

Proposed City-Wide Traffic Impact Fee

Frequently Asked Questions (FAQ)

What is a development impact fee?

A development impact is a one-time charge on new development and redevelopment imposed by local jurisdictions. It is designed to cover the cost of new public infrastructure and capital facilities that are needed because of new development. It is authorized under the California Mitigation Fee Act.

What is a Traffic Impact Fee?

A Traffic Impact Fee (TIF) is a development impact fee that ensures that new development and redevelopment projects pay their “fair share” to mitigate traffic impacts.

Why is the City of Cupertino considering adoption of a Traffic Impact Fee?

The need for a Traffic Impact Fee (TIF) was identified in the recently adopted (December, 2014) Cupertino General Plan, *Community Vision 2015 – 2040*. It is expected that the TIF will be a critical component of a broader transportation funding package.

Who is conducting the Traffic Impact Fee study? The City has retained a professional consultant team to conduct the TIF based on a competitive Request for Qualifications (RFP) process. The consultant team is being led by Economic & Planning Systems (EPS) and Stantec Consulting Services.

Will the TIF require approval by City Council?

Yes, the TIF must be approved by the City Council. A vote by the public or affected property owners is not required for approval. City may also choose to exempt other land use projects, such as those being pursued by non-profit entities (e.g. public service organizations, religious institutions, etc.).

What is the anticipated schedule for the TIF study process?

The TIF study is anticipated to be adopted by the City Council in early 2017.

Who would pay the TIF?

The TIF would be paid by builders and/or developers of private sector buildings (e.g. new or redeveloped office, retail, residential projects) in the City. Public sector projects are exempt from development impact fees (e.g. City, County and State projects). The

When are development impact fees paid?

While development impact fees are generally paid upon issuance of a building permit, the law provides some flexibility.

How is the TIF amount determined?

The maximum allowable TIF amount is determined based on a detailed “Nexus Study” prepared in accordance with the legal requirements of the State Mitigation Fee Act. The Study determines the nexus, or relationship, between the impacts of new development in the City and the need for new transportation infrastructure. This Study also estimates the cost of the required transportation infrastructure.

What types of transportation projects can the TIF pay for?

The TIF is used to pay for transportation projects needed to accommodate new development. Examples include street and sidewalk improvements, bicycle and pedestrian facilities, new traffic signals, and transit facilities. By law, TIF cannot be used to pay for operating and maintenance costs.

How can I find out more and / or participate in the study process.

The City and its consultants will host a number of public meetings as part of the TIF study process. Information related to these meetings (e.g. time, location, agenda) will be posted on the City website at www.cupertino.org. Notifications will also be published in the Cupertino Courier, the Scene, and posted in City facilities. All of the work products from the study will also be posted on the City’s website. You can also sign up to receive email notification at: www.cupertino.org/notify

