



CITY COUNCIL

STAFF REPORT

April 2, 2025

ITEM TITLE: PUBLIC HEARING ON RESOLUTION NO. 2025-013 OF THE CITY OF IMPERIAL BEACH, CALIFORNIA ADJUSTING THE REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN FEE FOR FISCAL YEAR 2026. (0680-95)

ORIGINATING DEPARTMENT:

Public Works

EXECUTIVE SUMMARY:

The TransNet Extension Ordinance Regional Transportation Congestion Improvement Plan (RTCIP) fee is a transportation mitigation fee collected by local jurisdictions to fund improvements to the regional arterial roadway system. Each year, the SANDAG Board of Directors (Board) may adjust the minimum fee charged. On February 28, 2025, the Board approved an adjustment to the RTCIP fee for Fiscal Year 2026, raising it from \$2,875.06 to \$3,047.57 per dwelling unit. Resolution No. 2025-013, if adopted, will increase the minimum RTCIP fee to \$3,047.57, effective July 1, 2025.

RECOMMENDATION:

Adopt Resolution 2025-013 approving the increase in the RTCIP mitigation fee charged for each new residential dwelling unit constructed in Imperial Beach in Fiscal Year 2026 from \$2,875.06 to \$3,047.57.

OPTIONS:

- Adopt Resolution 2025-013 increasing the Transportation Mitigation Fee to \$3,047.57;
- Request additional information and an additional report

BACKGROUND/ANALYSIS:

In accordance with the TransNet Extension Ordinance and Expenditure Plan 04-01, the Imperial Beach City Council adopted Ordinance 2008-1067 to establish a transportation mitigation program to ease transportation impacts of new development on the arterial roadway system. On March 19, 2008, the City Council adopted the Regional Transportation Congestion Improvement Plan (RTCIP) fee of \$2,000 per new residential dwelling unit. Under the TransNet Extension Ordinance and Expenditure Plan 04-01, this fee is subject to an annual adjustment—effective July 1 starting July 1, 2009—based on the Engineering Construction Cost Index, as published by the Engineering News Record or a comparable construction cost index. The fee increase will not exceed the percentage increase outlined in the index and will be no less than two percent per year, ensuring that the fee retains its purchasing power in the face of future inflation.

On February 28, 2025, the Board approved an adjustment to the RTCIP fee for Fiscal Year 2026, raising it from \$2,875.06 to \$3,047.57 per dwelling unit. Resolution No. 2025-013, if adopted, will increase the minimum RTCIP fee to \$3,047.57, effective July 1, 2025.

In recent years, the RTCIP fee has funded a variety of improvements on State Route 75. Looking ahead, future funds are proposed for allocation toward beautification enhancements at Bicentennial Triangle Park along State Route 75, the only City roadway included in the Regional Arterial System.

Additionally, on March 20, 2025, a notice was published in the Eagle & Times Newspaper announcing a public hearing to be held at the April 2, 2025 City Council Meeting regarding the proposed RTCIP fee increase.

ENVIRONMENTAL DETERMINATION:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) on the State CEQA Guidelines.

FISCAL IMPACT:

The adoption of the fee adjustment will enable the City to recover costs that would otherwise be absorbed by the General Fund or diverted from other eligible projects. The fee increase of \$172.51 per new dwelling unit is expected to have a negligible fiscal impact on the City's budget. These funds are designated for roadway capital improvements on or adjacent to State Route 75.

ATTACHMENTS:

1. Resolution No. 2025-013