0	\$18,425,064
4	4	SR-49 NB & SB Ramps	@ McKnight Way	\$9,663,269	\$0	\$7,589,394	\$0	\$2,073,875
5	5	SR 20 EB Ramps	@ McCourtney Rd	\$2,083,969	\$0	\$1,304,372	\$0	\$779,597
6	6	SR 20/49 NB Ramps	@ Idaho Maryland Rd	\$1,847,696	\$0	\$1,829,884	\$0	\$17,812
8	7	SR 20/SR 49	@ Uren St	\$1,457,566	\$0	\$0	\$0	\$1,457,566
*	8	Brunswick Road	@ SR 174/Colfax Highway	\$1,384,179	\$0	\$1,370,835	\$0	\$13,344
11	9	SR-49	@ Coyote St	\$468,604	\$0	\$198,010	\$0	\$270,594
	10	Admin Costs and 5-year reviews		\$349,302	\$0	\$345,935	\$0	\$3,367
Total				\$63,754,585	\$4,229,732	\$17,098,025	\$19,385,609	\$23,041,219
As a percent of total costs for needed projects					6.6%	26.8%	30.4%	36.1%

* indicates a new project not in the previous project list but identified in the current study as a deficiency that is at least partially attributable to new development

4. Mitigation Fee Act Findings

The Mitigation Fee Act, as set forth in the California Government Code Sections 66000 through 66008, establishes the framework for mitigation fees in the State of California. The Act requires agencies to make certain findings with respect to a proposed fee. These are described in the sections below.

4.1 Purpose of the Fee

Identify the purpose of the fee

The purpose of the RTMF is to establish a uniform, cooperative program to mitigate the cumulative indirect regional impacts of future developments on traffic conditions on regional roadways in Nevada County. The fees will help fund improvements needed to maintain the target level of service in the face of the higher traffic volumes brought on by new developments.

4.2 Use of Fee Revenues

Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified

The list of projects to receive RTMF funding is shown in Table 3.12. Based on input from the member agencies and the public, we recommend that the regional fee should be used only for roads of regional significance. This is consistent with the fact that cumulative indirect impacts tend to be on regional facilities and so should be addressed with a regional fee program; Grass Valley and the County have complementary programs to mitigate more local impacts, and direct impacts are covered through exactions. Only projects involving state facilities were considered “regional” under this policy and can receive RTMF funding.

4.3 Use/Type of Development Relationship

Determine the reasonable relationship between the fees’ use and the type of development project on which the fees are imposed

To determine the “use” relationship, the development being assessed an impact fee must be reasonably shown to derive some use or benefit from the facility being built using the fee. In the case of the RTMF the projects to be funded were selected based on the fact that they performed a regional (as opposed to local) function and that the need for the project was at least partially attributable to new development. The growth in regional VMT and the increases in congestion at project sites (see Table 3.2) are evidence that new developments contribute towards the need for roadway improvements.

The fact that the projects that will be funded by the RTMF are high-priority regional roads means that all of the county’s new residents and businesses will benefit in important ways from the maintenance of a reasonable level of service. Most drivers in the new developments can be expected to use these roads regularly, and those that do not will nevertheless benefit because good traffic conditions on the RTMF-funded roads will keep drivers from diverting to other roads and causing congestion in other parts of the county. Even residents or workers in the new developments who do not drive at all will benefit from access to goods and services made possible in part by the serviceability of the regional road network.

4.4 Need/Type of Development Relationship

Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed

To determine the “need” relationship the facilities to be financed must be shown to be needed at least in part because of the new development. This was determined by analyzing the forecast traffic demand with the expected degree of new development and comparing that with the demand without new development. Projects were analyzed individually and the degree to which the need for the project was attributable to new development varied from project to project. This analysis is described in an earlier chapter of this report.

4.5 Proportionality Relationship

Determine how there is a reasonable relationship between the fee amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed

The “proportionality” relationship requires that there be rough proportionality between the fee charged to each type of development and the cost of the facility being financed. In the case of the RTMF the differences in the traffic generated by different types of development were factored into the fee to be charged for each type, as is described earlier in this report. Within each land use category, the size of the project, i.e., the number of dwelling units constructed or size of the building, is accounted for in assessing the fee. This ensures that projects that generate a lot of traffic and therefore have a greater traffic impact will pay more than other projects that have less impacts.

5. Annual Inflation Adjustment

In addition to the revisions to the 2023 Nexus Study, this revision includes an annual inflation adjustment to the fees.

According to the RTMF Program Administrative Plan, the RTMF may, at NCTC's discretion, be adjusted to account for the inflation of construction, right-of-way acquisition, and design costs each year. In February or March of each calendar year, the RTMF should be reviewed, and fee adjustments should be recommended by the TAC based on the percentage change in the San Francisco Construction Cost Index (CCI) as reported in the Engineering News Record (ENR) for the 12-month period ending in December of the prior year. The CCI information and associated percentage change is shown below in Table 5.1.

Table 5.1 Annual Inflation Adjustment Calculation

ENR San Francisco Construction Cost Index	
December 2022	14,977.94
December 2023	15,515.00
Percentage Change	3.59%

The percentage change from the CCI indices is then applied to the proposed fees from Table 3.9 and 3.10 to obtain the final proposed fees for agency recommendation. The calculation of the annual inflation adjustment of the fees on residential units and non-residential units is shown in Tables 5.2 and 5.3, respectively.

Table 5.2 Recommended Residential Fees with Annual Inflation Adjustment

Typical Use	ITE Code & Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Single Family	210			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,406	1.0359	\$3,528
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$4,115	1.0359	\$4,263
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,561	1.0359	\$4,725
Multi-Family	251			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,981	1.0359	\$2,052
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$2,393	1.0359	\$2,479
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,653	1.0359	\$2,748
Mobile Home	220			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,107	1.0359	\$3,219
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,753	1.0359	\$3,888
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,160	1.0359	\$4,309
Senior Housing	252			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,647	1.0359	\$1,706
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$1,990	1.0359	\$2,061
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,206	1.0359	\$2,285
Accessory Dwelling Unit (ADU)				
< 750 sq.ft.	Exempt			

> 750 sq.ft.	Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF (F) for primary unit) x (ADU sq.ft. divided by primary unit sq.ft.)
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Table 5.3 Recommended Non-Residential Fees with Annual Inflation Adjustment

Typical Use		Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
			(A)	(B)	(C)=(A)*(B)
	Office	KSF	\$755	1.0359	\$782
	Industrial	KSF	\$281	1.0359	\$291
	Warehouse	KSF	\$211	1.0359	\$219
	Retail/Service - Low	KSF	\$1,280	1.0359	\$1,326
	Retail/Service - Medium	KSF	\$2,990	1.0359	\$3,097
	Retail/Service - High	KSF	\$5,443	1.0359	\$5,638
*	Lodging	Room	\$249	1.0359	\$258
**	Public & Quasi-Public	KSF			Exempt
**	School K-8th Grade	Student			Exempt
**	School 9-12th Grade	Student			Exempt
**	Public College	Student			Exempt
* The unit of analysis for this category is "rooms". Trip-gen rate shown is the average for the hotel and motel categories					
* * Public-sector land uses are generally exempt from local fees					





Grass Valley Transportation Impact Fee 2023 Nexus Study Update

Final Report – 2024 Revision

City of Grass Valley

11 March 2024

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Executive summary

The Mitigation Fee Act requires that mitigation fees be periodically updated. This is to ensure that the assumptions regarding future growth, the need for projects, their costs, etc. continue to provide a reasonable nexus between the impacts of new development and the fees charged. This report describes the methodology used in updating the nexus, the resulting recommended fee structure, and the revised forecast for Grass Valley Transportation Impact Fee (GVTIF) program revenues based on the new growth assumptions and recommended fees.

Since the previous GVTIF nexus study was prepared in 2016, the effects of the global COVID-19 pandemic caused an economic slump which not only effected most industries but also affected travel patterns nationwide due to stay-at-home orders, school closures, and a prolonged increase in employees being able to work from home. New forecasts for future development incorporate a slight increase in the existing base of households and employment, and a change in anticipated growth allocation, with lower future growth rates. These factors have resulted in lower reduced forecasts for future traffic congestion and a reduced need for roadway operational improvements. However, it also means that the cost of projects will be spread over fewer new units. Additionally, trip generation rates have been updated to reflect the most recent data presented in the Institute of Transportation Engineer's Trip Generation Manual, which results in some differences in the percentage change in the proposed fees.

Assembly Bill (AB) 602, signed into law January 1, 2022, imposed new requirements for fees on residential development (effective July 1, 2022). The law requires that the fee reflect a reasonable relationship to the size of the dwelling unit. This is explained further in Section 3.6. This 2024 Revision to the 2023 Nexus Study is intended to provide an update to the GVTIF calculation, to adjust the residential trip generation and Dwelling Unit Equivalent (DUE) factor in the fee per unit calculation, where the trip generation adjustments for floor area for multi-family, mobile homes, and senior housing were being applied twice (both in Table 3.8 and 3.11), resulting in a lower fee for these units and a higher fee on single-family units than intended. The proposed fees in the 2023 GVTIF Nexus Study Update were adopted by Grass Valley on August 22, 2023. This 2024 Revision also includes an annual inflation adjustment.

Table ES.1.1 and Table ES.1.2 presents the recommended revised fee structure for residential and non-residential developments, respectively, which take into account the factors described above.

Table ES.1.1 Current and Recommended GVTIF Fees – Residential Land Uses

Land Use Category	2022 GVTIF Rate	Proposed GVTIF Rate ¹	% Change in GVTIF Rate
	(A)	(B)	(C)=(B)/(A)-1
Single Family House			
Small (<1,500 sq.ft.)	\$3,850	\$3,201	-17%
Medium (1,500-2,500 sq.ft.)	\$3,850	\$3,866	0%
Large (>2,500 sq.ft.)	\$3,850	\$4,287	11%
Multi-Family			
Small (<1,500 sq.ft.)	\$2,664	\$1,862	-30%
Medium (1,500-2,500 sq.ft.)	\$2,664	\$2,249	-16%
Large (>2,500 sq.ft.)	\$2,664	\$2,492	-6%
Mobile Home in Park			
Small (<1,500 sq.ft.)	\$2,018	\$2,919	45%
Medium (1,500-2,500 sq.ft.)	\$2,018	\$3,526	75%

Large (>2,500 sq.ft.)	\$2,018	\$3,909	94%
Senior Housing			
Small (<1,500 sq.ft.)	\$1,440	\$1,548	8%
Medium (1,500-2,500 sq.ft.)	\$1,440	\$1,870	30%
Large (>2,500 sq.ft.)	\$1,440	\$2,073	44%
Accessory Dwelling Unit (ADU) – Calculated based on ratio of size to primary unit. See below for more information.			
1. Proposed GVTIF Rate includes the Annual Inflation Adjustment			

Table ES.1.2 Current and Recommended GVTIF Fees – Non-Residential Land Uses

Land Use Category		2022 GVTIF Rate	Proposed GVTIF Rate ¹	% Change in GVTIF Rate
		(A)	(B)	(C)=(B)/(A)-1
	Office	\$1,571	\$1,576	0%
	Industry	\$695	\$587	-16%
	Warehouse	\$464	\$440	-5%
	Retail - Low	\$3,114	\$2,671	-14%
	Retail - Medium	\$6,654	\$6,241	-6%
	Retail - High	\$11,799	\$11,360	-4%
	Lodging	\$833	\$520	-38%
	Public & Quasi-Public	Exempt	Exempt	
	School K-8th Grade	Exempt	Exempt	
	School 9-12th Grade	Exempt	Exempt	
	Public College	Exempt	Exempt	
1. Proposed GVTIF Rate includes the Annual Inflation Adjustment				

Senate Bill (SB) 13, passed in 2019, establishes a new system for assessing fees on accessory dwelling units (ADUs). The law states that ADUs less than 750 square feet are exempt from impact fees, and that ADUs larger than 750 square feet are charged the impact fee based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today (i.e., ADU sq.ft. / primary unit sq.ft. x GVTIF for primary unit). This is explained further in Section 3.6.1.

The recommendation includes a small increase to current fees for medium-sized residential units, a 17% decrease in small-sized single family units, and an 11% increase in the fees for large-sized single family units. The fees on multi-family dwelling units are decreased compared to current fees. However, the fees per unit for mobile homes and senior housing increased compared to current rates, and there is a general decrease in fees for non-residential uses. This is largely due to the change in the project list, lower costs overall, an increase in the percentage of need attributable to new development, and lower growth anticipated as compared with the previous nexus study. This applied especially to non-residential development. Analysis using the Nevada County Transportation Commission (NCTC) regional traffic model showed that, given the county's current jobs/housing imbalance, development of places for Grass Valley residents to work and shop locally will reduce the need for some long trips out of the city. As a result, this type of localized development will have fewer traffic impacts than was previously forecast, which also leads to a lower impact fee. If the forecasts for future residential and non-residential development prove correct, then total revenues from the GVTIF over the next twenty years will be approximately \$13.8 million which will provide approximately 99% of the total cost of the projects on the updated Capital Improvement Program (CIP). The remaining 1% of project costs are attributable to existing deficiencies and by law must be covered by some source other than impact fees.

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1. Introduction

1.1 Background

In August of 2008 the City of Grass Valley adopted the Grass Valley Transportation Impact Fee (GVTIF) to help fund local roadway improvements triggered by new development. The GVTIF covers traffic impacts to local streets in Grass Valley while a companion program, the Western Nevada County Regional Transportation Mitigation Fee (RTMF) program¹, covers traffic impacts to regional roads including some within the City of Grass Valley. Together these programs provide a mechanism for new development to pay its fair share towards the cost of construction of the regional system of roads, streets, and highways needed to accommodate growth in western Nevada County.

The GVTIF program operates pursuant to the Mitigation Fee Act, also known as California Assembly Bill 1600 (AB 1600) or California Government Code Sections 66000 et seq., which governs impact fees in California. The Mitigation Fee Act requires that all local agencies in California, including cities, counties, and special districts follow some basic principles when instituting impact fees as a condition of new development. Agencies must:

1. Identify the purpose of the fee. (Government Code Section 66001(a)(1))
2. Identify the use to which the fee is to be put. (Government Code Section 66001(a)(2))
3. Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed. (Government Code Section 66001(a)(3))
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. (Government Code Section 66001(a)(4))
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is to be imposed. (Government Code Section 66001(b))

These principles closely emulate two landmark U.S. Supreme Court rulings that each provide guidance on the application of impact fees. The first case, *Nollan v. California Coastal Commission* (1987) 107 S.Ct. 3141, established that local governments are not prohibited from imposing impact fees or dedications as conditions of project approval provided the local government establishes the existence of a "nexus" or link between the exaction and the state interest being advanced by that exaction. The *Nollan* ruling clarifies that once the adverse impacts of development have been quantified, the local government must then document the relationship between the project and the need for the conditions that mitigate those impacts. The ruling further clarifies that an exaction may be imposed on a development even if the development project itself will not benefit, provided the exaction is necessitated by the project's impacts on identifiable public resources.

The second case, *Dolan v. City of Tigard* (1994) 114 S.Ct. 2309, held that in addition to the *Nollan* standard of an essential nexus, there must be a "rough proportionality" between proposed exactions and the project impacts that the exactions are intended to allay. As part of the *Dolan* ruling, the U.S. Supreme Court advised that "a term such as 'rough proportionality' best encapsulates what we hold to be the requirements of the Fifth Amendment. No precise mathematical calculation is required, but the city (or other local government) must make some sort of individualized determination that the required dedication is related both in nature and extent to the impact of the proposed development."

The combined effect of both rulings is the requirement that public exactions must be carefully documented and supported. This requirement is reiterated by the provisions of the Mitigation Fee Act and subsequent rulings in the California Supreme Court (*Ehrlich v. City of Culver City* (1996) 12 C4th 854) and the California Court of Appeals (*Loyola Marymount University v. Los Angeles Unified School District 45* (1996) Cal.App.4th 1256).

¹ The RTMF was established in 2001 through a partnership of Nevada County, Nevada City, Grass Valley, and the Nevada County Transportation Commission (NCTC). It is administered by NCTC.

This Nexus Study report is intended to satisfy the requirements of the State of California Mitigation Fee Act. Specifically, this Nexus Study report will outline the purpose and use of the GVTIF, the relationship between new development and impacts on the transportation system, the estimated cost to complete necessary improvements to the local street system in Grass Valley, and the 'rough proportionality' or 'fair-share' fee for differing development types.

In 2021, AB-602 was signed into law, which amended the Mitigation Fee Act to include new requirements regarding the contents (§66016.5(a)(4)) and timing (§66016.5(a)(8)) of nexus studies adopted after July 2022, and how fees for residential development are to be computed (§66016.5(a)(5)). Chapters 2 and 3 of this report fulfill the new requirement to describe changes in input assumptions that led to the changes in fees. Section 3.6 fulfills the new requirements regarding how fees for residential development is to be computed.

1.2 Program Experience to Date

The City has used the revenues it has collected to fund a variety of improvement projects. These are listed in Table 1.1 below. Table 1.1 shows that the GVTIF program is important not just for the funding it provides but also because the GVTIF dollars are used as local matching funds to leverage funding from other sources.

Table 1.1 *Projects that have Received GVTIF Funds since 2015/16*

Project Name	GV-TIF Funding		Funding From Other Sources		Total Project Cost
	Amount	Percentage	Amount	Percentage	
Idaho-Maryland Road from East Main Street to SR 20/49 Ramps	\$150,000	100%	\$0	0%	\$150,000
Model & Fee Study Updates	\$35,000	100%	\$0	0%	\$35,000
Administrative Costs	\$40,000	100%	\$0	0%	\$40,000
Total	\$225,000	100%	\$0	0	\$225,000

2. Updates to Key Inputs

2.1 Trip Generation Rates

ITE's Trip Generation Manual has been updated with new survey material since the edition that was used in the previous nexus study. The trip generation rates have accordingly been updated to those of the latest (11th) edition.

Table 2.1 shows a detailed correspondence list between general land use categories, the ITE land use codes, and the derivation of the trip generation rate used for broad categories from the individual rates of the sub-categories.

Table 2.1 Trip-Generation Rates by Land Use

Land Use Category	Unit	ITE Code	Weekday Trips per Unit
RESIDENTIAL			
Single Family Detached House	Dwelling Unit	210	9.43
Multi-Family			
Apartment	Dwelling Unit	220	6.74
Low Rise Apartment	Dwelling Unit	221	4.54
Residential Condominium/Townhouse	Dwelling Unit	230	3.44
<i>Median for Multi-Family</i>			4.54
Mobile Home in Park	Dwelling Unit	240	7.12
Senior Residential			
Senior Adult Housing - Detached	Dwelling Unit	251	4.31
Senior Adult Housing - Attached	Dwelling Unit	252	3.24
<i>Median for Senior Residential</i>			3.78
NON-RESIDENTIAL			
Office			
General Office	KSF	710	10.84
Single Tenant Office	KSF	715	13.07
Office Park	KSF	750	11.07
Business Park	KSF	770	12.44
Clinic	KSF	630	37.60
Medical-Dentist Office	KSF	720	36.00
<i>Median for Office</i>			12.76
Industrial			
General Light Industry	KSF	110	4.87
General Heavy Industry	KSF	120	1.50
Industrial Park	KSF	130	3.37
Manufacturing	KSF	140	4.75
<i>Median for Industrial</i>			4.06
Warehousing	KSF	150	3.56
Retail/Service - Low			
Building Materials and Lumber	KSF	812	17.05
Hardware/Paint Store	KSF	816	8.07
Furniture Store	KSF	890	6.30
Discount Home Furnishing Superstore	KSF	869	20.00
Tire Superstore	KSF	849	20.37
Department Store	KSF	875	22.88
Tire Store	KSF	848	27.69

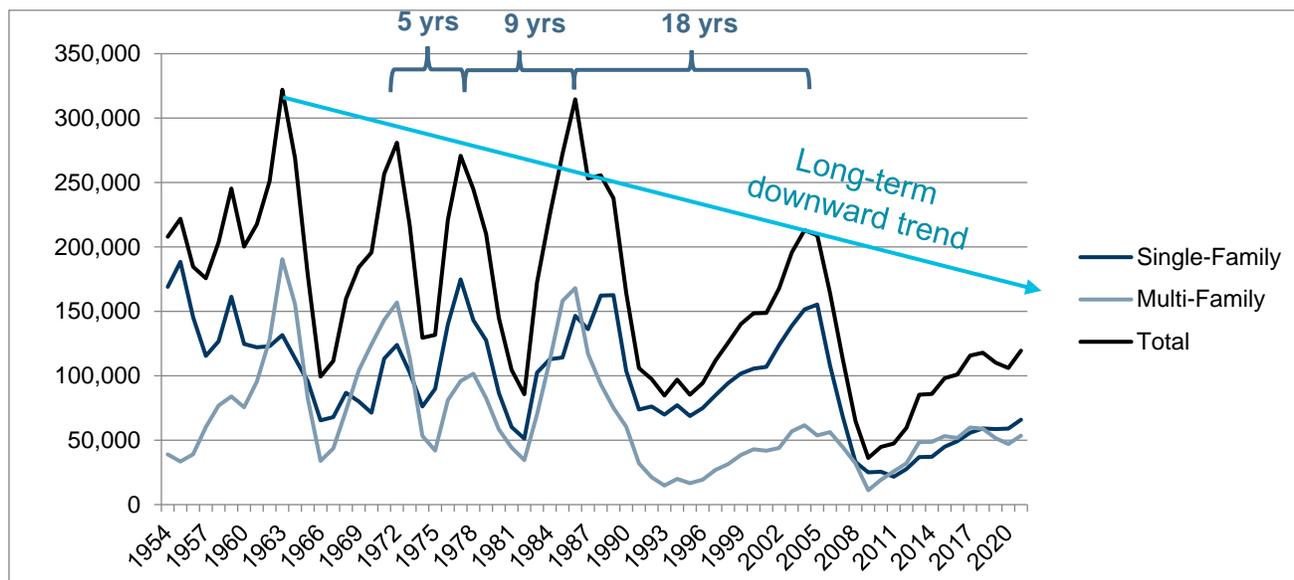
Land Use Category	Unit	ITE Code	Weekday Trips per Unit
Factory Outlet Center	KSF	823	26.59
Home Improvement Superstore	KSF	862	30.74
New Car Sales	KSF	841	27.06
<i>Median for Retail - Low</i>			21.63
Retail/Service - Medium			
Discount Club	KSF	857	42.46
Shopping Center	KSF	820	37.01
Electronics Superstore	KSF	863	41.05
Discount Superstore	KSF	813	50.52
Arts and Crafts Store	KSF	879	56.55
Discount Store	KSF	815	53.87
Auto Parts Store	KSF	843	54.57
Specialty Retail Center	KSF	814	63.66
<i>Median for Retail - Medium</i>			50.52
Retail/Service - High			
Nursery (Garden Center)	KSF	817	68.10
Supermarket	KSF	850	93.84
Apparel Store	KSF	876	66.40
Pharmacy/Drugstore w/o Drive Through Window	KSF	880	90.08
Pharmacy/Drugstore with Drive Through Window	KSF	881	108.40
Drive-in Bank	KSF	912	100.35
Quality Restaurant	KSF	931	83.84
High Turnover (Sit-Down) Restaurant	KSF	932	107.20
<i>Median for Retail - High</i>			91.96
Lodging			
Hotel	Room	310	7.99
All Suites Hotel	Room	311	4.40
Business Hotel	Room	312	4.02
Motel	Room	320	3.35
<i>Median for Lodging</i>			4.21
Public & Quasi-Public			
Military Base	KSF	501	0.39
Library	KSF	590	72.05
Government Office Building	KSF	730	22.59
State Motor Vehicles Department	KSF	731	11.21
United States Post Office	KSF	732	103.94
Government Office Complex	KSF	733	27.92
<i>Median for Public Sector</i>			25.26
School K-8th Grade	Student	520 & 522	2.25
School 9th-12 Grade	Student	522 & 530	1.98
Junior/Community College	Student	540	1.15
Other Non-Residential			
All Port and Terminal Uses		000-099	The trip generation for any project in these categories shall be computed using the ITE daily trip-generation rate for their land use type or, at the discretion of
All Recreational Uses		300-399	
All Private Institutional Uses (Public Institutions are Exempt)		500-599	
Convenience Market		851	
Convenience Market with Gasoline Pumps		853	
Fast Food Restaurant with Drive Through		934	
Coffee/Donut Shop with Drive Through		937	
Coffee/Donut Shop Drive Through No Seating		938	
Gasoline/Service Station		944	

Land Use Category	Unit	ITE Code	Weekday Trips per Unit
Gasoline/Service Station with Convenience Market		945	agency staff, through a
Gasoline/Service Station with Convenience Market and Car Wash		946	separate traffic study
Self-Service Car Wash		947	study
<i>Based on ITE Trip Generation Manual, 11th Ed.</i>			
<i>KSF = 1,000 square feet</i>			

2.2 Growth Forecasts

Assumptions regarding future growth are critical inputs for a traffic mitigation fee since they help determine both whether roadway deficiencies will develop and how many new homes or square feet of new non-residential development will contribute towards the costs of mitigations. Since the GVTIF is a long-term program, we must look at long-term trends to forecast growth over the study horizon. Figure 2.1 shows the number of housing starts for California for the period 1954 to 2020.

Figure 2.1 Housing Starts in California by Year²



The figure shows the unstable nature of the housing market in California, with five major “housing booms” and five “housing busts” occurring during this period. Several patterns are discernible, namely:

- The housing booms are occurring further and further apart. Five years elapsed between the peaks of the 1972 and 1977 booms, 9 years between the peaks of the 1977 and 1986 booms, and 18 years between the 1986 and 2004 booms. If this pattern continues it may be decades before the next peak occurs.
- The size of the booms is trending downwards. The 2004 boom was the smallest of the five, being only about 2/3rds the size of the previous boom.
- From the 1960’s through the 1980’s single-family and multi-family housing was being built in similar quantities in California. Multi-family housing production exceeded single-family housing in 3 of the 4 housing booms in this period. The period from 1990 to 2005, when single-family housing was produced at more than 2½ times the pace of multi-family, appears in retrospect to have been an aberration from the historical pattern. Since 2005, multi-family housing has returned to being about half of all new housing being built.

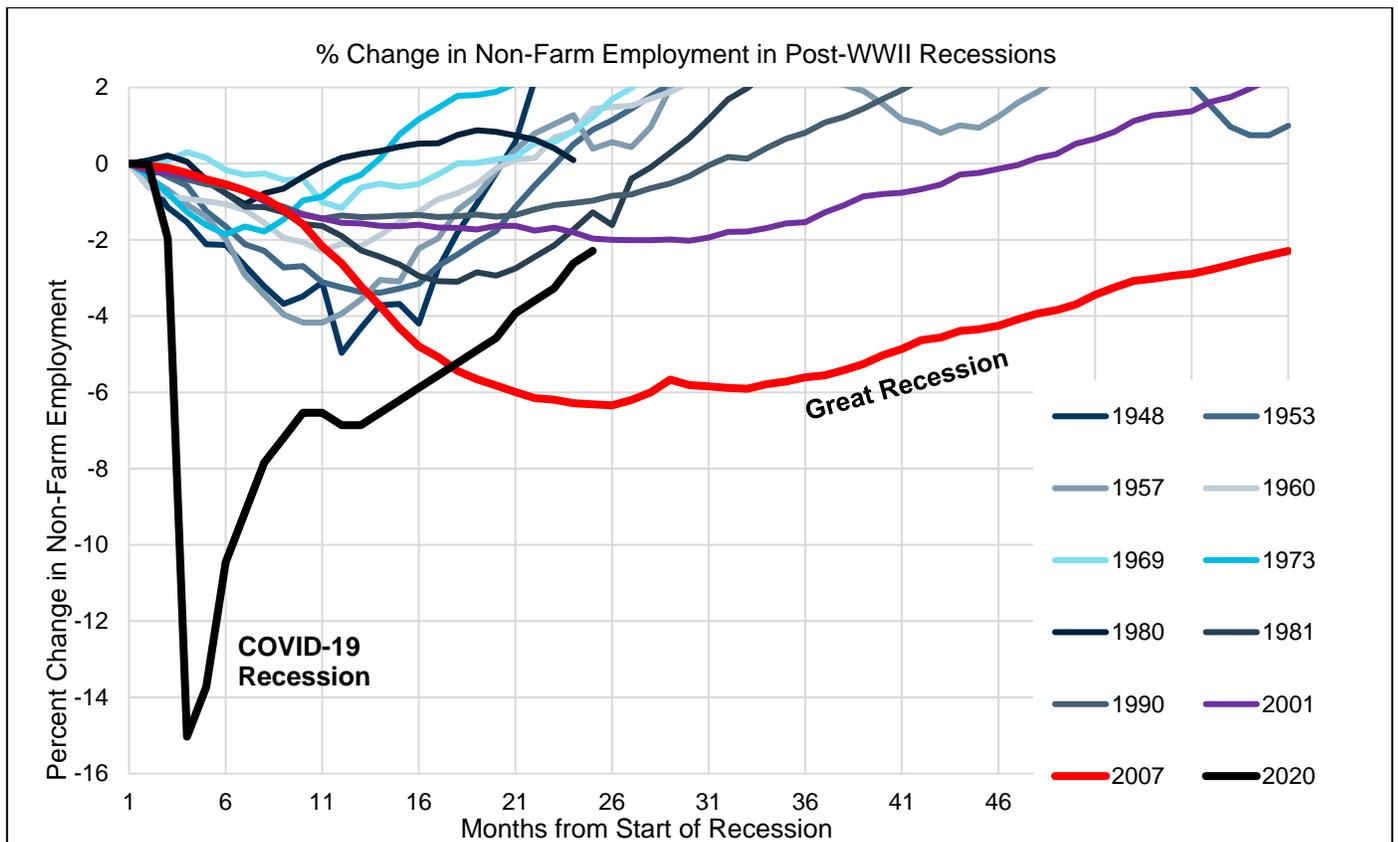
² Source: California Building Industry Association

- The housing market crash in 2008 also affected housing production significantly, where housing production was the lowest it's been since before the 1950's. As shown, the market is on a gradual recovery from that.

The Great Recession was deeper and much longer than any previous recession since WWII (see Figure 2.2) and the collapse of the real estate market was at the heart of the recession. This was, hopefully, a one-off event unlikely to recur within the time horizon of the current study (to 2040). More recently the real estate market has been affected by inflation and construction costs due to supply limitations from COVID-19. Employment losses with the statewide shut-down were significantly deeper than even the Great Recession. However, employment has bounced back relatively swiftly almost to post-2001 recession levels. There have been long-term travel and housing changes resulting from COVID-19 due to employers implementing flexible schedules and more people working from home. Housing prices were affected, short-term, and there was an increased demand for senior housing due to people going into early retirement from the shut-down and layoffs.

Nevertheless, it seems unlikely that things will “go to back to normal” (i.e., to the conditions prevailing in the 1990-to-2005 period) in terms of real estate development; structural and demographic changes have occurred resulting in a new normal. Any assumptions regarding real estate development that were made based on pre-recession or pre-COVID data therefore need to be re-examined to determine if they remain valid.

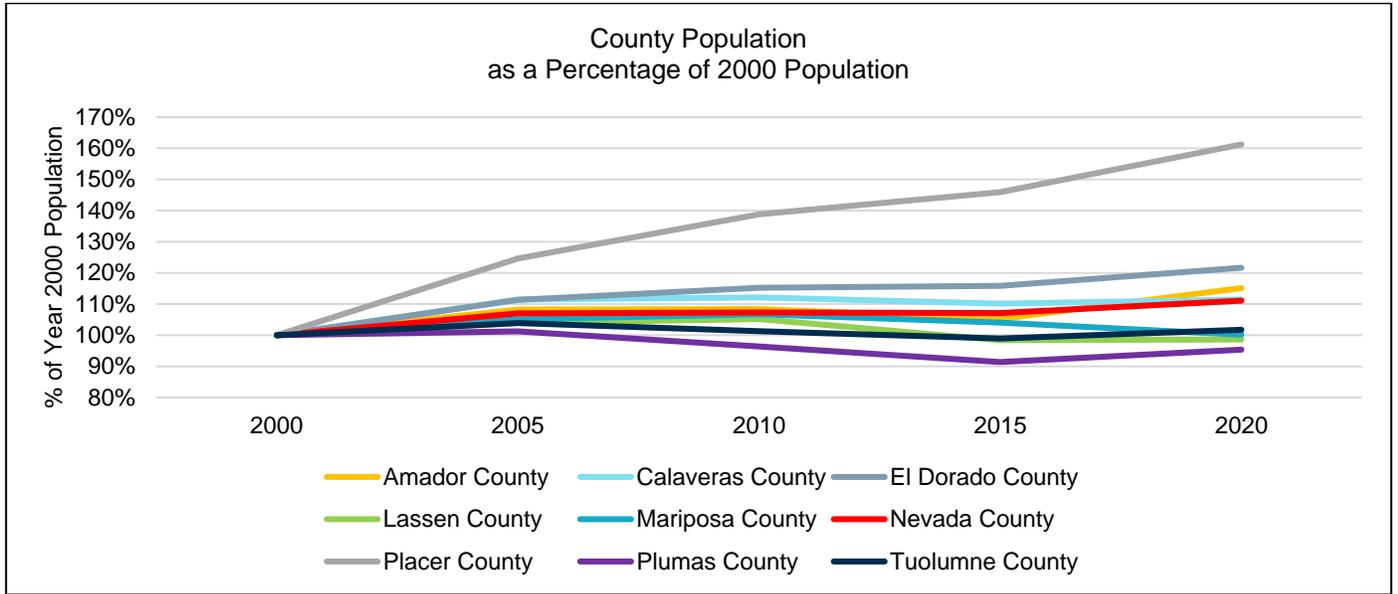
Figure 2.2 US Employment by Year³



Scaling down from the state-wide level to the local level, data from the U.S. Census Bureau shows that in recent years the foothills counties have been growing slowly, if at all (see Figure 2.3).

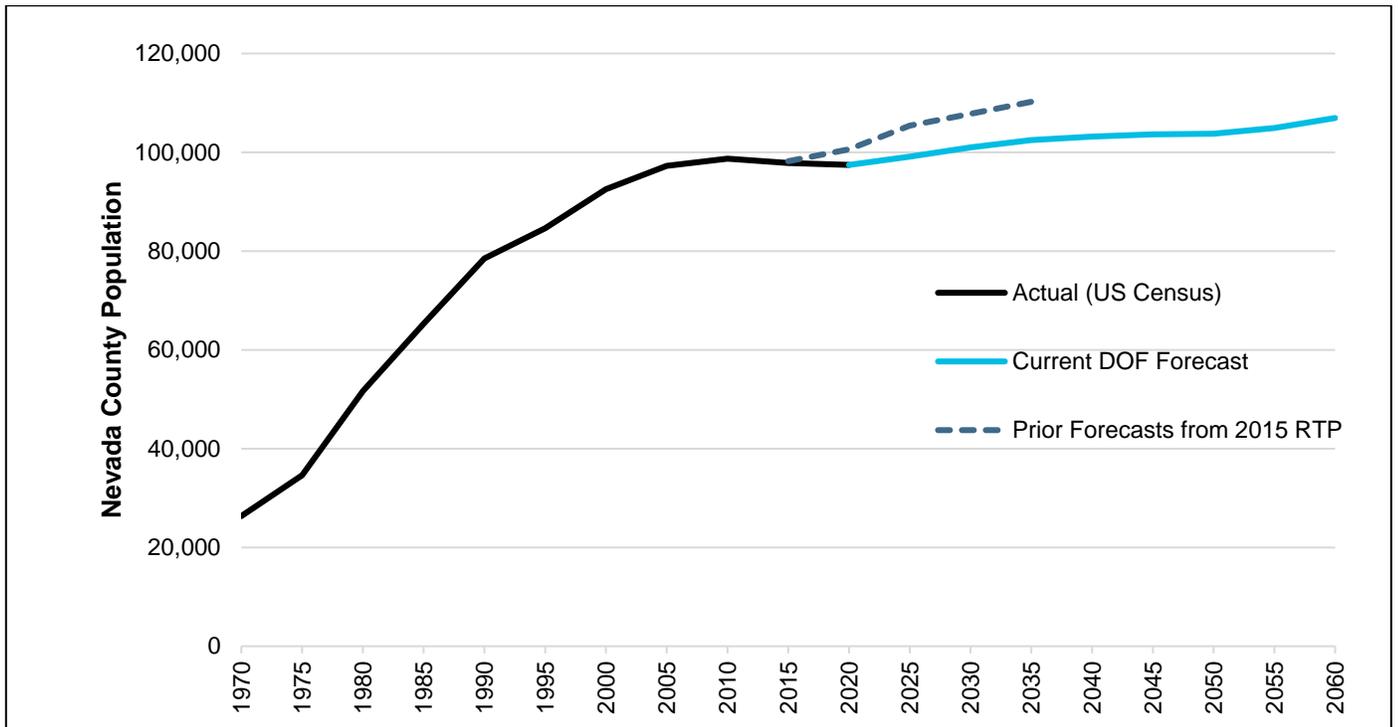
³ Source: Federal Reserve Bank of Minneapolis

Figure 2.3 Foothill Counties Population by Year



Population forecasts by Caltrans⁴ suggests that only modest growth can be expected for the foreseeable future (see Figure 2.4). The DOF's most recent forecast is for slower growth than had been anticipated in the 2015 forecasts used for the NCTC Regional Transportation Plan (RTP).

Figure 2.4 Nevada County Population by Year - Actual & Forecasted



The growth forecasts used in the previous nexus study, which began in 2012, were based on data collected in the construction boom leading up to the Great Recession. The forecasts used in the current study are based on an

⁴ California Department of Finance. Demographic Research Unit. Report P-2A: Total Population Projections, California Counties, 2010-2060 (Baseline 2019 Population Projections; Vintage 2020 Release). Sacramento, California. July 2021.

assumed lower growth rate and therefore the 2040 population in the current forecast is lower than the prior 2035 forecast used in the previous study.

The lower forecast for future population has several effects on the GVTIF, most notably:

- Fewer new households mean less traffic impacts and therefore less need for roadway improvements as mitigation. Some projects may no longer be needed and for other projects a smaller portion of the need will be attributable to new development.
- However, for those projects that are still needed, fewer new dwelling units means that each will have to pay a higher share of the cost.

These trends work in opposite directions; the first would tend to lower fees while the second would tend to raise them. The interaction of these opposing trends is discussed further in a later section of this report.

Based on the growth projections supplied by the local jurisdictions and using the land use categories described in Section 2.1.1, the growth forecast by land use type is shown in Table 2.2.

Table 2.2 Land Use Growth Forecast

Land Use Category		GVTIF Area			% Growth
Description	Unit	Year 2018	Year 2040	Growth	
Residential					
Single-Family Dwelling	DU	4,180	6,416	2,236	53%
Multi-Family Dwelling	DU	1,799	2,344	545	30%
Mobile Home	DU	425	425	0	0%
Senior Housing	DU	1,101	1,171	70	6%
Total		7,505	10,356	2,851	38%
Non-Residential					
Retail/Service - Low	KSF	1,234	1,455	221	18%
Retail/Service - Medium	KSF	987	1,164	177	18%
Retail/Service - High	KSF	247	291	44	18%
Office	KSF	865	1,337	472	55%
Office-Medical	KSF	269	268	-1	0%
Industrial	KSF	1,289	3,430	2,142	166%
Warehouse	KSF	354	427	73	21%
Lodging	Rooms	297	374	77	26%

2.3 Funding from Other Sources

In some cases, the need for projects that receive GVTIF funding is not 100 percent attributable to new development; there is an existing deficiency that new development by law cannot be held responsible for. In such cases another source of funds must be used to fund the portion of the project not attributable to new development.

The City of Grass Valley has several sources of funds besides GVTIF that can be used for local roadway improvements. The most important of these include:

- Congestion Mitigation and Air Quality (CMAQ) Program provides a flexible funding source to State and local governments for transportation projects and programs to reduce congestion and improve air quality.

- The Regional Surface Transportation Program (RSTP) provides funding for construction, reconstruction, rehabilitation, resurfacing, restoration, and operational improvements on certain types of roads and bridges, and for safety improvements on all types of roads.
- A portion of the state excise tax on gasoline is used to fund local transportation improvements.

Grass Valley has received more than \$400,000 in non-GVTIF funding for road projects from these sources over the last 5 years. Based on the historical average of \$80,000/year in non-fee funding we estimate that \$1.6 million will be available from these sources over the next 20 years. Additional funding sources included CMAQ, RSTP, HSIP, HBP, and LRSP funds.

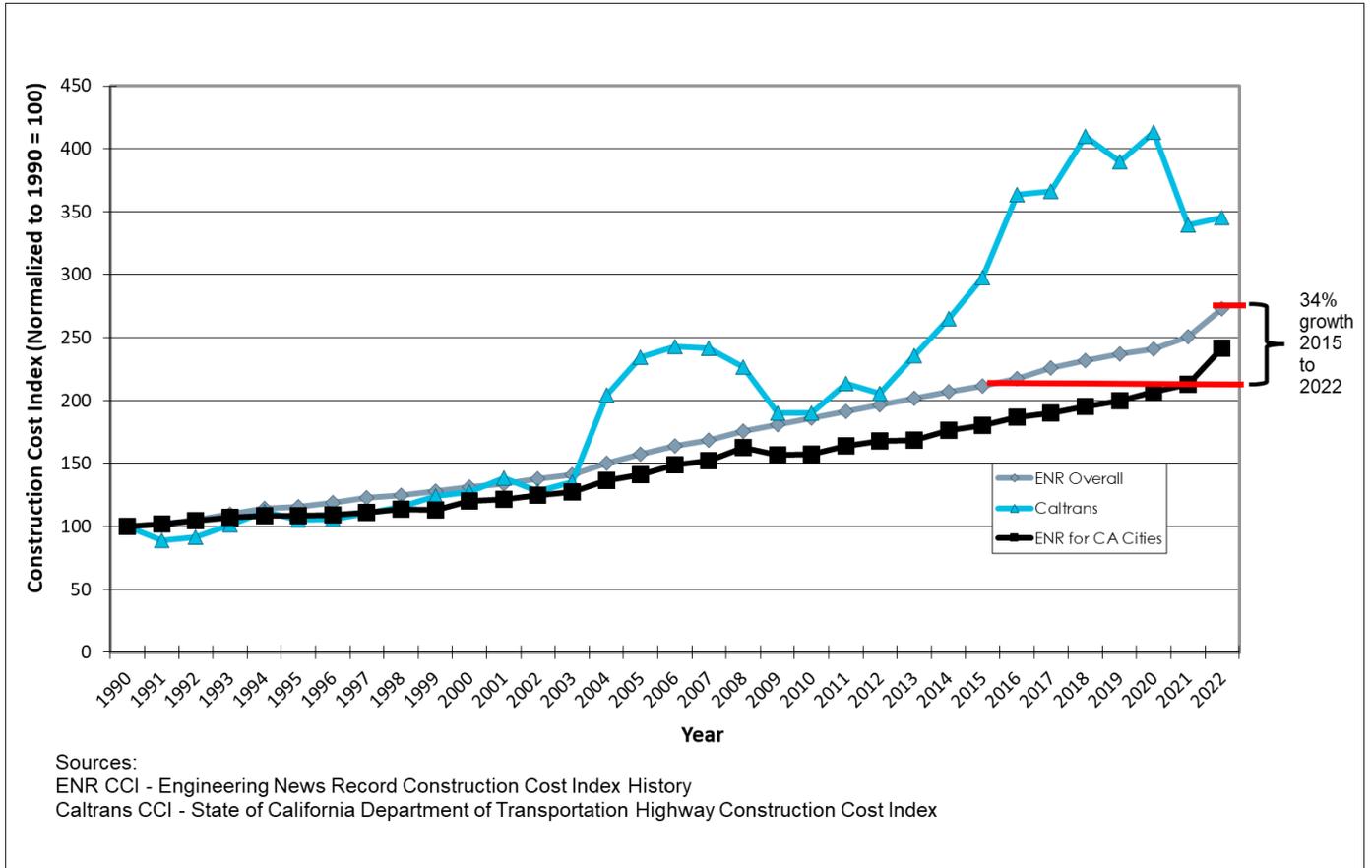
2.4 Updated Project Costs

The cost of road construction has varied significantly over the course of the last decade, so it is important that this be factored into the fee structure for the GVTIF.

Figure 2.5 shows Caltrans' construction price index for highway projects for the period from 1900 to 2014. As can be seen in the exhibit, there was a slow and stable rise in prices throughout the 1990's and early years of the 2000's. However, in 2004 a combination of a construction boom, rising land and fuel costs, and the effect of a weakening U.S. dollar on the cost of imported construction materials, caused construction prices to rise more in a single year than they had in the previous 15 years combined; the highest single-year increase since Caltrans started the index. This was followed in 2005 by the second-highest single-year increase. The rapid increase was followed by a rapid decrease with the collapse of the housing market, which used many of the same construction inputs as Caltrans.

The Caltrans cost index is based on actual bid prices for projects done in the previous year. There is a second cost index, prepared by the Engineering News Record (ENR) that is computed based on the market prices for various major inputs to road projects (concrete, steel, aggregate, etc.). This index is less volatile than the Caltrans index because it does not include the effect of contractors' changing profit expectations in response to strong or weak market conditions. The two indices are compared in Figure 2.5. The Caltrans index over the past seven years (since 2015) has experienced an overall 16% increase, and a 39% increase between 2015 and 2020, while the ENR index for California cities has experienced a 34% increase, and the ENR overall index have only experienced a 29% increase. The impacts of the COVID-19 pandemic increased and then subsequently lowered the index.

Figure 2.5 Caltrans Construction Price Index, 1990-2022



Grass Valley policy specifies that the ENR index for California Cities is to be used as the basis for cost adjustments for the GVTIF. This decision was based in part on the relative stability of the ENR index, which makes the fee program more predictable for developers compared to the highly volatile Caltrans index. Therefore, since the ENR (CA) index has risen 34% since the last nexus study, for projects where no recent cost estimates are available, the project cost estimates were increased 34% from the estimates used the previous nexus study.

3. Updates to Fee Calculation

An overview of the methodology used to compute the GVTIF is provided in the section below, followed by sections providing more in-depth discussion of the key components.

3.1 Computation Methodology

The methodology used in the fee computation is outlined in Figure 3.1 below. The major steps include:

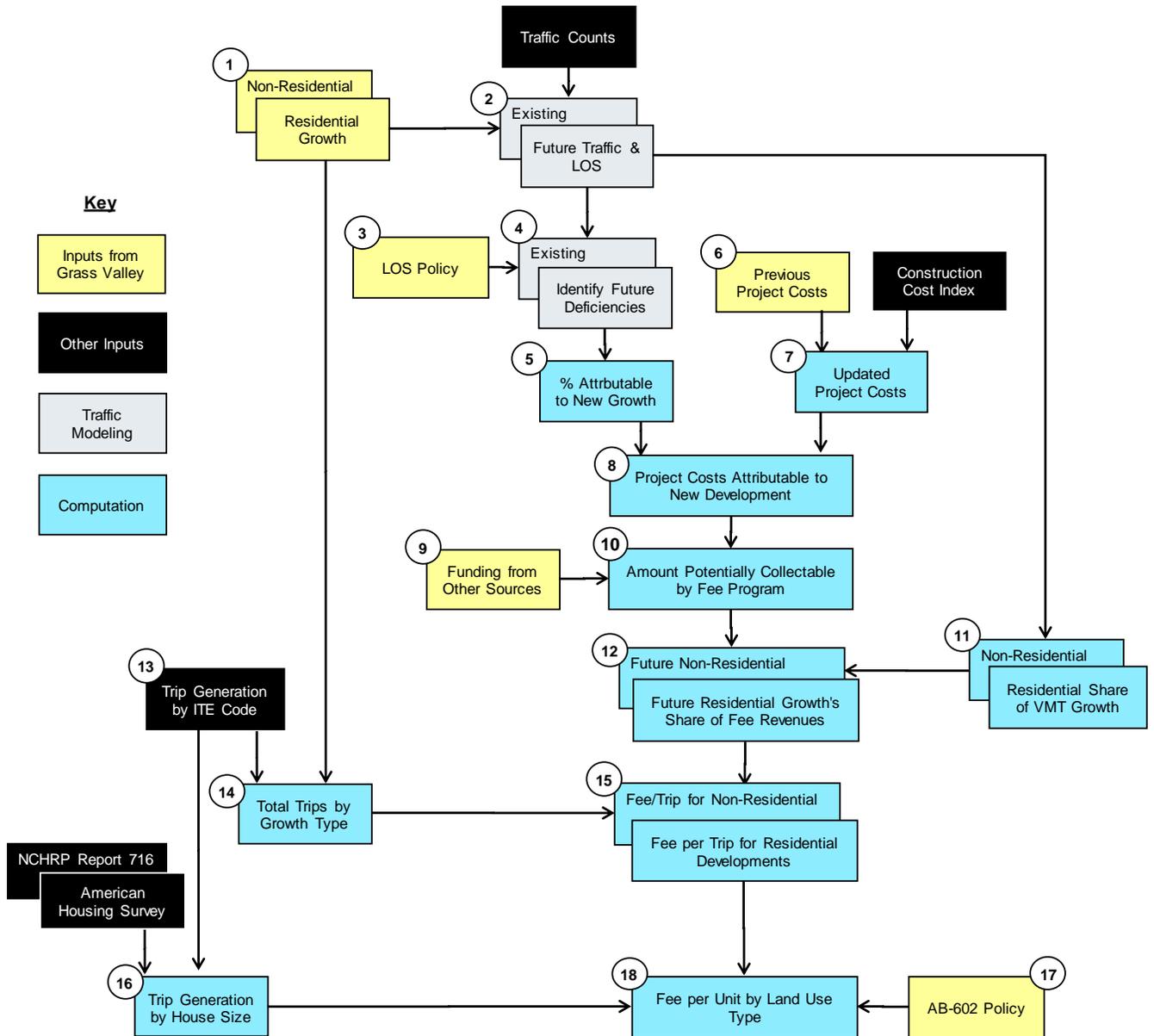
1. The starting point was a set of forecasts for residential and non-residential growth from NCTC, the City of Grass Valley, Nevada City, and Nevada County. The forecasts were described in Section 2.2.
2. The growth forecasts were used as inputs into the NCTC traffic model, which was then used to forecast traffic volumes for 2040. Recent traffic counts were used to find current traffic volumes. The volumes were then used to determine the level of service (LOS) for each potential project site under 2022 and 2040 conditions.
3. Each jurisdiction sets its LOS standards through resolutions, usually as part of its General Plan.
4. The existing and future LOS were compared to the LOS standard to determine where deficiencies currently exist and where they may develop in the future. Potential projects were identified that would correct the deficiencies.
5. The outputs of Step 4 were used to determine the percentage of the need for each potential project that is attributable to new development.
6. The estimated cost for different projects come from a variety of sources, including engineering studies and planning-level estimates.
7. The project cost estimates were updated, if necessary, using the Engineering New Record construction cost index to reflect current prices. This was described in Section 2.4.
8. The outputs from steps 5 and 7 were used to determine the dollar cost for each project that is attributable to new development.
9. Next, any funding that may be available from other sources for the listed projects was identified. This was discussed in Section 2.3.
10. The amount of funding available from other sources was compared to the project costs to determine if it exceeded the amount attributable to existing deficiencies (i.e., not attributable to new development). If so, the surplus of other funds was used to reduce the amount needed from new development. The result was the maximum amount of funding allowable by law that could potentially be collected using the GVTIF.
11. The NCTC traffic model was used to determine the percentage share of growth in vehicle trips (VT) that will be associated with residential and non-residential development for Grass Valley.
12. The results of Steps 10 and 11 were then combined to determine the portion of project costs that could be attributed to new residential and non-residential development.
13. Next, the trip generation rate was determined for each land use type. For residential land uses the unit of measurement was daily trips/dwelling unit, while for non-residential uses trip-generation was measured in terms of daily trips/thousand square feet of space, except for schools, where the unit was daily trips/student and lodging, where daily trips/room were used.
14. The number of new units for each development type was then multiplied by the trip generation rate to produce the total number of new trips associated with each type of land use development.
15. The project funding attributable to residential and non-residential developments (from Step 12) was then divided by the expected number of new residential and non-residential trips (from Step 14) to produce the potential impact fee per trip for each type of unit.
16. AB 602 introduced a requirement that unit size be taken into account when assessing impact fees on new residential development. Data from the American Housing Survey and the National Cooperative Highway

Research Program (NCHRP) were used to estimate trip generation rates for different sized residential units. This is described in Section 3.7.

17. AB 602 offers agencies several options for incorporating dwelling size into a fee program. The NCTC Technical Advisory Committee selected an option that divided new dwellings into small, medium, and large size categories and applies different rates for different types of dwellings. This is described in Section 3.7.
18. The policies from Step 17 were applied to take the fees per trip from Step 15 and combine them with the trip generation rates from Step 13 (for non-residential units) and Step 16 (for residential units) to compute the fee per unit.

The next sections describe several key steps in the process in more detail.

Figure 3.1 Fee Computation Methodology Flowchart



3.2 Existing & Future Deficiencies

Existing and future deficiencies were identified by comparing the existing and future LOS to the LOS standards adopted by the city. The Grass Valley General Plan calls for LOS D at most locations. However, in some locations LOS E is allowed to maintain the walkable character of the historic downtown area⁵. For Nevada City, the LOS standard is at LOS D. Table 3.1 shows the existing and future LOS at the 11 project locations listed in the previous (2016) nexus study and 10 other locations that the City requested to review as part of this update. Existing and forecasted traffic volumes and the LOS worksheets are included in the Appendix. Table 3.1 shows the disposition of the 21 project locations. Of these:

- 2 have been completed and paid for
 - Idaho-Maryland Road from East Main Street to SR 20/49 Ramps (north side improvements completed, retaining for south side improvements)
 - East Main Street at Bennett Street/Richardson (Reimbursement is being sought through the RTMF program)
- 2 are currently under construction and are being paid for by the developer:
 - Brunswick Road at Idaho-Maryland Road
 - Dorsey Drive extension to Brunswick Road (keep for reimbursement)
- 11 are deemed unnecessary. These include:
 - 4 that were identified in the previous nexus study as no longer being needed/not deficient,
 - 7 were reviewed again at the City's request but are not expected to be needed due to the new, lower growth expectations.
- 1 where the revised growth forecasts combined with the latest traffic count data show a deficiency even though the previous forecasts did not show a deficiency.
- 5 sites where the previous recommendations for improvements should be retained in the GVTIF.

The proposed improvements identified for the fee program are listed below:

1. Brunswick Road at Whispering Pines – Construct barrier curbs to better protect merging traffic
2. East Main Street from Bennett Street to Idaho-Maryland Road – Widening to provide 3 travel lanes
3. Idaho-Maryland Road at Centennial Road - Realign Centennial Drive to intersect Idaho- Maryland Rd and Spring Hill intersection.
4. Idaho-Maryland Road from East Main Street to SR 20/49 Ramps – Widening for sidewalk and curb ramps on south side.
5. Ophir Street at Bennett Street – install a traffic signal
6. Dorsey Drive Extension to Bennett Road – new roadway
7. Railroad Avenue Extension to Bennett Road – new roadway

⁵ See City of Grass Valley Resolution 2013-33

Table 3.1 Existing & Future LOS at Proposed Project Locations

TIF ID	Intersection	Traffic Control	LOS Standard	Previous Nexus Study (Existing)		Previous Nexus Study (2035)		Current Nexus Study (Existing)		Current Nexus Study (2040)		Notes
				Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	Delay (sec/veh) or ADT	LOS	
	SR 20/49 NB Ramps/Bennett St	AWSC	D	17.7	C	27.5	D	21.2	C	29.8	C	The previous analysis in 2008 left out the existing EB left-turn lane. When included, this site is no longer expected to be deficient.
	SR 20/49 SB Ramps/Bennett St	AWSC	E*	33.7	D	43.4	E	13.8	B	24.0	C	Not deficient with new forecasts and with the reduced LOS standard for downtown sites. County requested review again.
1	Brunswick Rd/Whispering Pines Lane	SSSC	D	17.0	C	33.2	D	19.3	C	39.3	E	County requested review again. Current study shows a future deficiency. Higher volumes with revised assumptions.
2	E. Main St: Bennett St to Idaho-Maryland Rd		D	13,200	D	15,200	E	11,200	C	13,860	E	Deficiency remains.
	E. Main St: Idaho-Maryland Rd to Hughes Rd		D	19,500	F	20,100	F	9,700	B	10,990	D	Deficient in previous nexus study but not deficient under revised assumptions (lower volumes with Dorsey Dr Interchange)
3	Idaho Maryland Dr/Centennial Dr	SSSC	D	21.4	C	64.4	F	28.2	D	39.1	E	Current study shows a future deficiency.
4	Idaho Maryland Rd: E.Main to SR 20/49 Ramps			11,566	C	14,800	E	14,080	E	17,170	F	Now shows an existing deficiency. Improved recently with sidewalk, etc.
	Idaho Maryland Rd/Sutton Way	AWSC	D	11.1	B	20.8	C	12.4	B	17.3	C	City requested review again.
	McCourtney Rd/Brighton St	SSSC	D	17.4	C	20.6	C	14.8	B	17.8	C	City requested review again.
	S.Auburn St/Neal St	Signal	D	10.2	B	11.4	B	11.0	B	13.2	B	Triangle Intersections. ICE study shows LOS F in future for NB Ramp/Hansen - Stop sign was added NB on Auburn St since, and SB volume is lower. Without added stop sign NB, intersection operates at LOS D/E cusp.
	S.Auburn St/SR 49/20 SB Ramp/Tinloy St	Signal	D	15.4	B	16.5	B	11.2	B	15.7	B	
	S.Auburn St/SR 49/20 NB Ramp/Hansen Wy	Signal	D	27.7	D	68.8	F	10.2	B	11.0	B	
	SR 20/49 SB Ramp /Neal St/Colfax St	Signal	D	19.3	B	45.7	D	15.3	B	26.7	C	
5	Ophir St/Bennett St	SSSC	D	23.7	C	98.1	F	60.8	F	OVR	F	Now Existing Deficiency. Higher volume on free approach on Ophir.
	E. Main St/Bennett/Richardson	Signal	D									The improvements identified in the original RTMF study have already been built. Reimbursement is being sought from the RTMF program.
	Ridge Rd: Hughes Rd to Sierra College Dr		D	13,900	F	15,100	F	5,570	A	8,080	B	No longer deficient. Lower volumes could be due to Dorsey Drive Interchange.
	Dorsey Dr/Sutton Way	AWSC	D	14.0	B	212.5	F	11.7	B	13.6	B	No longer deficient. Prior land uses were much higher here for Loma Rica with >350 ksf retail.
	Brunswick Rd/Idaho Maryland Rd	SSSC	D	51.5	F	OVR	F	53.6	F	OVR	F	Developer to construct soon.
6	Dorsey Drive /Sutton Way Extension											Retain
7	Railroad Ave Extension											Retain
	Bank Street Bridge							300	A	320	A	Remove per City.
8	Admin Costs & 5-yr Reviews											Retain
9	Traffic Model & Fee Study Updates											Retain

Notes:

- For signalized intersections average delay and LOS for all approaches are reported.
- "AWSC" means "all way stop-controlled." For AWSC intersections, average intersection delay and LOS are reported.
- "SSSC" means "side-street stop controlled." For SSSC intersections, delay and LOS for the worst performing approach are reported.
- Sites marked with an asterisk (*) have a lower LOS standard to maintain the walkable character of the downtown area. See Resolution 2013-33

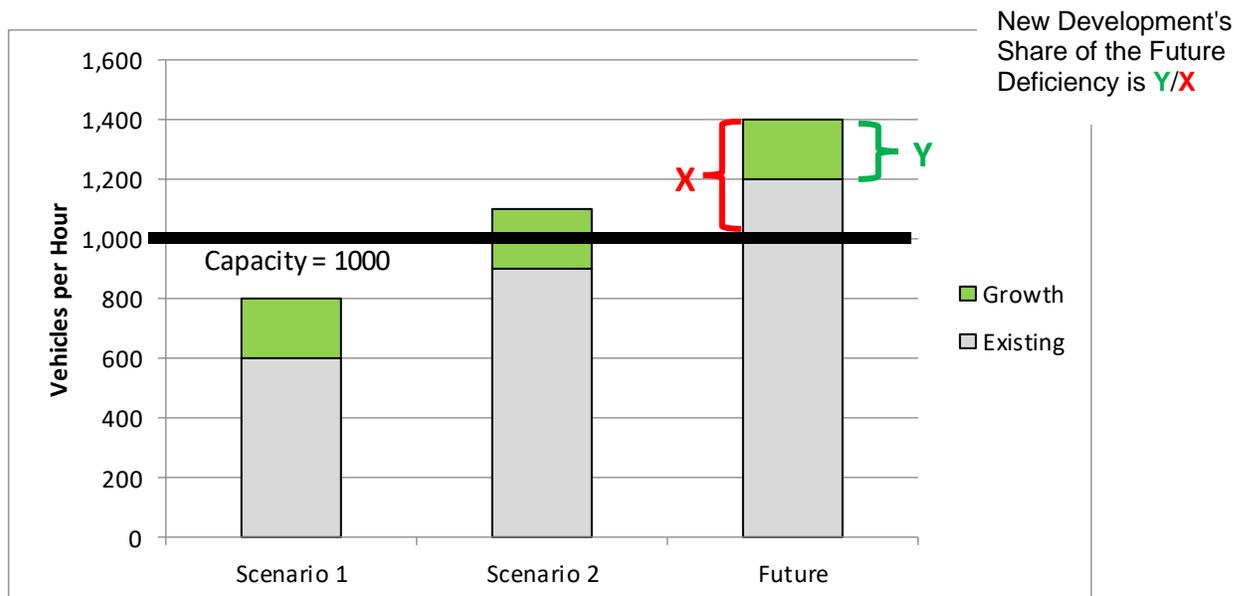
Table 3.2 Recommended Disposition of Projects on Previous GVTIF List

GVTIF ID	Site	Recommended Action	Notes
	Bennett Street/ SR 20/49 NB Ramps	Drop	Reviewed again at City's request. No deficiency found.
	Bennett Street/ SR 20/49 SB Ramps	Drop	Reviewed again at City's request. No deficiency found.
1	Brunswick Road/ Whispering Pines Lane	Retain on GVTIF	Reviewed again at City's request. Current study shows a future deficiency. Higher volumes with revised assumptions. Construct barrier curbs to better protect merging traffic. Traffic signal installation as proposed by the traffic model is not recommended.
2	East Main Street - Bennett Street to Idaho-Maryland Road	Retain on GVTIF	Deficiency remains. Widen to provide two 12' travel lanes and allow installation of curb gutter and sidewalk on south side of street.
	East Main Street - Idaho-Maryland Road to Hughes Road	Drop	Deficient in previous nexus study but not deficient under revised assumptions (lower volumes with Dorsey Dr Interchange).
3	Idaho Maryland Drive/ Centennial Dr	Retain on GVTIF	Deficiency remains. Realign Centennial Drive to intersect Idaho Maryland Rd and Spring Hill intersection.
4	Idaho Maryland Road: East Main Street to SR 20/49 Ramps	Retain on GVTIF	Now shows an existing deficiency. Recently installed sidewalk and curb ramps on north side of street. City to construct same on south side.
	Idaho Maryland Road / Sutton Way	Drop	Reviewed at City's request. No deficiency found.
	McCourtney Road/ Brighton Street	Drop	Reviewed at City's request. No deficiency found.
	Neal Street/ S. Auburn St/ SR 20/49 Frontage Rd (Triangle Intersections)	Drop	Conduct a Corridor Analysis Study to provide standards and recommendations for all intersections.
	South Auburn Street/ SR 49/20 NB Ramps		Triangle Intersections. match ICE recommendation. ATP funded.
5	Ophir Street/ Bennett Street	Retain on GVTIF	Now Existing Deficiency. Install a traffic signal.
	Ridge Road - Hughes Road to Sierra College Drive	Drop	No longer deficient. Lower volumes could be due to Dorsey Drive Interchange. Counts near 11,000 (LOS C)
	Sutton Way/ Dorsey Drive	Drop	No longer deficient. Prior land uses were much higher here for Loma Rica with >350 ksf retail.
	Brunswick Road/ Idaho Maryland Road	Drop	Deficiency remains. Install a traffic signal. Widen southbound, westbound and eastbound approaches. Developer is constructing soon.
6	Dorsey Dr/Sutton Way Extension	Retain on GVTIF	
7	Railroad Ave Extension	Retain on GVTIF	Extend Railroad Ave to East Bennett Street.
	Bank Street Bridge	Drop	City said to drop.
8	Admin Costs & 5-yr Reviews	Retain on GVTIF	
9	Traffic Model & Fee Study	Retain on GVTIF	

3.3 Determining the Percent of Project Need Attributable to New Development

The procedure for determining the percentage of the need to improve a roadway facility that is attributable to new development is illustrated in Figure 3.2.

Figure 3.2 Percent Attributable Cases



In Figure 3.2 the capacity is the maximum volume that can be accommodated at the adopted LOS. There are three possible cases, namely:

- In Case 1, the roadway facility is operating at below its capacity under existing conditions and is forecast to continue to do so under future (2040) conditions. In such cases there is no deficiency and so no impact fees can be collected for the project.
- In Case 2 the facility operates below its maximum capacity under existing conditions, but the capacity is insufficient to accommodate the expected future growth in traffic. In such cases the need to provide additional capacity is entirely attributable to new development.
- In Case 3 the traffic using the facility already exceeds its rated capacity and the expected growth in traffic will exacerbate the situation. In such cases the percentage attributable to new development is the portion of the volume beyond the rated capacity that comes from new development (Y/X).

Table 3.3 shows how this methodology was applied to the projects identified in Table 3.1 as having existing and/or future deficiencies.

As can be seen from Table 3.3, of the 13 sites where deficiencies were identified, 8 were locations where the need for the project is wholly attributable to new development (i.e. Case 2 in Figure 3.2). In the other 5 locations a deficiency already exists to some degree and new development is responsible for only a portion of the need for improvement (i.e., Case 3 in Figure 3.2).

Table 3.3 Percent of Project Need Attributable to New Development

TIF ID	Facility	Location	LOS Standard	Existing 2022			Future (2040) Without Improvements				% of Deficiency Attributable to New Development	
				Peak-Hour Entering Volume or ADT	Capacity*	V/C Ratio	LOS	Peak-Hour Entering Volume or ADT	Capacity*	V/C Ratio		LOS
				(A)	(B)	(C)=(A)/(B)	(D)	(E)	(F)	(G)=(E)/(F)		(H)
1	Brunswick Rd	@ Whispering Pines Lane	D				C				E	100%
2	East Main	Bennett St to Idaho-Maryland Rd	D	11,200	13,500	0.83	C	13,860	13,500	1.03	E	100%
3	Idaho-Maryland Rd	@ Centennial Dr	D				D				E	100%
4	Idaho-Maryland Rd	East Main to SR-20/49 Ramps	D	14,080	13,500	1.04	E	17,170	13,500	1.27	F	84%
5	Ophir St	@ Bennett St	D	708	630	1.12	F	935	630	1.48	F	74%
Note: For roadway segments, capacity is as defined in the General Plan. For intersections, capacity is defined as the maximum sum of the approach volumes that does not exceed the LOS standard												

3.4 Determining the Amount Potentially Collectible Through the GVTIF

The amount potentially collectible through the GVTIF program was calculated using the updated project costs, the percentage of project need attributable to new development shown in Table 3.3. This calculation is shown in Table 3.4. The amount potentially collectible through the GVTIF is equal to the costs attributable to new development (see Column C), which is \$15.4 million. Note that this includes administrative costs equal to 1% of the cost of the mitigation projects, as is allowed by state law.

Table 3.4 Amount Potentially Collectible Through GVTIF between 2023 to 2040

TIF ID	Facility	Segment	Cost Estimate	% of Need Attributable to New Development	Costs Attributable to New Development	Costs Attributable to Existing Deficiencies (not New Development)
			(A)	(B)	(C) = (A)*(B)	(D) = (A) - (B)
1	Brunswick Rd	@Whispering Pines	\$400,000	100%	\$400,000	\$0
2	East Main	Bennett St to Idaho-Maryland Rd	\$2,300,000	100%	\$2,300,000	\$0
3	Idaho-Maryland Rd	@ Centennial Dr	\$4,100,000	100%	\$4,100,000	\$0
4	Idaho-Maryland Rd	East Main to SR-20/49 Ramps	\$150,000	84%	\$126,294	\$23,706
5	Ophir St	@ Bennett St	\$400,000	74%	\$297,705	\$102,295
6	Dorsey Drive	Extension to Brunswick Road	\$5,000,000	100%	\$5,000,000	\$0
7	Railroad Ave	Extension to Bennett Rd	\$2,700,000	100%	\$2,700,000	\$0
8	Admin Costs and 5-year reviews		1% of fees	100%	\$150,740	
9	Traffic Model & Fee Study Updates		\$150,000	100%	\$150,000	\$0
	Total (including Admin Costs)		\$15,350,740		\$15,224,739	\$126,001
	As a percent of total costs for needed projects				99%	1%

Column "D" in Table 3.4 shows the amount of funding needed to correct existing deficiencies for these projects. A comparison of this amount, \$126,001, with the amount of funding reasonably foreseeable for potential⁶ matching funds (\$1.6 million, see Section 2.4 of this report), shows that the City will be able to fully fund the non-GVTIF portion of the projects.

3.5 Residential & Non-Residential Shares of Traffic Impacts

The traffic impact of a development project is a function of the number of vehicle trips (VT) generated by that development.

Outputs from the NCTC travel demand model were used to forecast the growth in VT for the five different types of trips that are represented in the model. The growth in VT from new development within Grass Valley was attributed to residential and non-residential developments based on trip type. Standard practice for how to do this can be found in NCHRP Report 1876, a primary reference for travel estimation techniques used in travel demand modeling, which states that "HBW (Home Based Work) and HBNW (Home Based Non-Work) trips are generated at the households, whereas the NHB (Non-Home Based) trips are generated elsewhere." The current study follows this practice by attributing all trips beginning or ending at the traveler's home to the residential land use while all trips not involving a residential location are attributed to non-residential land uses. The forecast growth in VT from residential and non-residential land uses is shown in Table 3.5.

⁶ The projects show in Table 3.4 are not the complete list of projects that the City will be funding from these sources.

Table 3.5 Percentage of VMT Growth Attributable to Residential & Non-Residential Development

Trip Purpose	2018 Vehicle Trips	2040 Vehicle Trips	Growth in Trips	% of Total Trip Growth
Attributable to Residential Development				
Home-Base Other Trip Ends	35,054	51,073	16,019	22%
Home-Base Work Trip Ends	92,852	123,593	30,741	42%
School Trip Ends	8,487	10,457	1,970	3%
Home-Based Sierra College Trip Ends	5,705	6,711	1,005	1%
Attributable to Non-Residential Development				
Non-Home-Based Trips	105,700	129,212	23,512	32%
Total Vehicle Trips Ends	247,798	321,045	73,247	100%

Based on this calculation, 68% of VT growth was attributed to residential development and 32% was attributed to non-residential development.

3.6 Consideration of Residential Floor Area

Since the 2016 nexus study, the State of California has instituted a new policy⁷ pertaining to fees on residential developments. California Government Code (CGC) Section 66016.5(a)(5), which is new with the enactment of AB-602, states that,

“(A) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.

(B) A nexus study is not required to comply with subparagraph (A) if the local agency makes a finding that includes all of the following:

- (i) An explanation as to why square footage is not appropriate metric to calculate fees imposed on housing development project.*
- (ii) An explanation that an alternative basis of calculating the fee bears a reasonable relationship between the fee charged and the burden posed by the development.*
- (iii) That other policies in the fee structure support smaller developments, or otherwise ensure that smaller developments are not charged disproportionate fees.*

(C) This paragraph does not prohibit an agency from establishing different fees for different types of developments.”

AB 602 applies to impact fee programs generally and was not specifically designed to suit transportation impact fees regarding trip generations and unit size. Web research revealed that there are currently no well-established sources for trip generation rates based on residential unit size. However, data on the number of persons per household can be obtained from the U.S. Census Bureau’s American Housing Survey, and data on the number of trips by household size is available from the National Cooperative Highway Research Program (NCHRP) Report 716, *Travel Demand Forecast: Parameters and Techniques*. This data was combined as shown in Table 3.6.

⁷ Assembly Bill 602, signed into law September 2021.

Table 3.6 Computation of Average Trip Generation by Dwelling Size Category

Persons per Household	Trips per Household	Less than 1,500 sq.ft			1,500 to 2,500 sq.ft			Greater than 2,500 sq.ft		
		Number of Units	Percent of Units	Trips	Number of Units	Percent of Units	Trips	Number of Units	Percent of Units	Trips
	(A)	(B)	(C)=(B)*Σ(B)	(D)=(A)* Σ(C)	(E)	(F)=(E)* Σ(E)	(G)=(A)*(F)	(H)	(I)=(H)* Σ(H)	(J)=(A)*(I)
1	4.1	21,895	39%	1.58	7,828	20%	0.81	2,387	12%	0.48
2	8.2	18,076	32%	2.61	14,701	37%	3.04	7,754	38%	3.11
3	11.2	7,592	13%	1.50	6,928	17%	1.96	3,098	15%	1.70
4	16.1	5,355	9%	1.52	5,928	15%	2.41	4,106	20%	3.24
5	18.6	2,368	4%	0.78	2,754	7%	1.29	1,924	9%	1.75
6	18.6	907	2%	0.30	989	2%	0.46	755	4%	0.69
7+	18.6	525	1%	0.17	553	1%	0.26	398	2%	0.36
Total		56,718	100%	8.46	39,681	100%	10.22	20,422	100%	11.33
Average Persons Per Household		2.17			2.66			2.97		
Trip-Gen Rate as a % of SFD Average		83%			100%			111%		
Sources:		Columns (A),(C) - NCHRP Report 716, Columns (B), (E), and (H) - American Housing Survey								

As can be seen in Table 3.6, although the trip generation rate is somewhat related to the size of the residence, it is not directly proportional to the floor area, as is assumed in Section 66016.5(a)(5)(A). We therefore find, pursuant to Section 66016.5(a)(5)(B)(i), that it would not be appropriate to use square footage directly as the metric of traffic impacts for the purposes of this fee program. We instead find, pursuant to Section 66016.5(a)(5)(B)(ii), that the data supports basing the fees on new small, medium, and large-sized homes on the relationships shown in the bottom row of Table 3.6. We further find, pursuant to Section 66016.5(a)(5)(B)(iii), that these relationships would ensure that smaller units would not be charged disproportionate fees compared to larger units.

CGC Section 66016.5(a)(5)(C) allows agencies to establish different fees for different types of developments. In alignment with AB 602, the City of Grass Valley believes that fees on multi-family and senior housing should be set lower than those of single-family dwellings, in recognition of their lower trip generation rates. Unfortunately, a calculation like that shown in Table 3.6 could not be done for these other classes of residential development because the American Housing Survey only has data on the number of persons per household for single-family dwellings (Table 3.6 uses SFD data). DUEs for multi-family, mobile homes, and senior age-restricted housing were therefore calculated based on their respective PM peak-hour trip-generation rates found in ITE's *Trip Generation Manual*. The average size for these housing types in the GVTIF fee area falls within the "Small" category, so the ITE average rate for them was used to compute the "Small" value. The ratio of the values shown in the bottom row of Table 3.6 were then used to compute the DUEs for "Medium" and "Large" multi-family, mobile homes, and senior age-restricted housing. The results as shown in Table 3.7.

Table 3.7 Computation of Dwelling DUEs by Size and Dwelling Type

Dwelling Type	ITE 11th Ed. Trip-Gen Rate (PM Peak Hour)	Average Unit as % of Average SFD Rate	Dwelling Unit Equivalents (DUEs)		
			Small (<1,500 sq.ft)	Medium (1,500 to 2,500 sq. ft.)	Large (> 2,500 sq.ft.)
Single Family	9.43	100%	0.83	1.00	1.11
Multi-Family	4.54	48%	0.48	0.58	0.64
Mobile Home	7.12	76%	0.76	0.91	1.01

Senior Housing	3.78	40%	0.40	0.48	0.54
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Since fees are based on DUEs, as can be seen in Table 3.7, the highest fees would be paid by large single-family dwellings, which would pay 111% of the base rate for SFD. The lowest fees would be paid by small senior dwellings, which would pay 32% of the base rate.

3.6.1 Accessory Dwelling Units (ADUs)

In addition to the considerations discussed above pursuant to AB-602, a separate piece of legislation, SB-13, passed in 2019, establishes a new system for assessing fees on accessory dwelling units (ADUs). It amended CGC Section 65852.2(3)(A)(f)(3) to read,

“A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.”

Based on this sub-section, if an ADU is smaller than 750 square feet then it is exempt from GVTIF fees. Fees on ADU's larger than 750 square feet require a two-part calculation. First the GVTIF fee that would be charged to the primary unit (if it were new) is calculated, then the fee on the ADU is computed based on the ratio of its floor area in relation to the primary unit. For example, if the primary dwelling was 2,000 sq. ft. and would be charged a fee of \$800, then an ADU 1,000 sq. ft. in size on that property would be charged a fee of \$400.

3.7 Determination of Total Trips and Fee per Trip

As described earlier, the next step in the process is to determine the total number of trips for residential and non-residential development. This was done by multiplying the trip generation rate for each land use category (see Table 2.1) by number of new units of each land use type (see Table 2.2). The result is shown in Table 3.8.

Table 3.8 Total Trips by Land Use - Residential Trips

Land Use	Unit	Trip-Gen Rate per DUE	Estimated Split of Residential Units by Dwelling Type	# of New Units	Dwelling Unit Equivalent (DUE)	Daily Trips
		(A)	(B)	(C)=(C _{Total})*(B)	(D)	(E)=(A)*(C)*(D)
Residential						
Single-Family Dwelling	DU			2,236		20,830
Small (<1,500 sq.ft.)	DU	9.43	16%	358	83%	2,793
Medium (1,500-2,500 sq.ft.)	DU	9.43	80%	1,789	100%	16,868
Large (>2,500 sq.ft.)	DU	9.43	5%	112	111%	1,169
Multi-Family Dwelling	DU			545		2,474
Small (<1,500 sq.ft.)	DU	9.43	100%	545	48%	2,474
Medium (1,500-2,500 sq.ft.)	DU	9.43	0%	0	58%	0
Large (>2,500 sq.ft.)	DU	9.43	0%	0	64%	0
Mobile Home in Park	DU			0		0
Small (<1,500 sq.ft.)	DU	9.43	100%	0	76%	0
Medium (1,500-2,500 sq.ft.)	DU	9.43	0%	0	91%	0
Large (>2,500 sq.ft.)	DU	9.43	0%	0	101%	0
Senior Housing	DU			70		289
Small (<1,500 sq.ft.)	DU	9.43	57%	40	40%	151
Medium (1,500-2,500 sq.ft.)	DU	9.43	41%	29	48%	131
Large (>2,500 sq.ft.)	DU	9.43	2%	1	54%	7
Total Residential						23,593

Table 3.9 Total Trips by Land Use - Non-Residential Trips

Land Use	Unit	# of New Units	Trip-Gen Rate	Daily Trips
Office	KSF	472	12.76	6,019
Industrial	KSF	2,142	4.75	10,174
Warehouse	KSF	73	3.56	260
Retail - Low	KSF	221	24.74	5,465
Retail - Medium	KSF	177	47.62	8,417
Retail - High	KSF	44	91.96	4,064
Lodging	Rooms	77	4.21	324
Public & Quasi-Public*	KSF	0	22.59	0
School K-8th Grade*	Students	51	2.25	115
School 9-12th Grade*	Students	298	1.98	590
Community College*	Students	419	1.15	482
Total Non-Residential				35,735
* Indicates Public Sector				

The portion of project costs attributable to new development (see Table 3.4) was multiplied by the percent attributable to residential and non-residential development (see Table 3.5) to find the fee-eligible costs for residential and non-residential development. This was then divided by the number of trips shown in Table 3.8 to determine the fee per trip for residential and non-residential developments (see Table 3.10).

Table 3.10 Fee per Trip and Fee per EDU

Item	Formula	Total GVTIF-Eligible Project Costs	Attributable to Residential Development	Attributable to Non-Residential Development
Total Project Costs	(A)	\$15,224,739		
GVTIF Fund Balance (Amount Collected)	(B)	\$1,472,529		
Remaining Cost for Fee Collection	(C)	\$13,752,210		
% Attributable by Category	(D)		68%	32%
Amount Attributable by Category	(E)=(C)*(D)		\$9,337,782.96	\$4,414,427.23
Trip Ends	(F)		23,593	35,735
TIF per Trip End	(G)=(E)/(F)		\$395.79	\$123.53
Fee per EDU	(H)=(G_{RES})*9.43		\$3,732.28	
9.43 is the trip rate equivalent to a single family detached housing unit EDU = Equivalent Dwelling Unit				

3.8 Recommended Fee by Land Use Category

The final step was to compute the fee to be charged for each unit of new development. This was done by multiplying the trip generation rates from Table 2.1 by the fee per trip from Table 3.10. The result is shown in Table 3.11. Table

3.11 also compares the new fees with the current fees and includes the effects of the recommended changes to the RTMF fee schedule from a parallel study⁸. The key points from this comparison are:

- A small decrease (3.1%) is recommended for the GVTIF fees for per medium-sized single-family home, a (7%) increase for large-sized single-family homes and increases for mobile homes (40% -87%) and for senior housing (4% - 39%). The recommended fees are significantly reduced for multi-family units and reduced for small and medium sized single-family homes.
- When combined with the residential fees recommended for the RTMF, the net decreases for medium-sized single-family units (6%) are below the inflation rate since the previous nexus study (29%). The combined fee for mobile homes increases by 36% to 82%, and medium and large-sized senior housing increases by 22% and 35%.
- A reduction in fees is recommended for every category of non-residential land use. The decrease stems from the reduction in the list of projects to be funded (see Table 3.2) and attributing trips to residential and non-residential development based on trip purpose which was discussed in Section 3.5.

⁸ See Regional Transportation Mitigation Fee 2023 Nexus Study Update, 2024 Revision, GHD, 2024.

Table 3.11 Revised Fee Levels – Residential Fees per Dwelling Unit

Land Use Category	Current GVTIF Rate (A)	Proposed GVTIF Rate (B)	% Change in GVTIF Rate (C)=(B)/(A)-1	Current RTMF Rate (D)	Proposed RTMF Rate ¹ (E)	% Change in RTMF Rate (F)=(E)/(D)-1	Current Total Rate (G)=(A)+(D)	Proposed Total Rate (H)=(B)+(E)	% Change in Total Rate (I)=(H)/(G)-1
Residential									
Single Family House									
Small (<1,500 sq.ft.)	\$3,850	\$3,090	-20%	\$4,621	\$3,528	-24%	\$8,471	\$6,618	-22%
Medium (1,500-2,500 sq.ft.)	\$3,850	\$3,732	-3%	\$4,621	\$4,263	-8%	\$8,471	\$7,995	-6%
Large (>2,500 sq.ft.)	\$3,850	\$4,138	7%	\$4,621	\$4,725	2%	\$8,471	\$8,863	5%
Multi-Family									
Small (<1,500 sq.ft.)	\$2,664	\$1,797	-33%	\$3,199	\$2,052	-36%	\$5,863	\$3,849	-34%
Medium (1,500-2,500 sq.ft.)	\$2,664	\$2,171	-19%	\$3,199	\$2,479	-23%	\$5,863	\$4,650	-21%
Large (>2,500 sq.ft.)	\$2,664	\$2,406	-10%	\$3,199	\$2,748	-14%	\$5,863	\$5,154	-12%
Mobile Home in Park									
Small (<1,500 sq.ft.)	\$2,018	\$2,818	40%	\$2,422	\$3,219	33%	\$4,440	\$6,037	36%
Medium (1,500-2,500 sq.ft.)	\$2,018	\$3,404	69%	\$2,422	\$3,888	61%	\$4,440	\$7,292	64%
Large (>2,500 sq.ft.)	\$2,018	\$3,774	87%	\$2,422	\$4,309	78%	\$4,440	\$8,083	82%
Senior Housing									
Small (<1,500 sq.ft.)	\$1,440	\$1,494	4%	\$1,728	\$1,706	-1%	\$3,168	\$3,200	1%
Medium (1,500-2,500 sq.ft.)	\$1,440	\$1,805	25%	\$1,728	\$2,061	19%	\$3,168	\$3,866	22%
Large (>2,500 sq.ft.)	\$1,440	\$2,001	39%	\$1,728	\$2,285	32%	\$3,168	\$4,286	35%
Accessory Dwelling Unit (ADU)									
< 750 sq.ft.	Exempt			Exempt			Exempt		
> 750 sq.ft.	Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (GVTIF for primary unit (C)) x (ADU sq.ft. divided by primary unit sq.ft.)			Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF for primary unit (F)) x (ADU sq.ft. divided by primary unit sq.ft.)					

1. Proposed RTMF Fee per Unit includes the Annual Inflation Adjustment for 2024.

Table 3.12 Revised Fee Levels – Non-Residential Fees per KSF

Land Use Category	Current GVTIF Rate (A)	Proposed GVTIF Rate (B)	% Change in GVTIF Rate (C)=(B)/(A)-1	Current RTMF Rate (D)	Proposed RTMF Rate ¹ (E)	% Change in RTMF Rate (F)=(E)/(D)-1	Current Total Rate (G)=(A)+(D)	Proposed Total Rate (H)=(B)+(E)	% Change in Total Rate (I)=(H)/(G)-1
Non-Residential									
Office	\$1,571	\$1,576	0%	\$1,033	\$782	-24%	\$2,604	\$2,358	-9%
Industry	\$695	\$587	-16%	\$457	\$291	-36%	\$1,152	\$878	-24%
Warehouse	\$464	\$440	-5%	\$305	\$219	-28%	\$770	\$659	-14%
Retail - Low	\$3,114	\$2,671	-14%	\$2,047	\$1,326	-35%	\$5,161	\$3,997	-23%
Retail - Medium	\$6,654	\$6,241	-6%	\$4,373	\$3,097	-29%	\$11,027	\$9,338	-15%
Retail - High	\$11,799	\$11,360	-4%	\$7,754	\$5,638	-27%	\$19,553	\$16,998	-13%
Lodging	\$833	\$520	-38%	\$553	\$258	-53%	\$1,386	\$778	-44%
Public & Quasi-Public	Exempt		0%	Exempt		0%	Exempt		0%
School K-8th Grade	Exempt		0%	Exempt		0%	Exempt		0%
School 9-12th Grade	Exempt		0%	Exempt		0%	Exempt		0%
Public College	Exempt		0%	Exempt		0%	Exempt		0%

1. Proposed RTMF Fee per Unit includes the Annual Inflation Adjustment for 2024.

3.9 Revenues Expected to be Raised by the GVTIF Program

Based on the number of new units of development shown in Table 2.2 and the recommended fee schedule shown in Table 3.11 and Table 3.12, the total fee revenue expected to be generated by the GVTIF in the next 20 years is \$13.8 million, as shown in Table 3.13. Note that this is slightly (1%) less than the \$13.9 million in project costs attributable to new development shown in Column C of Table 3.4. This is because public-sector developments are exempt from the GVTIF and their share of the costs cannot legally be transferred to others development since the latter are responsible only for mitigating their own impacts.

Table 3.13 Forecast of GVTIF Revenues

Land Use Category	Unit	TIF/ Trip End	Trip-Gen Rate	TIF/ Unit	Expected # of New Units	Expected Revenues	Percent of Revenues
Residential							
Single Family House	DU	\$395.79	9.43	\$3,732	2,236		
Small (<1,500 sq.ft.)	DU		83%	\$3,090	16%	\$1,105,389	8.1%
Medium (1,500-2,500 sq.ft.)	DU		100%	\$3,732	80%	\$6,676,295	49.1%
Large (>2,500 sq.ft.)	DU		111%	\$4,138	5%	\$462,588	3.4%
Multi-Family	DU	\$395.79	9.43	\$3,732	545		
Small (<1,500 sq.ft.)	DU		48%	\$1,797	100%	\$979,297	7.2%
Medium (1,500-2,500 sq.ft.)	DU		58%	\$2,171	0%	\$0	0.0%
Large (>2,500 sq.ft.)	DU		64%	\$2,406	0%	\$0	0.0%
Mobile Home in Park	DU	\$395.79	9.43	\$3,732	0		
Small (<1,500 sq.ft.)	DU		76%	\$2,818	100%	\$0	0.0%
Medium (1,500-2,500 sq.ft.)	DU		91%	\$3,404	0%	\$0	0.0%
Large (>2,500 sq.ft.)	DU		101%	\$3,774	0%	\$0	0.0%
Senior Housing	DU	\$395.79	9.43	\$3,732	70		
Small (<1,500 sq.ft.)	DU		40%	\$1,494	57%	\$59,615	0.4%
Medium (1,500-2,500 sq.ft.)	DU		48%	\$1,805	41%	\$51,798	0.4%
Large (>2,500 sq.ft.)	DU		54%	\$2,001	2%	\$2,801	0.0%
Residential Total >						\$9,337,783	68.6%
Non-Residential							
Office	KSF	\$123.53	12.76	\$1,576	472	\$743,553	5.5%
Industry	KSF	\$123.53	4.75	\$587	2,142	\$1,256,765	9.2%
Warehouse	KSF	\$123.53	3.56	\$440	73	\$32,104	0.2%
Retail - Low	KSF	\$123.53	21.63	\$2,671	221	\$590,244	4.3%
Retail - Medium	KSF	\$123.53	50.52	\$6,241	177	\$1,103,135	8.1%
Retail - High	KSF	\$123.53	91.96	\$11,360	44	\$502,001	3.7%
Lodging	Rooms	\$123.53	4.21	\$520	77	\$40,046	0.3%
Public & Quasi-Public	KSF	Exempt	22.59	\$0	0	\$0	
School K-8th Grade	Students	Exempt	2.25	\$0	51	\$0	
School 9-12th Grade	Students	Exempt	1.98	\$0	298	\$0	
Public College	Students	Exempt	1.15	\$0	419	\$0	
Non-Residential Total >						\$4,267,846	31.4%
Combined Total Expected Revenues >						\$13,605,629	
Total Costs Attributable to New Development >						\$13,752,210	
Expected Revenues as a Percentage of Allowable Project Costs >						99%	

Approximately 68% of the forecast revenue will come from single and multi-family housing. It is therefore crucial to the viability of the program that fees on those two categories of development are not reduced further.

4. Mitigation Fee Act Findings

The Mitigation Fee Act, as set forth in the California Government Code Sections 66000 through 66008, establishes the framework for mitigation fees in the State of California. The Act requires agencies to make certain findings with respect to a proposed fee. These are described in the sections below.

4.1 Purpose of the Fee

Identify the purpose of the fee

The purpose of the GVTIF is to mitigate the cumulative impacts of future developments on traffic conditions on city streets in Grass Valley. The fees will help fund improvements needed to maintain the target level of service in the face of the higher traffic volumes brought on by new developments.

4.2 Use of Fee Revenues

Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified

The list of projects to receive GVTIF funding is shown in Exhibit 23. We recommend that the GVTIF should be used only for non-State roads in the city. NCTC has a complementary program (the RTMF) to mitigate cumulative traffic impacts on regional facilities in the city. Only projects involving state facilities were considered “regional” under this policy and can receive RTMF funding.

4.3 Use/Type of Development Relationship

Determine the reasonable relationship between the fees’ use and the type of development project on which the fees are imposed

To determine the “use” relationship, the development being assessed an impact fee must be reasonably shown to derive some use or benefit from the facility being built using the fee. In the case of the GVTIF the projects to be funded were selected because they performed a local (as opposed to regional) function and that the need for the project was at least partially attributable to new development. The growth in vehicle trips and the increases in congestion at project sites (see Exhibit 16) are evidence that new developments contribute towards the need for roadway improvements.

The fact that the projects that will be funded by the GVTIF are high-priority city roads means that all the city’s new residents and businesses will benefit in important ways from the maintenance of a reasonable level of service. Most drivers in the new developments can be expected to use these roads regularly, and those that do not will nevertheless benefit because good traffic conditions on the GVTIF-funded roads will keep drivers from diverting to other roads and causing congestion in other parts of the city. Even residents or workers in the new developments who do not drive at all will benefit from access to goods and services made possible in part by the serviceability of the Grass Valley road network.

4.4 Need/Type of Development Relationship

Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed

To determine the “need” relationship, the facilities to be financed must be shown to be needed at least in part because of the new development. This was determined by analyzing the forecast traffic demand with the expected degree of new development and comparing that with the demand without new development. Projects were analyzed individually

and the degree to which the need for the project was attributable to new development varied from project to project. This analysis is described in an earlier chapter of this report.

4.5 Proportionality Relationship

Determine how there is a reasonable relationship between the fee amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed

The “proportionality” relationship requires that there be rough proportionality between the fee charged to each type of development and the cost of the facility being financed. In the case of the GVTIF the differences in the traffic generated by different types of development were factored into the fee to be charged for each type, as is described earlier in this report. Within each land use category, the size of the project, i.e. the number of dwelling units constructed or size of the building, is accounted for in assessing the fee. This ensures that projects that generate a lot of traffic and therefore have a greater traffic impact will pay more than other projects that have less impacts.

5. Annual Inflation Adjustment

In addition to the revisions to the 2023 Nexus Study, this revision includes an annual inflation adjustment to the fees.

The GVTIF may, at the City's discretion, be adjusted to account for the inflation of construction, right-of-way acquisition, and design costs each year. In February or March of each calendar year, the GVTIF should be reviewed, and fee adjustments should be recommended by the City based on the percentage change in the San Francisco Construction Cost Index (CCI) as reported in the Engineering News Record (ENR) for the 12-month period ending in December of the prior year. The CCI information and associated percentage change is shown below in Table 5.1.

Table 5.1 Annual Inflation Adjustment Calculation

ENR San Francisco Construction Cost Index	
December 2022	14,977.94
December 2023	15,515.00
Percentage Change	3.59%

The percentage change from the CCI indices is then applied to the proposed fees from Table 3.11 and 3.12 to obtain the final proposed fees for agency adoption. The calculation of the annual inflation adjustment of the fees on residential units and non-residential units is shown in Tables 5.2 and 5.3, respectively.

Table 5.2 Recommended Residential Fees with Annual Inflation Adjustment

Typical Use	ITE Code & Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
		(A)	(B)	(C)=(A)*(B)
Residential (Dwelling Unit)				
Single Family	210			
Small (<1,500 sq.ft.)	Dwelling Unit	\$3,090	1.0359	\$3,201
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,732	1.0359	\$3,866
Large (>2,500 sq.ft.)	Dwelling Unit	\$4,138	1.0359	\$4,287
Multi-Family	251			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,797	1.0359	\$1,862
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$2,171	1.0359	\$2,249
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,406	1.0359	\$2,492
Mobile Home	220			
Small (<1,500 sq.ft.)	Dwelling Unit	\$2,818	1.0359	\$2,919
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$3,404	1.0359	\$3,526
Large (>2,500 sq.ft.)	Dwelling Unit	\$3,774	1.0359	\$3,909
Senior Housing	252			
Small (<1,500 sq.ft.)	Dwelling Unit	\$1,494	1.0359	\$1,548
Medium (1,500-2,500 sq.ft.)	Dwelling Unit	\$1,805	1.0359	\$1,870
Large (>2,500 sq.ft.)	Dwelling Unit	\$2,001	1.0359	\$2,073
Accessory Dwelling Unit (ADU)				
< 750 sq.ft.		Exempt		
> 750 sq.ft.		Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today. (RTMF (F) for primary unit) x (ADU sq.ft. divided by primary unit sq.ft.)		

Table 5.3 Recommended Non-Residential Fees with Annual Inflation Adjustment

Typical Use		Unit	Proposed Fee without Inflation	Inflation Rate	Final Proposed Fee (with Inflation)
			(A)	(B)	(C)=(A)*(B)
Non-Residential					
	Office	KSF	\$1,576	1.0359	\$1,633
	Industrial	KSF	\$587	1.0359	\$608
	Warehouse	KSF	\$440	1.0359	\$456
	Retail/Service - Low	KSF	\$2,671	1.0359	\$2,767
	Retail/Service - Medium	KSF	\$6,241	1.0359	\$6,465
	Retail/Service - High	KSF	\$11,360	1.0359	\$11,768
*	Lodging	Room	\$520	1.0359	\$539
**	Public & Quasi-Public	KSF			Exempt
**	School K-8th Grade	Student			Exempt
**	School 9-12th Grade	Student			Exempt
**	Public College	Student			Exempt

* The unit of analysis for this category is "rooms". Trip-gen rate shown is the average for the hotel and motel categories

** Public-sector land uses are generally exempt from local fees

6. Implementation

The GVTIF Program presented in this report is based on the best available information on roadway improvement cost estimates, administrative cost estimates, and land use. If costs change significantly, if the type or amount of new development changes, if other assumptions significantly change, or if other funding becomes available (as a result of legislative action on state and local government finance, for example), the fee program should be updated accordingly.

After the fees presented in this report are adopted, the city should conduct periodic reviews of roadway improvement costs and other assumptions used as the basis of this nexus study. Based on these reviews, the city may make adjustments to the fee program through subsequent fee program updates.

6.1 Implementing Ordinances & Resolutions

The proposed fee schedule would be adopted by the City through one or more ordinances authorizing collection of the fee and through one or more fee resolutions. The revised fee will take effect on the date specified in the ordinance but not less than 60 days following the City's final action on the ordinances authorizing collection of the fee and on the fee resolutions establishing the fee schedule. The new ordinances or resolutions should reference the potential adjustments discussed later in this chapter.

6.2 Fee Administration

The GVTIF Program will be collected from new development in areas subject to the fee at the time of the building permit issuance; use of these funds may need to wait until a sufficient fund balance can be accrued. According to Government Code Section 66000, the city is required to deposit, invest, account for, and expend the fees in a prescribed manner.

New development located in any of the SDAs will require annexation to the city before entitlement and development. The fee will be collected at the time of the issuance of the Certificate of Occupancy. The city intends to request traffic mitigation from new development located in the City's SOI, but not currently in the City limits, through the County where possible.

6.3 GVTIF Exemptions, Reimbursements, & Credits

6.3.1 Exemptions

The GVTIF Program may be reduced under certain circumstances. Any exemptions or reduction in fees will be based on the City's independent analysis and review of the subject property.

The City Council may waive any and all portions of the Fee if it can be determined that a proposed project will not impact any facility for which the Fee is collected. Exemption criteria will be established by the City at the time of enactment of the fee ordinance(s) or resolution(s). Examples of the types of development that may be fully or partially exempted from the Fee include:

- Additions to residential and non-residential structures provided that such additions do not increase traffic impacts;
- Replacement of damaged or destroyed structures as a result of fire, flood, explosion, wind, earthquake, riot, or other calamity, or act of God; provided that such replacement does not increase the traffic impact of the structure.
- Square footage of a multi-family project used for purposes of supporting the project's operation, such as the office, restrooms, or recreation room, provided that such changes do not increase the number of dwelling units;

- Public facilities; and
- Agricultural storage facilities, provided that such facilities do not increase the traffic impact of the property.

The GVTIF Program excludes public facilities from the fee because the Mitigation Fee Act coupled with the California Codes restrict the City from assessing fees or collecting revenue from public facilities (e.g., State buildings, County buildings, or State-regulated public schools) for the construction of roadway facilities.

6.3.2 Credit for Replacement of Existing Buildings

Portions of the City are already developed. New development that replaces existing development is eligible for a fee credit to the extent that the facilities to be funded by the new development are already provided to the existing development. In such cases the development will be charged for the difference in the number of dwelling unit (for residential) or floor space (for non-residential) between the building being replaced and the new building. For example, a four-unit apartment complex that is replaced by a ten-unit apartment complex would pay GVTIF on the additional six apartments only. The City's Public Works Department will determine the amount of the fee credit at the time a site plan is submitted to the city.

Note that the credits given under this sub-section are for replacement of *existing* buildings only; meaning existing during the period for which existing roadway capacity deficiencies were analyzed. Credit will not be given for buildings that may once have existed on the site but were demolished prior to the establishment of the GVTIF.

6.3.3 Reimbursement to Developers

In some cases, traffic impacts occur, and public infrastructure improvements are needed up-front, before sufficient revenue from the fee collection is available to fund such improvements. Consequently, to mitigate their impacts developers may sometimes be required to pay for the public improvements whose need is triggered by their projects, but they are only partially responsible for.

In cases where a private party (e.g., developer) has advance-funded an eligible GVTIF facility, the party will be due a reimbursement from the GVTIF Program. Reimbursements will be provided under the following conditions:

- Developer-installed improvements shall be considered for reimbursement. Only funds collected from the roadway fee shall be used to reimburse a developer who installed eligible roadway facility improvement identified in this report; and
- The value of any developer-installed improvement for fee credit or reimbursement purposes shall be based on the actual cost of eligible facilities in the CIP as determined by the City.

The reimbursement may be in the form of fee credits or cash reimbursements as described in more detail herein.

6.3.4 Credit and Reimbursement Implementation Process

Once all criteria are met, fee credits may be taken against fees when payable at building permit issuance. To obtain fee credits, the public facility project must meet all criteria and developers must apply to the City before payment of fees on the first unit associated with final development approval. The city maintains the flexibility to allocate fee credits in a manner it chooses. Fee credits granted shall be on a per-dwelling-unit or per-thousand-square-foot basis for all development projects. In no event, will a party be granted fee credits against the administrative portion of the fee.

Cash reimbursements will be due to developers who have advance funded a facility (or facilities) in excess of their proportionate share for such a facility. In this instance, developers would first obtain fee credits, up to their fair share requirement for a facility, and then await reimbursement from fee revenue collections from other fee payers.

The use of accumulated fee revenues shall be used in the following priority order:

1. Critical projects as defined by the city; then
2. Repayment of reimbursement to private developers for the construction of CIP projects.

To obtain reimbursements, developers must enter into a reimbursement agreement with the city. Reimbursements will be paid only after the city accepts public facility improvements. It is important to note that reimbursements are an obligation of the GVTIF Program and not an obligation of the City General Fund or other operating funds.

6.4 Fee Program Update

The GVTIF Program is subject to inflation adjustments, periodic updates, and a 5-year review requirement. The purpose of each update is described in this section.

6.4.1 Inflation Adjustment

The proposed fee may be adjusted by the city annually to account for the inflation of construction, right-of-way acquisition, and environmental or design costs. It is recommended that once each calendar year, using the procedures set forth in California Government Code Section 66017, the city should adjust the fees based on the San Francisco Construction Cost Index as reported in the Engineering News Record for the 12-month period ending December of the prior year. The new fee schedule should be adopted by the city through a resolution.

6.4.2 Period Update

The city may, at its option, adjust the fee based on changes in developable land, cost estimates, or outside funding sources. In such cases the city will review the costs and fee to determine if any updates to the fee are warranted. During the periodic reviews, the city will analyze:

- Changes to the required facilities listed in the most recent Nexus Study;
- Changes in the cost to update or administer the fee;
- Changes in costs greater than inflation;
- Changes in assumed land uses; and
- Changes in other funding sources.

Any changes to the fee based on the periodic update will be presented to the City Council for approval before an increase or decrease in the fee.

6.4.3 5-Year Review

Fees will be collected from new development in the City immediately; use of these funds, however, may need to wait until a sufficient fund balance can be accrued. According to Government Code Section 66006, the City is required to deposit, invest, account for, and expend the fees in a prescribed manner. The fifth fiscal year following the first deposit into the Fee account or fund and every 5 years thereafter, the City is required to make all of the following findings with respect to that portion of the account or fund remaining unexpended:

- Identify the purpose for which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete plan area improvements; and
- Designate the approximate dates on that the funding referred to in the above paragraph is expected to be deposited in the appropriate account or fund.

The city must refund the unexpended or uncommitted revenue portion of the fee for which a need could not be demonstrated in the above findings unless the administrative costs exceed the amount of the refund.



RESOLUTION NO. R2024-26**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY AMENDING
GRASS VALLEY TRANSPORTATION IMPACT FEES FOR
TRAFFIC AND CIRCULATION IMPROVEMENTS**

WHEREAS, Grass Valley Municipal Code Chapter 3.44 establishes the authority for imposing and charging traffic impact fees; and

WHEREAS, the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by this resolution are for the purpose of meeting operating expenses, including employee wage rates and fringe benefits; purchasing or leasing supplies, equipment, or materials; meeting financial reserve needs and requirements; or obtaining funds for capital projects necessary to maintain service within existing service areas; and

WHEREAS, the City Council of the City of Grass Valley has established a Fee Schedule as part of the Fiscal Year Budget approval process, that includes all fees of the City and a policy for the review and approval of City fees and charges; and

WHEREAS, the City has completed a comprehensive review to calculate the costs and impacts attributable to new development on the local transportation system, as documented in the GHD report titled "Grass Valley Transportation Impact Fee 2023 Nexus Study Update, Final Report-2024 Revision", dated March 11, 2024; and

WHEREAS, the City of Grass Valley annually evaluate impact fees per the associated impact fee program which were implemented for the purpose of defraying all or a portion of the cost of public facilities related to a development project;

WHEREAS, the December 2023 Engineering New Record Construction Cost Index for San Francisco was 3.59% higher than the previous year; and

WHEREAS, on April 23, 2024, the City held a noticed public hearing to consider updates to the GVTIF program and proposed impact fees; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRASS VALLEY, as follows:

1. That the foregoing statements are true and correct.
2. That the GVTIF, development impact fees, policies and calculations comply with California Government Code Section 66001 by establishing the basis for imposition of fees on new development by:
 - a. Identifying the purpose of the fee.
 - b. Identifying the use to which the fee will be put.

- c. Showing a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed.
 - d. Showing a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed.
 - e. Showing a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.
3. That the fee methodologies, study and proposed development impact fees, as documented in the GHD report titled “Grass Valley Transportation Impact Fee 2023 Nexus Study Update-2024 Revision” are the basis for the fees and are hereby adopted.
 4. That the Fee Schedule for fiscal year 2024/25 is hereby amended for the transportation impact fees as shown in Exhibit “A” in the column “Final Proposed Fee (with inflation)”.
 5. That this amendment to transportation impact fees shall be effective starting on July 1, 2024, and subsequently adjusted per the prescribed annual inflation provisions on July 1st for each fiscal year thereafter.

PASSED AND ADOPTED as a Resolution by the City Council of the City of Grass Valley at a regular meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jan Arbuckle, MAYOR

APPROVED AS TO FORM:

ATTEST:

Michael G. Colantuono, CITY ATTORNEY

Taylor Day, CITY CLERK

EXHIBIT A – Final Proposed Grass Valley Traffic Impact Fees

Typical Use	Final Proposed Fee (with Inflation)
Residential (Dwelling Unit)	
Single Family	
Small (<1,500 sq.ft.)	\$3,201
Medium (1,500-2,500 sq.ft.)	\$3,866
Large (<2,500 sq.ft.)	\$4,287
Multi-Family	
Small (<1,500 sq.ft.)	\$1,862
Medium (1,500-2,500 sq.ft.)	\$2,249
Large (<2,500 sq.ft.)	\$2,492
Mobile Home	
Small (<1,500 sq.ft.)	\$2,919
Medium (1,500-2,500 sq.ft.)	\$3,526
Large (<2,500 sq.ft.)	\$3,909
Senior Housing	
Small (<1,500 sq.ft.)	\$1,548
Medium (1,500-2,500 sq.ft.)	\$1,870
Large (<2,500 sq.ft.)	\$2,073
Accessory Dwelling Unit (ADU)	
< 750 sq.ft.	Exempt
> 750 sq.ft.	Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today.

Typical Use	Final Proposed Fee (with Inflation)
Non-Residential	
Office	\$1,633
Industrial	\$608
Warehouse	\$456
Retail/Service - Low	\$2,767
Retail/Service - Medium	\$6,465
Retail/Service - High	\$11,768
* Lodging	\$539
** Public & Quasi-Public	Exempt
** School K-8th Grade	Exempt
** School 9-12th Grade	Exempt
** Public College	Exempt

* The unit of analysis for this category is "rooms".

** Public-sector land uses are generally exempt from local fees

RESOLUTION NO. R2024-27**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY AMENDING REGIONAL TRANSPORTATION MITIGATION IMPACT FEES FOR TRAFFIC AND CIRCULATION IMPROVEMENTS**

WHEREAS, Grass Valley Municipal Code Chapter 3.44 establishes the authority for imposing and charging traffic impact fees; and

WHEREAS, the City Council of the City of Grass Valley has established a Fee Schedule as part of the Fiscal Year Budget approval process, that includes all fees of the City and a policy for the review and approval of City fees and charges; and

WHEREAS, the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by this resolution are for the purpose of meeting operating expenses, including employee wage rates and fringe benefits; purchasing or leasing supplies, equipment, or materials; meeting financial reserve needs and requirements; or obtaining funds for capital projects necessary to maintain service within existing service areas; and

WHEREAS, the Nevada County Transportation Commission (NCTC) has completed a comprehensive review to calculate the costs and impacts attributable to new development on the regional transportation system, as documented in the GHD report titled "Regional Transportation Mitigation Fee 2023 Nexus Study Update, Final Report-2024 Revision", dated March 5, 2024; and

WHEREAS, the Nevada County Transportation Commission (NCTC) has recommended adoption by the local jurisdictions of the updated Regional Transportation Mitigation Fee (RTMF) program at their March 20, 2024 meeting; and

WHEREAS, the Nevada County Transportation Commission (NCTC) and the City of Grass Valley annually evaluate impact fees per the associated impact fee programs which were implemented for the purpose of defraying all or a portion of the cost of public facilities related to a development project;

WHEREAS, the December 2023 Engineering New Record Construction Cost Index for San Francisco was 3.59% higher than the previous year; and

WHEREAS, on April 23, 2024, the City held a noticed public hearing to consider updates to the RTMF program and proposed impact fees; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRASS VALLEY, as follows:

1. That the foregoing statements are true and correct.

2. That the RTMF, development impact fees, policies and calculations comply with California Government Code Section 66001 by establishing the basis for imposition of fees on new development by:
 - a. Identifying the purpose of the fee.
 - b. Identifying the use to which the fee will be put.
 - c. Showing a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
 - d. Showing a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed.
 - e. Showing a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.

3. That the fee methodologies, study and proposed development impact fees, as documented in the GHD report titled "Regional Transportation Mitigation Fee 2023 Nexus Study Update, Final Report-2024 Revision" are the basis for the fees and are hereby adopted.

4. That the Fee Schedule for fiscal year 2024/25 is hereby amended for the transportation impact fees as shown in Exhibit "A" in the column "Final Proposed Fee (with inflation)".

5. That this amendment to transportation impact fees shall be effective starting on July 1, 2024 and subsequently adjusted per the prescribed annual inflation provisions on July 1st for each fiscal year thereafter.

PASSED AND ADOPTED as a Resolution by the City Council of the City of Grass Valley at a regular meeting thereof held on the 23rd day of April 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jan Arbuckle, MAYOR

APPROVED AS TO FORM:

ATTEST:

Michael G. Colantuono, CITY ATTORNEY

Taylor Day, CITY CLERK

EXHIBIT A – Final Proposed Regional Traffic Impact Fees

Typical Use	Final Proposed Fee (with Inflation)
Residential (Dwelling Unit)	
Single Family	
Small (<1,500 sq.ft.)	\$3,528
Medium (1,500-2,500 sq.ft.)	\$4,263
Large (>2,500 sq.ft.)	\$4,725
Multi-Family	
Small (<1,500 sq.ft.)	\$2,052
Medium (1,500-2,500 sq.ft.)	\$2,479
Large (>2,500 sq.ft.)	\$2,748
Mobile Home	
Small (<1,500 sq.ft.)	\$3,219
Medium (1,500-2,500 sq.ft.)	\$3,888
Large (>2,500 sq.ft.)	\$4,309
Senior Housing	
Small (<1,500 sq.ft.)	\$1,706
Medium (1,500-2,500 sq.ft.)	\$2,061
Large (>2,500 sq.ft.)	\$2,285
Accessory Dwelling Unit (ADU)	
< 750 sq.ft.	Exempt
> 750 sq.ft.	Fee is based on the ratio of its floor area in relation to the primary unit, multiplied by the fee that the primary unit would pay, if it was being built today.
Typical Use	Final Proposed Fee (with Inflation)
Non-Residential	
Office	\$782
Industrial	\$291
Warehouse	\$219
Retail/Service - Low	\$1,326
Retail/Service - Medium	\$3,097
Retail/Service - High	\$5,638
* Lodging	\$258
** Public & Quasi-Public	Exempt
** School K-8th Grade	Exempt
** School 9-12th Grade	Exempt
** Public College	Exempt

* The unit of analysis for this category is "rooms".

** Public-sector land uses are generally exempt from local fees



**City of Grass Valley
City Council
Agenda Action Sheet**

Title: Fire Department Staffing

CEQA: Not a project

Recommendation: That Council approve the Fire Department's proposal to enhance services with the addition of one Firefighter funded by Measure B.

Prepared by: Mark Buttron- Fire Chief

Council Meeting Date: 04/23/2024

Date Prepared: 04/17/2024

Agenda: Administrative

Background Information: The City's proactive approach to fire services has indeed led to significant improvements in various areas, including fleet replacement, internal system modernization, and enhanced technology for response and reporting. With the recent passage of Measure B, the City is set to implement an improved staffing model to further enhance resilience and capability within the Fire Department.

As part of this initiative, the Fire Department is proposing to add one firefighter position, which will be funded by Measure B. This position will be included in the current recruitment process for appointment in May, alongside two other open positions. The three firefighters selected will undergo training at an internal new hire academy and will help to balance shift staffing within the department.

Funding for this additional firefighter position will initially be provided through a loan from City General Fund Reserves, with the repayment of the loan using Measure B Funds. This strategic approach aims to bolster the City's firefighting capabilities and ensure the continued safety and well-being of its residents.

Cooperative and coordinated emergency response has always been and will continue to be the focus of the City of Grass Valley Fire Department as we plan for the current and future protection of the community.

Council Goals/Objectives: The enhanced services and staffing of the Fire Department are consistent with the City Strategic Plan related to Public Safety.

Fiscal Impact: The estimated fiscal impact of adding 1.0 FTE Firefighter in May through end of December at which time Measure B will fund the position is \$80,000.00.

These funds are currently available in general fund reserves and will be incorporated into the base budget with the FY 2023-24.

Funds Available: Yes

Account #: General Fund Reserves

Reviewed by: City Manager

Attachments: None