REPORT TO SHASTA COUNTY RTPA

SUBJECT		MEETING DATE	ITEM NUMBER
Minutes of the October 23, 2007, RTPA Meeting		12/18/07	4-1

RECOMMENDATION
It is recommended that the Board approve the minutes of the October 23, 2007, RTPA meeting.

Daniel S. Little, AICP, Executive Director

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Attachment: Minutes of October 23, 2007, RTPA Meeting

UNAPPROVED MINUTES

SHASTA COUNTY REGIONAL TRANSPORTATION PLANNING AGENCY (MPO)
Tuesday, October 23, 2007, 4:00 p.m.
John Beaudet Community Senior Center,
1525 Median Avenue, City of Shasta Lake, California.

(Note: These minutes are not intended to serve as a transcript or verbatim record of the proceedings of the Shasta County Regional Transportation Planning Agency, but rather as a record of meeting time, place and attendance; the order and general nature of discussion; Agency deliberations; and action taken, if any.)

Agency Members Baugh, Comnick, Hawes, Goekler, Dickerson, Jones, and Hartman were present.

1. **Call to Order**:
Chair Comnick called the meeting to order at 4:05 p.m.

2. **Staff Introductions**

3. **Public Comment Period**:
There was no one who wished to speak during the Public Comment Period.

Consent Calendar

4-1 **Minutes of June 26, 2007, RTPA Meeting**

4-2 **Correspondence**

4-3 **Future RTPA Meeting Schedule Through October 2008 - Information Only**

4-4 **Amendment #7 to the Federal Transportation Improvement Program (FTIP)**

4-5 **Personal Services Agreement (PSA) for Ongoing Maintenance for the Traffic Model**

4-6 **Consider Approval of City of Anderson's Bikeway Plan**

By motion made and seconded (Baugh/Hartman) the items on the Consent Calendar were approved with Board Member Hartman abstaining on item 4-1.

Regular Calendar

5. **Fix 5 Partnership Nexus Report: Accept Report and Recommend Approval (Public Hearing)**

Executive Director Dan Little explained that at the last RTPA meeting the Board accepted the report in concept and today staff has brought the report back in a more refined fashion, as well as to have a public hearing. Mr. Little gave a PowerPoint presentation. He explained that the Fix 5 Partnership is a cooperative effort with all the cities and counties from Corning to Shasta Lake, including Caltrans, two RTPA's and the Redding Rancheria. It is taking a 61 mile stretch of mainline I-5 and building it into six lanes. They are looking at part of it to be funded by a traffic impact fee (TIF) program. The proposed fee for Shasta County is $1,697 per household equivalent. The total cost for the improvements in Shasta County is $231 million. The proposal is to fund half of the improvements through existing state and federal resources, but this requires some form of local match for leveraging. Mr. Little continued to explain that in order to drive from Corning to Shasta Lake on I-5 it takes about 50 minutes. In 2020 it will take 1½ hours. Local traffic is part of the problem because locals use I-5. There is also a CEQA obligation to mitigate local traffic impacts on I-5. Mr. Little stated that it is a big and expensive project that one local agency could not do alone. There is a draft memorandum of understanding (MOU) that lays out methods and agreements on how to adopt the fee program and alternatives. Caltrans has also made statements and commitments concerning I-5, the big benefit being the expedited CEQA reviews. This is for mainline I-5, not the interchanges. There is already funding for most interchanges. Caltrans will also assist when it is time to go to Sacramento to leverage the 50% funding goal. The Redding Rancheria is involved as a straw proposal right now. Their participation is 100% voluntary. Mr. Little continued to state that if one agency in Shasta County does not approve the TIF then they go back to the approving agencies for reconsideration. Except if all the jurisdictions in Shasta County approve and not in Tehama, then Shasta County could still go forward. If all the jurisdictions in Tehama approved but not in Shasta County, then Tehama County could still go forward. Mr. Little noted that, per capita, we pay $17 a month in gas taxes, but most of that goes to road maintenance, including bridge replacements, not expansion projects. I-5 has benefited our region and if it becomes congested it will become our liability; not only in mobility and goods movement, but how it will affect our local roads as well. There is no pressure on federal government to increase the gas tax. The feds position is that they gave us I-5 and locals are creating the need for improvements. Polls show that voters will not support a local sales tax measure unless development is paying their fair share. Mr. Little ended by explaining that the action requested today is that the Board accept the studies and recommend approval to the local bodies.

Brian Crane, Director, Caltrans District 2 stated that they cannot close down a lane on I-5, have an accident, or change a tire without having bumper to bumper traffic. If nothing is done, in 20 years taking two hours to get from Corning to the City of Shasta Lake will be a reality. Concentrated development along I-5 will play a big part in that. Mr. Crane noted that state and federal funds are limited and there are no plans for gas tax increases. There has not been an increase since 1993. Mr. Crane explained that the California Transportation Commission (CTC) will be adopting a five year fund estimate. They are projecting that there will be less than $1.5 billion for transportation projects. Seventy-five percent goes for local government for state highways and local roads, 25% for Caltrans inter-regional. This 25% equals less than $400 million. There is in excess of $7 billion of projects competing for the $400 million. They have been told for years the only way to compete for the money is to have a local match. Brian stated that Caltrans is committed to supporting Fix 5.

Board member Baugh asked questions concerning a 10,000 square foot warehouse facility in the City of Redding, a shopping center in Anderson, state and federal government money, and the Rancheria.

Board member Jones asked questions about the differences between Phase I and Phase II.

Chair Comnick opened the floor for public testimony. The following people spoke:

Mary Machado, Executive Director of Shasta Voices. Mrs.Machado stated that the responsibility for interstate highway improvements belong to the federal government. There are no other cities or counties in the state of California that have traffic impact fees specifically for the purpose of improving mainline I-5. The City of Redding already struggles to fund their own responsibilities for local traffic improvements. The City of Redding charges new development traffic impact fees including highway overpasses, intersections, additional lanes, on & off ramps, etc. If new fees are continued to be added to new development, it will further erode the availability of affordable housing, affordable rent, and business growth. Impact fees are eventually passed on to the consumers. The proposed fees when collected will go into a trust fund with no guarantee that the money will be spent to add lanes to mainline I-5, nor protect those funds from being borrowed for other purposes. The local citizens of this community have not been able to vote on this issue. The taxpayers ought to have the opportunity to vote.

Ron Reece of Citizens for Smart Growth. Mr. Reece stated that as the Sacramento River is the major water thoroughfare in Shasta County, so I-5 is the major transportation artery to our county. Mr. Reece provided a picture of I-5 from 1970 noting that there was no development at all along the corridor at that time. There are eighteen counties in the state of California that have voted to institute local self help measures and traffic impact fees. These eighteen counties represent 83% of the state's population. Those county's elected officials know that growth should pay for itself and that the state will not solve their transportation problems for them. New development has not been stopped in those eighteen counties because of these fees; rather, evidence shows that heavy congestion and stop and go traffic act as disincentives for new development. Traffic impact fees average between $800 to $13,000 per home throughout California, therefore, the $1600 proposed for Shasta County is in the lower 15% of the range. New development will only pay 50% of I-5 improvements, with state and federal funds paying the other 50%. About two-thirds of the traffic on I-5 from Cottonwood to Shasta Lake City is local traffic. During the morning and evening rush hour, local traffic exceeds 90% of the cars and trucks on I-5. It has been repeatedly shown throughout California that the counties that have a Blueprint Plan in place will get the federal and state grants.

Dan Kovacich, resident, City of Redding. Mr. Kovacich stated that he believes adopting the staff recommendation is the right thing for the Board to do at this point and time. Subdivisions are approved with adequate water supply, storm drain, sewers and electricity. There are fees in place to address all of that. The County has impact fees in place to address growth in their sewer districts. The City of Shasta Lake and Anderson probably have similar fee programs to address growth. It has become common that those costs are transferred to the people that create the additional need for services. That is typically those people that come to our area and are buying new houses. This traffic impact fee does not apply to existing houses. Some feel that this makes affordable housing out of reach for many people. It drives up the cost of new housing, but there is not a whole lot of affordable housing being built anyway. Adopting the fee will protect the quality of life. Mr. Kovacich moved to Shasta County in 1979 for a better quality of life because he was tired of the congestion and all the people in Southern California. He moved to the area because of the open spaces and lack of congestion and would like the Board to help protect that. An example of a county that stuck their head in the sand and said that it is a state or federal highway, they will come and fix it, is Los

Angeles County. As soon as you drive into Orange County, who had the foresight to pass revenue programs to expand freeways, all of sudden the traffic starts moving. If LA did not have the clout to twist state and federal government to fund I-5 widening through Los Angeles, what chance does Shasta County have? Mr. Kovacich noted that we need to present the best position we possibly can for state and federal resources. This fee program will fund approximately 50% of the improvements, with state and federal agencies to fund the rest. If the Board chooses not to support the staff recommendation, what plan do they have for fixing I-5?

Phil George, citizen. Mr. George grew up in Palo Cedro and is in support of this measure. Mr. George was at a meeting in the Los Angeles area recently where the director of Caltrans District 7 noted that he lived 35 miles from the meeting and to drive through 35 miles of LA took him 3 ½ hours. Mr. George drives from Knighton Road to Cypress every morning and night. It is not very often in the morning that there is not dust in the median from people having to slam on their brakes because of the congestion. This morning there was a flat tire on the right shoulder north of South Bonneyview, and traffic came to a complete stop while traffic jammed up. What is the cost with - $3.00 plus gasoline - when you're sitting on the freeway waiting to get somewhere? We need to preserve our quality of life.

Pete Stiglish, citizen. Mr. Stiglish suggested that it would be a quick remedy to get the slow drivers and truckers out of the fast lane. Mr. Stiglish stated that he thinks the proposal is a slippery slope for additional fees and assessment fees levied against the citizens of this county and other counties. Mr. Stiglish asked what happens next when the Welfare program or Social Security runs out of money? What plans have been developed over the years to prepare for the situation we're finding ourselves with today? What has happened in the last 10 or 15 or 20 years? What have Caltrans and the federal agencies been doing to plan for this situation that we are confronted with today? What attempts have they made to secure the necessary funding from the federal government? What have our state representatives and our congressmen in Washington D.C. done? What action have they taken over the years to do their job to pursue the necessary funding and lobbying that needs to be done in Washington to bring necessary funds to Northern California? We have a lot of users from out of the area, outside of Corning and north of Shasta Lake City. They get off scott free in using the interstate. What about tolls on this road south of Corning and north of Shasta Lake City?

Willie Preston of the Shasta Taxpayers Association. Mr. Preston thanked staff for raising the topic of what we are going to do in the future and that it is important to assess our plans and priorities. Mr. Preston noted that we live in a state where there is not unlimited resources. It ultimately comes down to a question of priorities. There are a lot of things that impact I-5. The Walmart trucks don't spend all their time on I-5; they also spend their time on the two interchanges that they have to access the freeway. These will not be helped by the Fix 5 program. It takes longer to get from one side of town to the other than it does to get seven miles from his house to his office on I-5 because there are huge traffic congestion problems already in the City of Redding underneath I-5 right there on Cypress. This traffic impact fee does nothing to address that congestion. Where there is a local interface with a federal facility, growth will have an impact on these facilities. But when talking about a $1700 per home fee for something that does absolutely nothing to help people get across town, it seems like it's not the right priority.

Kent Dagg, CEO of the Shasta Builders Exchange. Their Board of Directors could easily support the Fix 5 Partnership, because it's work for their people. But they have to balance what is right for the community and not just what's right for them. Their Board discussed Fix 5 for several months then finally decided to oppose the proposal. They don't support the method of collection of fees. There is no study that's really been done that addresses the actual impact of adding all impact fees to any part of the construction, whether it's residential or commercial. If someone was to build a 10,000 square foot bank or convenience market, the phase I cost would be in the neighborhood of $74,000, in addition to all the other fees that are out there, both city and county. And then there is phase II, this will come on the heels of this additional cost, it becomes too much. Mr. Dagg supports the idea of voters having a say in these kind of matters, he thinks it's important that they be allowed to have a say. Mr. Dagg doesn't believe any of the 19 counties that have a sales tax for transportation have an impact fee specifically for mainline I-5. There is a misconception about impact fees; that impact fees are going to be paid by people out of the area moving to Shasta or Tehama County. That's not completely true. This is an interstate and he's sorry if Sacramento or Washington are incompetent to do their job. There are locally owned businesses here that would like to expand, but wouldn't have much of an opportunity with the added new fees.

Jerry Sargent, citizen, born and raised in Redding. Getting money from the feds and state, it's not going to happen if you don't have the matching fees. CTC meetings are a battle, if you don't bring something to the table you're not going to get anything. When you leave Redding at 5:30 in the afternoon, you're not going to pass anybody going down to Red Bluff, you're going to sit behind another car, doesn't matter if it's a truck or car, it's the way it is. We need to do this or this community won't grow. Mr. Sargent has a friend that just built a home in El Dorado Hills, traffic impact fees there or development fees are $38,000 per house. If we wait, what will it cost to do this later? Mr. Sargent urged the Board to look into the future and don't leave it for somebody else to fix.

Joe Machado, local resident and in the real estate industry. Grew up in the North State and moved to Redding in 1972, at the conclusion of I-5 being built. Everything west of the river was the City of Redding, everything east of the river was Enterprise; so they were not one. At the time the freeway went through, it actually went through Enterprise. What happened later in the 70's was an annexation where Redding bound with Enterprise to make it all one. That had to do with infrastructure, they saw and identified that there was going to be a need to expand services based on an increase in population. At that time people were saying that we would have a population of something like 90,000 by around 1990 - it didn't happen. Mr. Machado has driven the freeway since 1972 and his time frame to get from Redding to Corning or to Chico or back is still the same. Anytime you tack fees on to a home builder it has to pass on to the buyer. The amount of homes sold in Shasta County or in Redding last month was at a 13 year low. We're going to be addressing foreclosures in our county and our cities not only for homes but developments. Developments had grandiose plans two years ago; we thought we were going to have 1,000 or 1,600 new homes in a development. We have a more important issue on our table, how are we going to deal with that? And if we tack on fees we are really going to have a problem.

Pete Stiglish, citizen. Let's just assume the proposal goes through and the fee is levied on our citizens. Then five years down the road the government increases the gas tax from where it is today. So now there is more money available for our highway systems in the United States and more money comes to California. What assurance do we have now that our taxpayers are going to get some relief from the impact fee that's going to be levied against them? When highway funds do become available some day - and some day that might happen - and all that money is going down south to fix their freeways and the poor folks are stuck up here with an impact fee.

Board member Hawes asked what area the impact fee would include.

Board member Baugh asked about traffic impact fees in 18 other counties.

Dan Little noted that there are counties that have sales taxes that go to state highways. They also have traffic impact fees that go hand-in-hand with the sales taxes. Those impact fees go towards I-5. This is the first effort for a fee program that focuses specifically on I-5 because there are other fee programs in place already for local streets and roads.

Board member Baugh asked about mitigation fees.

Dan Little noted that the Mitigation Fee Act requires that when you collect a fee for a capital improvement program that you have to spend it on that program. So those funds have to be spent on what was said they would be spent for or they have to be refunded. The funds also cannot be taken away by the state. The funds are collected locally and are under local control.

Board member Baugh asked if there was no money from the state to match the impact fee funds, what would be the disposition of the Fix 5 funds.

Dan Little answered that they would build a portion of the improvements. More likely what would happen is they would update the program. They have to do five year updates legally.

Board member Baugh asked about price increases.

Dan Little answered that the fee in the ordinances are indexed. So cost increases are taken into account.

Board member Baugh asked if then they would have to increase the fees.

Dan Little answered that it's tied to a specific index.

Dan Little noted that the numbers Kent Dagg used were incorrect. The equivalent dwelling factors in the example Kent gave were in the lowest category, so it's essentially 1.05 per thousand square feet on the equivalent loans. Basically, most of your commercial is going to be that 1.05 factor, including small businesses 10,000 square feet and under and regional shopping centers up to 100,000 square feet. The uses that tend to have more impact on Interstate 5 per square footage are the ones that have a regional draw. The big box stores draw people on I-5. These businesses rely on being close to I-5. Those were the ones that are charged the 2.5 equivalent dwelling units. There is flexibility for jurisdictions to do this how they want. They can make it consistent with their own local ordinance; they can say they want to put everything on residential and nothing on commercial. But the point they don't want to lose sight of is that local revenue needs to be raised by some means and be equal to that local fair share identified in the Nexus report.

Board member Hawes asked if after the third lane is built on both sides, does this fee go away?

Dan Little answered that it would be in the five year updates and up to future elected officials to decide.

RTPA counsel, Liz Johnson, clarified that once a project is built, the fees specified for that project could no longer be charged, although new needs can be identified in subsequent TIF programs.

Board member Hartman stated that she is not prepared to go forward with this. She feels that her responsibility is to the local infrastructure, and there is no need to take over the state and federal responsibilities.

Board member Dickerson noted that there is absolutely no question in his mind that this community is going to grow, and it's going to grow at a tremendous rate. The question is, how do we let it grow? This is part of the answer of how we have it grow. He doesn't want to impose fees on people, but other than raise sales taxes or raise the gas tax no one has given any other suggestion on how to address this need. Community members are not being asked, or new community members, to pay for 100% of this, they're asking them to provide matching funds so that we have the opportunity to leverage some funds from the federal and state government. After having served in the state government for four years, he knows that that's a major consideration, both at the legislative level and at the bureaucratic level. If we take care of mainline I-5, widen it so traffic can move at a decent rate, then the local communities can do what needs to be done in conjunction with the state and federal government on the interchanges. There will be no fees on existing residences or apartments, these fees are not going to drive up the cost of existing facilities. So there will be affordable housing. Very few people build brand new affordable housing.

Board member Jones questioned who is responsible for mainline I-5. The City of Redding has $50 million in road problems. He has not been compelled to believe that mainline I-5 is his responsibility. We are responsible for the overpasses, and they have been a monumental problem. Oasis is just now being worked out and it has been a twenty-year time period to be able to solve this problem. Mr. Jones doesn't say that the problems are not there and he knows how important I-5 is to our community and to the communities throughout northern California. But he is not convinced that it is his responsibility to fix it. If he did not have so many other responsibilities he may consider it.

Chair Comnick asked if there was any guarantee that this money would be spent only on I-5. Truckers pay federal excise tax, State of California fees for diesel, a heavy highway use tax and weight fees. They pay $2,000 to $6,000 a year in mostly weight fees. Truckers pay their way. What happens if Tehama County doesn't buy into this? She would like more information.

Board member Baugh noted that he doesn't want Redding to end up like Sacramento or the Bay area. But he's not convinced the fee isn't too much. The other jurisdictions need to weigh in. It deserves discussion in front of the full councils and boards in the City of Redding, City of Anderson, City of Shasta Lake, Shasta County and Tehama County. He doesn't think they should say no tonight.

Board member Goekler noted in regard to the ratio of state transportation funds received per capita, we are doing better on transportation funds here than in some other parts of the state. Part of that is because we have a small population up here so our per capita dollars are relatively small compared to the metropolitan areas. They have tax revenue because of their volume of people. If we don't do something and band together to help ourselves they're going to run over us, just like they've been doing for the last 30 years. Mr. Goekler noted that he has looked at all of the scenarios and read all the documents and does not have a solution to this issue. There is no good solution that's fair and equitable for everyone. Not sure how to address, but if we don't address it we will be in trouble. If we don't start doing something now, everyday that goes by is that much further on down the horizon. In the big picture, this is just another spoke in the big wheel. We can't stop growth. This is a gem of the North State. Growth is coming and we can't stop it. It's not a perfect solution to the problem, but it's a good beginning. Mr. Goekler concluded that it's not perfect but he's in total support of it. Doing nothing is no solution, every day that goes by is a day lost.

Board member Hawes noted that everyone knows you can't trust the state and federal governments. He has always been against fees, but he's also against sitting and waiting in traffic on the Interstate. It's our duty to pass this on to our boards and councils and see how they feel.

Board member Dickerson noted that it is important to move this to the cities and the counties. Need to give the other elected officials the opportunity to speak their piece.

By motion made and seconded (Baugh/Dickerson) the staff recommendation passed with Baugh, Dickerson, Hawes and Goekler voting aye and Comnick, Jones and Hartman voting nay.

6. **Shasta*FORWARD>>* Receive Project Update**

Staff member Dan Wayne explained that the Shasta*FORWARD>>* project is a long range regional growth vision for the Shasta region and the planning horizon for this project is the year 2050. The reason for the project is the acknowledgement that individual issues like congestion, loss of prime agricultural land, development, air quality issues, etc. are interdependent. One issue cannot be solved without at least addressing in part other issues that impact it. They are looking at tackling individual issues in a holistic fashion. The end goal of the Shasta*FORWARD>>* process is regional consensus on a preferred vision for the future based on our community values and priorities. Shasta County is opportunity rich, the door has not been closed on a variety of potential futures as of yet. But the farther we go down a particular road the fewer options we will have and the harder it will be to backtrack. What is needed is local leaders to be champions and not just supporters of this idea, concept, and project. A champion is someone that is able to draw in the right people and to help create a "can-do" environment. Mr. Wayne noted that the Board will be kept updated on each and every step as they go throughout this project. One of the ways of doing this is through Shastaforward.com this site will be online later this month.

Board member Dickerson noted that he wants to see Shasta*FORWARD>>* move forward and that it is critical that that happens. The key to it is transportation, how do you move people, how do you accommodate growth. It is everybody's responsibility.

John Mathena noted that you can't be individualist and worry what's going on in your city and not care about what's going on in the city next door. Regional planning gets the community involved.

7. **Redding Area Bus Authority (RABA) Transit Plan Update**

Executive Director Dan Little explained that this item is continued from the last meeting and they were hoping to have more of a decision from RABA concerning a transit alternative, however, the report is that there is nothing to report. The item will be brought back to the Board when RABA makes a determination on a transportation alternative.

8. **Executive Directors Report**

Executive Director Dan Little stated he will defer the Executive Director's report to the next meeting.

There being no other business to discuss, Chair Comnick adjourned the meeting at 6:58 p.m.

Respectfully submitted,

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Daniel S. Little, Executive Director

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