



# Traffic Reduction and Transportation Improvement Fee Questions and Answers

**Revised: February 2009**

## Why did the City of Pasadena develop the Traffic Reduction and Transportation Improvement Fee?

Through the 2004 Update to the City of Pasadena's General Plan Land Use and Mobility Elements, City Council directed staff to study a new "fair share" transportation impact Fee. The Fee anticipates and mitigates the impacts of growth on City streets, including protecting neighborhoods from increased traffic.

In November 2006, the City Council adopted Ordinance No. 7076 establishing the Traffic Reduction and Transportation Improvement Fee.

## What does the Fee pay for?

Funds collected will be used to implement the municipal transportation projects required to address traffic generated by new development, such as enhancing street capacity and improving intersections and traffic signals. The Fee will also be used to increase the frequency of service on the Pasadena Area Rapid Transit Service (ARTS) routes.

## Will the Fee have a built-in inflation factor?

Yes. The Fee will be adjusted annually based on the Consumer Price Index.

## How much is the Fee?

The Transportation Fees for net new development are:

<b>Residential</b>	<b>\$2,556.88 per unit</b>
<b>Retail</b>	<b>\$8.89 per sq. ft.</b>
<b>Office</b>	<b>\$3.84 per sq. ft.</b>
<b>Industrial</b>	<b>\$3.20 per sq. ft.</b>



## Does the Fee apply for existing uses that are demolished and replaced?

The Fee will credit existing uses that are demolished as part of the development. For example, a new eight unit residential development that demolishes two existing units would pay the Fee for six units.



## How were the transportation improvement projects to be funded with the development impact Fee identified?

The transportation projects were identified in the General Plan Mobility Element, the City's Capital Improvement Program and the City's Transit Master Plan.

**Will the Fee be used to “fix” existing transportation deficiencies?**

No, the Fees collected will not be used to address existing deficiencies. The City has funded and is implementing several major intersection and roadway improvement projects to address existing and future traffic that are not funded through the Fee.

The Fee will be used to fund a “fair share” of transportation improvements needed to accommodate trips from new development.

**When a developer pays the Fee will they be required to provide any additional transportation improvements to mitigate project impacts?**

Yes. By paying the Fee a development project will have contributed their “fair share” to mitigating their project’s impacts to the Citywide transportation system. Additionally, a development project may be conditioned to provide local transportation and streetscape improvements to mitigate the local impacts caused by that development.



**How was the Traffic Reduction and Transportation Improvement Fee developed?**

The Fee was calculated by dividing the cost of the transportation improvements needed to mitigate the significant impacts of new development by the number of P.M. peak hour trips generated by net new development.

**How will the Fee impact affordable housing and economic development?**

The Fee is waived for non-residential projects in the Enterprise Zone Business Development Area. Throughout the entire City, the Fee is also waived for affordable housing units built on-site. Projects that have 15 percent of the units that meet the City’s “workforce housing” definitions also pay a reduced Fee.



**If you have additional questions please contact:**  
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