



City of Huntington Beach

File #: 21-851

MEETING DATE: 11/17/2021

PUBLIC WORKS COMMISSION REQUEST FOR ACTION

SUBMITTED TO: Chairman and Members of the Commission

SUBMITTED BY: Sean Crumby, PE, Director of Public Works

Subject:

Traffic Impact Fee Fund Annual Compliance Report for Fiscal Year 2020/21.

Statement of Issue:

In accordance with Section 17.65.130 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Fair Share Traffic Impact Fee Program for the City Council. The process provides an opportunity for the Public Works Commission to review revenues and expenditures under the program.

Funding Source:

No funding is required for this action.

Recommended Action:

Motion to recommend to the City Council the approval of the Traffic Impact Fee Fund Annual Compliance Report for Fiscal Year 2020/21.

Alternative Action(s):

Recommend revisions to the report.

Analysis:

The Fair Share Traffic Impact Fee (TIF) program is intended to implement the goals and objectives of the General Plan by providing revenue to ensure that the adopted Level of Service standards for arterial roadways and signalized intersections are maintained when new development is constructed within the City limits and that these developments pay their fair share towards short and long term transportation improvements.

Revenues

During FY 2020/21, the Traffic Impact Fee fund recognized revenues of \$225,420 in Impact Fees Paid and \$8,706 in interest and market adjustment for a total of \$234,126.

Expenditures

Expenditures from the fund included \$1,401 in capital improvement expenses for Atlanta Avenue

Widening. In addition, there were \$50,907 in Federal Highway Safety Improvement Program (HSIP) grant match expenditures related to traffic signal modifications at Gothard/Slater, Newland/Ellis Goldenwest/Heil. Total expenditures were \$52,308.

Current Fiscal Year

The current fiscal year budget includes allocations from the Traffic Impact Fee fund for 7 projects/studies. Each of these projects has a demonstrated connection to increased traffic volumes on various streets. The following is a brief summary of the 9 projects funded with Traffic Impact Fee revenues:

Modification of 3 traffic signals to add protected left turns (Bolsa Chica/Robinwood, Adams/Target, Brookhurst/Beachmont)	\$ 390,000
Traffic signal modification - Main/Delaware	\$ 415,000
Traffic signal modification - Warner/Ash	\$ 450,000
Bushard Fiber Optic (Bushard Fire Station)	\$ 25,000
Citywide Mobility and Corridor Improvements	\$ 400,000
Murdy Fire Station Signal (design only)	\$ 5,000
Heil Fire Station Signsl (design only)	\$ 5,000
Total	\$1,690,000

In addition to these new projects, funding for 3 remaining projects was carried over into Fiscal Year 21/22 for construction of projects that were designed and bid during FY20/21. The construction contracts were awarded late in FY20/21 and construction could not begin before the new fiscal year, resulting in the need to “carry over” the funds for construction. The projects are:

Modification of the Warner/Graham traffic signal	\$243,036
Modification of the Warner/Nichols and Brookhurst/Indianapolis traffic signal	\$ 35,623
Total	\$278,659

The total planned Traffic Impact Fee expenditure for FY21/22 is \$1,968,659.

Projecting the current fiscal year Traffic Impact Fee payments is challenging for several reasons including the rapidly changing development environment and completion schedules for projects. It is reasonable to expect that revenues for the Traffic Impact Fee fund for FY21/22 are likely to be \$200,000 - \$350,000.

Conformance with Program Goals and Objectives

The Traffic Impact Fee Program is being used to implement the goals, objectives and policies of the City of Huntington Beach General Plan, as stated in the Municipal Code Chapter 17.65. Completion of the planned projects implements improvements identified to continue to provide a safe and efficient transportation system consistent with the goals of the Circulation Element of the General Plan and is in conformance with the goals and objectives of the Fair Share Traffic Impact Fee program.

**Summary of Revenue and Expenditures
Traffic Impact Fund**

Beginning Balance 7/1/20	\$2,739,414
Revenue	
Traffic Impact Fees	225,240
Interest, market adjustments	8,706
Total Revenue	\$234,126
Expenditures	
Atlanta Avenue Widening	(1,401)
Signal Modifications	(50,907)
Total Expenditures	\$(52,308)
Ending Balance 6/30/21	\$2,921,232

Attachment(s):

1. Traffic Impact Fee Schedule effective May 2021.