



CITY OF CORONADO

CITY COUNCIL STAFF REPORT

April 4, 2023

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PUBLIC HEARING: ADOPTION OF “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, ADOPTING A REVISED SCHEDULE FOR A REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FEE TO MITIGATE THE IMPACTS OF DEVELOPMENT OF RESIDENTIAL UNITS ON THE SAN DIEGO REGIONAL TRANSPORTATION ARTERIAL SYSTEM FOR FISCAL YEAR 2023-24, INCREASING THE EXISTING UNIFORM TRANSPORTATION MITIGATION FEE BY A MINIMUM OF TWO PERCENT, FROM \$ \$2,688.21 TO A MINIMUM OF \$2,741.97 FOR EACH NEWLY CONSTRUCTED RESIDENTIAL UNIT

RECOMMENDATION:

Conduct a public hearing and adopt “A Resolution of the City Council of the City of Coronado, California, adopting a revised schedule for a Regional Transportation Congestion Improvement Program Fee to mitigate the Impacts of development of residential units on the San Diego Regional Transportation Arterial System for FY 2023-24, increasing the existing uniform transportation mitigation fee by two percent, from \$2,688.21 to \$2,741.97 for each newly constructed residential unit.”

BACKGROUND:

On March 18, 2008, the City Council adopted Ordinance No. 1991 which added Chapter 82.34 of the Coronado Municipal Code adopting a uniform transportation mitigation fee for the purpose of defraying actual or estimated costs of constructing planned regional transportation facilities. At the same meeting, Resolution No. 8276 was adopted which established a Regional Transportation Congestion Improvement Program (RTCIP) fee of \$2,000 for each and every non-exempt and newly constructed residential unit in the City of Coronado.

The TransNet ordinance requires that the RTCIP fee be adjusted annually in an amount not to exceed the percentage increase set forth in the Engineering Construction Cost Index (CCI), but not less than two percent. RTCIP funds can be used for improvements to roadways included in the Regional Arterial System (RAS) adopted by the San Diego Association of Governments (SANDAG); for Coronado the RAS currently includes SR-75. In accordance with the voter-approved TransNet initiative, each city in San Diego County is required to collect a mitigation fee for new residential units in order to be eligible to receive TransNet sales tax money. The program, which went into effect in July 2008, contains a provision for SANDAG to annually adjust the minimum traffic mitigation fee for inflation.

ANALYSIS:

At its February 24, 2023, meeting, the SANDAG Board of Directors approved an adjustment to the TransNet RTCIP fee, raising the minimum RTCIP exaction from \$2,688.21 to \$2,741.97 for FY 2023-24 (a two percent increase). According to the staff report presented to the Board of Directors, the most recent available data shows the CCI (for Los Angeles) increased “much more than 2%,” however, it was recommended to adjust the RTCIP no more than the minimum 2% describing that, considering historic CCI trends, a 2% increase “is enough to ensure that the RTCIP fee maintains its purchasing power to complete necessary transportation improvements due to past CCI increases being less than 2%.”

The increased minimum mitigation fee must be collected beginning July 1, 2023. It is not anticipated that this increase will have a significant impact on Coronado due to the small number of “new” residential units constructed within the City. “New” residential units subject to the RTCIP fee are units that create a net increase in the number of residential units in a city. Only a few new residential units are added in Coronado per year. Tearing down an existing unit and building a new one in its place would not be subject to the fee.

Although SANDAG has oversight of the TransNet program, it is the responsibility of each agency to assess and collect the mitigation fees. Adoption of the attached resolution will increase the existing transportation mitigation fee to be consistent with the SANDAG Board of Directors’ action and keep the City of Coronado eligible to continue to receive TransNet funding under the provisions of the initiative.

FISCAL IMPACT:

Revenue from the fee remains with Coronado and must be used for projects that improve movement on SR 75 (a regional arterial road). Historically, less than \$20,000 of RTCIP funds are collected on an annual basis. The funding is deposited into the RTCIP fund (211) and used to augment the City’s transportation program.

ALTERNATIVE:

None.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Not a project under CEQA.

PUBLIC NOTICE:

A legal notice for a change of fees imposed as a condition of approval of a development project must be published twice to the general public, with the first publication a minimum of ten days prior to a public hearing and the second at least five days after the first publication. The legal notice was published in the Coronado Eagle & Journal on March 22 and March 29, 2023.

ATTACHMENTS:

1. Resolution No. 2023-13
2. Declaration of Publishing/Public Notice

Submitted By: Public Services and Engineering Department / Jim Newton