

## **TransNet Regional Transportation Congestion Improvement Program Proposed Fee Adjustment**

### **Overview**

The [TransNet Extension Ordinance](#) requires the 18 cities in the San Diego region and the County of San Diego to collect a Regional Transportation Congestion Improvement Program (RTCIP) fee from the private sector for each new housing unit constructed in its jurisdiction, with certain exceptions, including low income residential units and accessory dwelling units.

The purpose of this fee ([sandag.org/rtcip](http://sandag.org/rtcip)) is to help ensure that future development contributes its proportional share of the funding needed to pay for the impact of new growth on the Regional Arterial System and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG.

### **Key Considerations**

SANDAG is required to adjust the minimum RTCIP fee amount on July 1 of each year based on an analysis of construction cost indices, but never less than 2%. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the Regional Arterial System.

Based on an analysis of construction cost trends and relevant indices, staff recommends a 2% fee adjustment to the RTCIP, raising the minimum RTCIP fee from \$2,533.15 to \$2,583.82 beginning July 1, 2020 (Attachment 1).

### **Next Steps**

In accordance with *TransNet* Extension Ordinance provisions,<sup>1</sup> each jurisdiction's RTCIP funding program must be submitted for review by the Independent Taxpayer Oversight Committee (ITOC) by April 1 of each year to remain eligible for *TransNet* local street and road funding. The annual submittal of RTCIP funding programs by local jurisdictions is scheduled for review at the April 8, 2020, ITOC meeting.

### **Hasan Ikhmeta, Executive Director**

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Attachment: 1. Discussion Memo

### **Action: Approve**

The Board of Directors is asked to approve a 2% adjustment to the Regional Transportation Congestion Improvement Program, raising the minimum fee from \$2,533.15 to \$2,583.82, beginning July 1, 2020.

### **Fiscal Impact:**

The Regional Transportation Congestion Improvement Program fee would increase from \$2,533.15 to \$2,583.82 beginning July 1, 2020.

### **Schedule/Scope Impact:**

The Regional Transportation Congestion Improvement Program fee is collected for each new housing unit constructed (with certain exceptions) and may be used for projects on the Regional Arterial System, such as new or widened arterials, traffic signal coordination, freeway interchange and related improvements, railroad grade separations, and improvements required for express bus and rail transit.

<sup>1</sup> Section 9 of the *TransNet* Extension Ordinance requires that local jurisdictions establish a program or mechanism for funding the Regional Arterial System. For purposes of the RTCIP, the Regional Arterial System is defined in the most recent Regional Transportation Plan adopted by SANDAG.