CHAPTER V – FEE METHODOLOGY

As stated in Chapter I, a number of findings must be made to ensure that there is a reasonable relationship or a rough proportionality between the fee imposed and the development on which that fee is imposed. Although the U.S. Supreme Court specifically stated that "no precise mathematical calculation is required...," an analysis should be presented in enough detail to demonstrate that logical, thorough consideration was applied in the process of defining the fee levied on new development. There are several generally accepted methodologies to determine fees for new development. The choice of methodology used depends on the type of facility for which a fee is being calculated. Following is a brief discussion of the methodology used to calculate the new TIMF for the Shasta County Southern Region.

PLAN-BASED METHODOLOGY

The plan-based methodology is used for facilities that must be designed based on future demand projections and the geographic location of anticipated growth. The need for road improvements depends specifically on the projected number of trips that must be accommodated from development occurring in a growth area, in this case the southern region of Shasta County. The need for roadways and other transportation facilities does not increase proportionately for each residential unit or nonresidential acre developed in an area. Existing facilities, geographic constraints, and current levels of service must be considered to identify future facility needs. Therefore, to develop a facilities plan for road improvements, a projection for the amount and location of future development is required. The steps to calculate the fee under the plan-based methodology are as follows:

Step 1 Identify the time horizon and the development growth projections within the time horizon.

Step 2 Determine the transportation facilities needed to serve the projected growth.

Step 3 Estimate the gross cost of facilities needed to serve projected growth; the costs of facilities needed to correct existing deficiencies in the transportation system should be excluded from the total cost.

Step 4 Subtract revenues available from alternative funding sources to identify a total net facilities cost.

Step 5 Assign PM peak hour trip rates generated by each land use category; these will be used to determine the benefit received by each development type and also to allocate facilities costs to each development type/land use.

Step 6 Determine the total projected trips that will be generated by future development by multiplying the expected future development by it's respective PM peak hour trip rate.

Step 7 Divide the total net facilities cost by the total projected trips from Step 6 to calculate a cost per trip.

Step 8 Finally, multiply the cost per trip by the trip rate assigned to each land use category in Step 5 to determine the fee for each land use category