

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** November 13, 2006

**FROM:** CITY MANAGER

**SUBJECT: RESOLUTION AMENDMENDING THE SCHEDULE OF TAXES, FEES AND CHARGES TO ESTABLISH THE TRAFFIC REDUCTION AND TRANSPORTATION IMPROVEMENT FEE, TO BE LEVIED PURSUANT TO TITLE 4.19 OF THE PASADENA MUNICIPAL CODE**

## **RECOMMENDATION**

It is recommended that the City Council adopt a resolution amending the schedule of taxes, fees and charges to establish the Traffic Reduction and Transportation Improvement Fee, to be levied pursuant to Title 4.19 of the Pasadena Municipal Code.

## **BACKGROUND**

This ordinance implements the "Traffic Reduction and Transportation Improvement Fee" approved by Council on July 17, 2006, to establish a new fee for new industrial, office, retail, and residential development. The fee is based on the Traffic Reduction and Transportation Improvement Fee Report prepared for the City and presented to Council on July 17, 2006.

The ordinance amends the fee schedule from a single fee of \$3.22 per square foot of net new industrial, office, and retail development to a fee of \$3.10 for Industrial Use, \$3.72 for Office Use, and \$8.62 for Retail Use per net new square foot of development and establishes a fee of \$2,480 per net new Residential Unit.

Revenues from the Traffic Reduction and Transportation Improvement Fee will be used to fund seven key intersection improvements and two street extensions identified in the Mobility Element as well as funds for improvements to manage traffic on designated multimodal corridors as specified in the Mobility Element. Approximately half of the funds collected through the fee are for improvements to the City's Area Rapid Transit System (ARTS) and provide significant

enhancements to the local transit service encouraging non-auto travel throughout the City.

The ordinance provides for waiver to the fee for all for-sale or rental affordable housing units built on-site. The ordinance provides discounts for for-sale or rental affordable housing units built off-site or workforce housing units built on-site. The ordinance also exempts projects in the Enterprise Zone Business Development Area in the northwest area of the City from the payment of the fee.

### **FISCAL IMPACT**

At the current forecast for development through 2015, the fee is estimated to generate \$54 million. If actual development does not reach the forecasted level, revenue generated by the fee will be less, and it is assumed that in that case not all of the improvements identified in the ordinance will be needed.

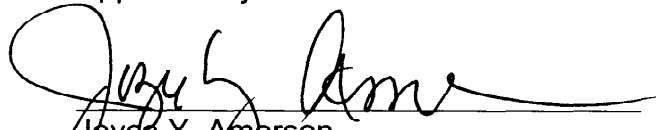
Respectfully submitted:

  
CYNTHIA J. KURTZ  
City Manager

Prepared by:

  
Mark Yamafone  
Principal Transportation Planner

Approved by:

  
Joyce Y. Amerson  
Director of Transportation

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA AMENDING THE SCHEDULE OF TAXES, FEES AND CHARGES TO ESTABLISH THE TRAFFIC REDUCTION AND TRANSPORTATION IMPROVEMENT FEE, TO BE LEVIED PURSUANT TO TITLE 4, SECTION 4.19 OF THE PASADENA MUNICIPAL CODE

**WHEREAS**, the City of Pasadena established a Traffic Reduction and Transportation Improvement Fee consistent with the General Plan and Government Code Section 66477 through the adoption of Ordinance number \_\_\_\_\_; and,

**WHEREAS**, the purpose of this fee is to promote the general health, safety and welfare of the residents of the City of Pasadena through assurance that an adequate level of service on the City's transportation system can be maintained through the implementation of the street and transit improvements identified in the Mobility Element.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Pasadena that the Traffic Reduction and Transportation Improvement Fee shall be implemented as follows:

**Section 1.** The Traffic Reduction and Transportation Improvement Fee shall be:

1. New Industrial Use: \$3.10 per square foot.
2. New Office Use: \$3.72 per square foot.
3. New Retail Use: \$8.62 per square foot.
4. New Residential Use: \$2,480 per new unit.

**Section 2.** Affordable housing incentives:

1. The Traffic Reduction and Transportation Improvement fee is waived for all for-sale or rental affordable housing units built on-site. Affordable housing units built off-site shall receive a 50 percent discount on the Traffic Reduction and Transportation Improvement fee.

2. For-sale or rental workforce housing units shall receive a 50 percent discount on the Traffic Reduction and Transportation Improvement Fee when at least 15 percent of a development is within the price range of 121 to 150 percent of Average Median Income (AMI) for Los Angeles County.

3. For-sale or rental workforce housing units shall receive a 35 percent discount on the Traffic Reduction and Transportation Improvement fee when at least 15 percent of a development is within the price range of 151 to 180 percent of Average Median Income (AMI) for Los Angeles County.”

**Section 3.** All new Industrial, Office, Retail or Residential uses in the Enterprise Zone Business Development Area (“EZBDA”), whose boundaries are set forth on the map attached to the Ordinance as Exhibit 1, are also exempt from the Traffic Reduction and Transportation Improvement fee.

**Section 4.** The fee may increase annually per the CPI on the Schedule of Taxes, Fees and Charges.

**Section 5.** This Resolution is subject to the adoption of an ordinance amending Title 14, Chapter 4.19 of the Pasadena Municipal Code relating to the adoption of the Traffic Reduction and Transportation Improvement Fee. It is anticipated that ordinance will take effect

on about \_\_\_\_\_. Accordingly, this Resolution shall take effect on the same day as the ordinance implementing the Traffic Reduction and Transportation Improvement Fee, which shall be no less than 60 days after adoption of this Resolution.

Adopted at the regular meeting of the City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2006, by the following vote:

AYES:

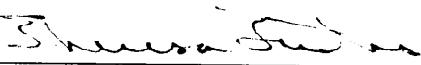
NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Jane L. Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Theresa E. Fuentes  
Deputy City Attorney