



BOARD OF DIRECTORS
FEBRUARY 26, 2010

AGENDA ITEM NO. 10-02-**4**
ACTION REQUESTED – APPROVE

TransNet REGIONAL TRANSPORTATION CONGESTION
IMPROVEMENT PROGRAM FEE ADJUSTMENT

File Number 1500100

Introduction

The Regional Transportation Congestion Improvement Program (RTCIP), an element of the *TransNet* Extension Ordinance, requires the 18 cities and the County of San Diego to collect an exaction from the private sector for each new housing unit constructed in their jurisdiction. The RTCIP has been implemented in the San Diego region since July 1, 2008.

Recommendation

The Board of Directors is asked to approve a 2 percent adjustment to the Regional Transportation Congestion Improvement Program, raising the minimum fee from \$2,040 to \$2,081 beginning July 1, 2010.

The *TransNet* Extension Ordinance requires SANDAG to annually adjust the minimum RTCIP fee amount on July 1 of each year, based on an analysis of construction cost indices, but never less than 2 percent. The purpose of this annual adjustment is to ensure the RTCIP retains its purchasing power to improve the Regional Arterial System. Staff has evaluated construction cost trends and relevant indices, and based on this analysis, a 2 percent fee adjustment is recommended; this would raise the minimum RTCIP exaction from \$2,040 to \$2,081 beginning July 1, 2010. The Independent Taxpayer Oversight Committee (ITOC) is scheduled to review this proposed RTCIP adjustment in February.

Discussion

Background

The purpose of the RTCIP is to help ensure future development contributes its proportional share of the funding needed to pay for the Regional Arterial System and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG. The RTCIP funding programs fall under the responsibility of the 19 local jurisdictions, which have established these programs under the state's Mitigation Fee Act. The jurisdictions must maintain their RTCIP funding programs and comply with specific administrative requirements in order to remain eligible for their *TransNet* local street and roads funding.

Section 9 of the *TransNet* Extension Ordinance requires the RTCIP exaction to be increased annually in an amount not to exceed the percentage increase set

