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## El Dorado County supes hike traffic-impact fee on new homes

**By Cathy Locke - Bee Staff Writer**

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In a move that builders predicted would further depress the market for new homes, the El Dorado County Board of Supervisors on Tuesday approved a 14.6 percent increase in traffic impact fees for new construction in the county.

The fee, required under the county's general plan, is designed to cover the cost of traffic improvements needed to serve new development. Beginning Nov. 24, the fees for new single-family homes will range from \$13,670 to \$42,400, depending on location.

The increase, an annual adjustment for inflation, is based on the state Department of Transportation's Construction Cost Index as well as actual costs of ongoing and recently completed transportation projects in the county, said Richard Shepard, transportation director.

But John Costa, legislative advocate for the North State Building Industry Association, questioned boosting the fees during a downturn in the housing market. Costa also questioned the figures used to arrive at the fee increase, saying he understood that current Caltrans bids were coming in lower than expected.

"It's unfortunate the inflationary adjustment is going forward as the market continues to go down," he said.

Costa asked the board to postpone action on the increase for 30 days to allow building industry representatives to review cost estimates with county staff members.

Kirk Bone of Parker Development Co. said he, too, questioned the costs used to justify the fee hike, but he noted that the traffic impact fee is only one of many fees that contribute to the cost of new homes.

"As a practical matter, nobody's pulling building permits anymore ... We're just not producing housing right now, and a lot of it has to do with these costs," Bone said.

Transportation Director Shepard said some recent bids for El Dorado County projects have come in below engineers' estimates, but the department's estimates typically fall in the middle of the bid range.

Placerville resident Kathi Lishman urged the board to approve the fee increase. She noted that supervisors who campaigned for a 2005 ballot measure asking voters to ratify the 2004 general plan touted the document as a plan that would provide for managed growth and traffic relief.

"I think (the Department of Transportation) has done a marvelous job of doing exactly what they were asked to do," Lishman said.

Others urged the board to consider the financial effect higher fees would have on the average county resident.

Chris Alarcon of Placerville said he grew up in El Dorado County and attended Tuesday's hearing "to defend the survival of the middle class."

Affluent homebuyers can afford the fees, and people with low incomes are eligible for subsidized housing, he said.

"When you address fees like this, look at the big picture, at how this prices out the middle class," Alarcon told the board.

Supervisor Ron Briggs said he voted for Measure Y, the 1998 ballot measure that required new development in the county to pay for traffic improvements needed to serve growth.

"I would do it again," he said.

But Briggs said he was concerned about the cumulative effect of county fees and the accuracy of figures used in calculating traffic impact fee increase.

He recommended postponing action on the fee increase and suggested one or two board members meet with Measure Y proponents and building industry representatives "so we can make Measure Y work."

But board chairwoman Helen Baumann argued that the board was obligated under the general plan to adjust the fees to keep pace with inflation.

"It would be irresponsible of this board not to approve the fee structure before us," she said.

The board approved the increase on a 4-1 vote, with Briggs dissenting.

The supervisors were unanimous, however, in approving a motion by Supervisor Jack Sweeney directing Transportation Department staff members to form an advisory group to review the fees and methodology before coming to the board in January with an updated capital improvement program.

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