

**REGIONAL TRANSPORTATION COMMISSION (RTC)  
REGIONAL ROAD IMPACT FEE (RRIF)  
TECHNICAL ADVISORY COMMITTEE**

**Meeting Minutes**

**Thursday, August 28, 2014**

**Members Present:**

Debra Goodwin for Amy Cummings, Regional Transportation Commission

Art Sperber, City of Sparks Planning Commission

Bill Gall, City of Reno Community Development

Clara Lawson, Washoe County Public Works

Jeff Hale, Regional Transportation Commission

Jess Traver, Private Sector

Jim Rundle, City of Sparks Community Development

John Martini, City of Sparks Public Works

Randy Walter, Private Sector

Steve Bunnell, City of Reno Public Works

Ted Erkan, Private Sector

**Members Absent:**

Doug Coffman, City of Reno Planning Commission

Kraig Knudsen, Private Sector

Paul Kelly, Washoe County Development Review

Roger Edwards, Washoe County Planning Commission

**RTC Staff:**

Kristen Barnes

Julie Masterpool

Lee Anne Olivas

Marchon Miller

Shawn Pearson (Woodburn & Wedge)

Stephanie Haddock

**Guests:**

Carl Savely

Jeremy Smith

The meeting was called to order at 2:01pm.

**Item 1: Approval of Agenda**

The Agenda was approved unanimously.

**Item 2: Public Comment**

There was no response to the call for public comment.

**Item 3: Approval of the July 24, 2014 Meeting Minutes**

The July 24, 2014 Meeting Minutes were approved unanimously.

**Item 4: RRIF General Administrative Manual Update**

Julie Masterpool stated that TischlerBise recommended a revision to the definition of Single-Family and Multi-Family. Under the new RRIF Program, custom trip rates were derived from the census data where single family attached units were included with the single family detached units. TischlerBise also identified that in the ITE Trip Generation Manual, the trip generation rates for shopping centers are based on gross leasable areas in lieu of total square footage.

After discussion amongst the committee, the RRIF TAC agreed on the following revisions:

**Section IV.A.1.a Residential**

Single-Family Detached. A single-family ~~detached~~ dwelling unit located on a single lot, **including condominiums.**

Multi-Family. Residential properties with ~~two~~ **three** or more housing units including duplexes and townhouses.

**Section IV.A.1.c.** No change to TischlerBise recommendation.

**Section IV.N** No change to TischlerBise recommendation.

**Exhibit A**

**RESIDENTIAL**

**SINGLE-FAMILY DETACHED**

- one or two ~~detached~~ dwelling units on individual lot
- ~~townhouses~~
- ~~duplexes~~
- **condominiums**
- two or more detached dwellings on a single parcel under condominium ownership
- mobile home subdivision
- mobile home on individual lot

**MULTI-FAMILY**

~~Two~~ **Three** or more dwelling units, including:

- apartments
- ~~condominiums~~
- townhouse
- duplex
- boarding house
- senior assisted living housing
- supplemental units/mother-in-law detached dwellings

Julie Masterpool stated that NRS 278B.150 requires a Capital Improvement Advisory Committee review and approve the impact fee capital improvement plan. The current draft of the RRIF GAM identifies that the local participating governments will designate either the local Planning Commissions or other local board to serve as the Capital Improvements Advisory Committee. The RRIF CIP listed the RRIF TAC as the approving body. Past practice has been that the local

Planning Commissions act as the Capital Improvement Advisory Committee. To be consistent between the RRIF GAM and CIP, the language in the CIP will be modified.

Randy Walter made motion to accept the GAM with all recommended revisions including the correction of the language in the CIP regarding the Capital Improvements Advisory Committee.

John Martini seconded the motion. The motion carried unanimously.

**Item 5: RRIF Credit Extension Update**

Shawn Pearson provided a PowerPoint presentation (see Attachment A) regarding RRIF credit extensions. The presentation is a draft of what is planned to be presented at the September 4, 2014 RTC Board Workshop. Shawn asked the committee to provide comments and feedback for improvements to the presentation.

Julie Masterpool commented that some of the numbers in the table on page 2 of the Item 5 staff report were incorrect. The \$/VMT and SFR Fee for Reno for the Proposed 5<sup>th</sup> Edition for both the North and South Service Areas were incorrect in the version sent out via email. The table should be revised as shown below:

<b>Edition</b>	<b>Year Adopted</b>	<b>Reno</b>	<b>Outside Reno</b>	<b>Avg Trip Lengths</b>	<b>SFR</b>	<b>SFR Reno</b>	<b>SFR Outside Reno</b>
		\$/VMT	\$/VMT	Miles	VMT	\$	\$
1st Edition	2/15/96	\$101.00	\$123.00	3.13	14.96	\$1,511.00	\$1,840.00
2nd Edition	7/8/99	\$110.00	\$126.00	3.20	15.30	\$1,683.00	\$1,928.00
3rd Edition	7/1/03	\$123.00	\$135.00	3.20	15.33	\$1,886.00	\$2,070.00
3rd Edition Indexing	8/1/06	\$126.22	\$138.54	3.20	15.33	\$1,934.95	\$2,123.82
4th Edition - Board Adjusted Fee (50% over 3rd Edition Indexing)	12/3/07	\$157.78	\$173.18	3.20	18.40	\$2,903.15	\$3,186.51
4th Edition - Amendment No. 1 Phase In - Year 1	1/19/09	\$184.83	\$197.72	3.38	18.86	\$3,485.89	\$3,729.00
4th Edition - Amendment No. 1 Phase In - Year 2	1/25/10	\$216.22	\$227.12	3.56	19.32	\$4,177.37	\$4,387.96
Proposed 5th Edition North Service Area	~12/14	<del>\$124.04</del> \$253.39	\$253.39	2.87	14.93	<del>\$1871.00</del> \$3,784.00	\$3,784.00
Proposed 5th Edition South Service Area	~12/14	<del>\$150.66</del> \$287.05	\$287.05	2.82	14.67	<del>\$2234.00</del> \$4,212.00	\$4,212.00

Shawn Pearson continued through the presentation. The committee suggested that the “do nothing” language be revised. Shawn stated that he would use “status quo” or something similar instead of “do nothing”.

Ted Erkan asked if the presentation would address how we got to this point in the program. Shawn Pearson replied that he will provide a distinction between the original program and the future program. Jeff Hale stated that the RTC Board Workshop will be a RRIF 101 for the RTC Board. The committee discussed extension limitations and exchange ratios and how they would affect the program. Randy Walter stated that extending credits may help quantify what’s out in the system because every credit holder will be given the opportunity to extend credits if the RTC Board approves it. Ted Erkan stated that he was not in favor of an unlimited extension and that a time frame needs to be established. An unintended consequence of the extension could be not collecting cash because credits didn’t expire and the next CIP will have to take that into account. The committee didn’t feel that an exchange ratio would be beneficial because developers who have excess credits are most likely not going to exchange them.

There was a motion to extend the credits 10 years with a no exchange ratio. Ten members approved the motion and one member opposed. The motion carried.

#### **Item 6: Public Comment**

There was no response to the call for public comment.

#### **Item 7: Member Items**

There will not be a September RRIF TAC Meeting held. An email update regarding the September 4, 2014 RTC Board Workshop and September 19, 2014 RTC Board Meeting will be sent out to the RRIF TAC members and guests.

Future RRIF TAC meetings will be dependent on future agendas. A notice will be sent out a minimum of two weeks in advance of a future meeting.

Based on the attached tentative adoption schedule for the 5<sup>th</sup> Edition RRIF GAM and CIP (see Attachment B), it is anticipated that the new fees would go into effect January 2015.

**Item 8: Adjournment**

There being no further business, the meeting adjourned at 3:39pm.

Respectfully Submitted,

Lee Anne Olivas

APPROVED



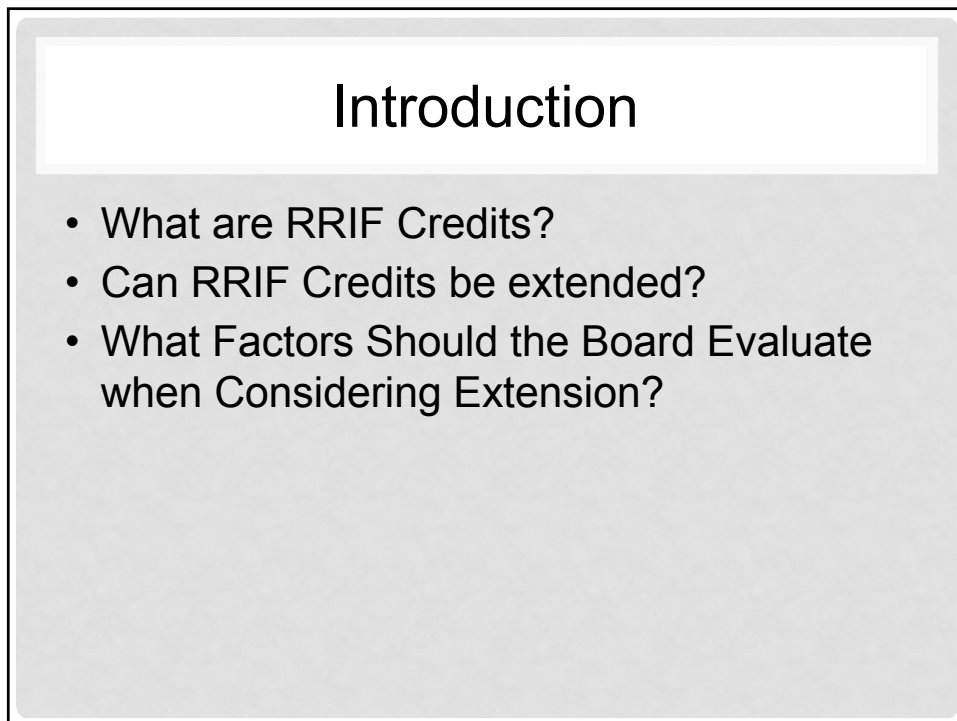
RRIF Credit Extension

Shawn G. Pearson



WOODBURN | WEDGE

The slide features a light gray background. The title 'RRIF Credit Extension' is centered in a white box. Below it, the name 'Shawn G. Pearson' is centered in a dark gray box. To the right is a vertical gold textured bar. At the bottom right is the Woodburn | Wedge logo, which consists of a gold bar with a white 'W' and the text 'WOODBURN | WEDGE' below it.



Introduction

- What are RRIF Credits?
- Can RRIF Credits be extended?
- What Factors Should the Board Evaluate when Considering Extension?

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## RRIF Credits

- Regional Road Impact Fees (“RRIF”)
- Earned by Developers in exchange for construction and dedication of capital improvements listed in the RRIF CIP
- Developers can “spend” RRIF Credits in lieu of payment of regional road impact fee.
  - 100% by Developer of Record within Benefit District
  - 100% within Development of Record (“DoR”)
  - 50% by transferee outside DoR but same benefit district

## How Are RRIF Credits Created?

- RRIF program created in RRIF General Administrative Manual (the “GAM”)
- Each developer of record enters into a Capital Contribution Front Ending Agreement (a “CCFEA”) with RTC and local government, adopted pursuant to GAM.
- Once improvement complete and accepted, credits are issued by RTC.



## How are Credits Issued?

- Early credits were issued in credit books
  - Implemented 1995
- Later credits participate in RRIF Automation Program
  - Most credits are administered here
  - Still a small percentage of credits in books (253 books, as many as 87,000 credits)
  - 169 of 253 outstanding books issued to Arrowcreek homeowners

## How are Credits Used?

- Credit Books
  - credit books are like money
  - credits redeemed from books manually by local government prior to 2007
- RRIF Automation Program
  - electronic credit tracking by RTC

## Who Holds Credits?

- Developers of Record
- Transferees
  - Credit holders may transfer their credits to others.
    - 100% of face value in Development of Record
    - 50% of face value within Benefit District but outside of DoR

## How Long Do RRIF Credits Last?

- 20 Year Term is Fundamental Element of Program
  - 20 Year Term hard coded into GAM (Section X(G))
  - Each Individual CCFEA also contains 20 year term (Section 3.6)

## Is Credit Extension Possible?

- Yes, but cumbersome
- GAM must be amended
  - RTC Board Approval
  - Approval by all Local Governments
- CCFEAs amended for each credit holder
  - 155 CCFEAs
  - As many as 19 credit holders under a single CCFEA
  - 225 individual RRIF Accounts

## How Would Extension be Accomplished?

- Voluntary Exchange
- Available to All Credit Holders
- All Holders Treated the Same
- Exchange period when credit holders may request exchange for longer credits
- Holders who do not exchange keep credits / current deal

## What are the Options?

- Do Nothing
- Limited Extension
- Unlimited Expiration

## Do Nothing

- Credits Expire in 20 Years
- Least Risk / Safest Option
- Governments, Developers and Credit Holders keep deals they have
- No change to existing RRIF credit program
- Potential Adverse Impact on Development Community if Credits expire unused

## Limited Extension

- Credits extended for additional period of years
- Some additional time for redemption of expiring credits
- Potential incentive for additional development
- Administrative effort and expense to implement
- Unintended consequences / potential for litigation
- Potential impact on RRIF program

## Unlimited Extension

- Credits Never Expire
- Relieves redemption pressure
- Potential incentive for additional development
- Administrative effort and expense to implement
- Unintended consequences
- Potential impact on RRIF program

## Other Factors to Consider

- Duration of Extension?
- Exchange Ratio?
- Potential Problems with Extension?
- Changes to existing program could have unintended consequences?

## Duration of Extension

- Term of Years
- Unlimited Extension

## Exchange Ratio

- Give [X] 20 year credits to get [Y] extension credits (example: 2:1, 5:4, etc)
- Reduces credits in pool but extends current credit redemption period
- Consideration from credit holders to support extension
- Undesirable among some current holders

## Potential Issues

- Changing current expiration date could have adverse economic consequences for some credit holders
- Actual notice to all holders unlikely
  - Some credits still in books
  - Some contact information in automation program may not be up to date

## Unintended Consequences

- Changing program could create unanticipated outcomes

## Conclusion

- Credit Extension is Possible
- Implementation is burdensome but achievable
- Extension would help avoid expiration of unused credits
- Changing program may create uncertainty



**RRIF 5th Edition Adoption Schedule**

Task	Meeting Date	Meeting Time
5th Edition RRIF Update		
RRIF TAC Approval	07/24/14	2PM
Meeting with RRIF Administrators & Legal Representatives	08/18/14	3PM
RRIF TAC to discuss recommendations for RTC Board Workshop	08/28/14	2PM
RTC TAC	09/03/14	9AM
RTC CAC	09/03/14	5:30PM
RTC Board Workshop	09/04/14	10AM
RTC Board Meeting - Approval of RRIF ICA, GAM, & CIP	09/19/14	9AM
Reno City Council - Informational Meeting	09/24/14	12PM
Reno Planning Commission	10/01/14	6PM
Sparks Planning Commission	10/02/14	6PM
Washoe County Planning Commission	10/07/14	6:30PM
Reno City Council - 1st Reading	10/22/14	12PM
Sparks City Council - 1st Reading	10/27/14	2PM
Washoe County Commission - 1st Reading	10/28/14	10AM
Sparks City Council - 2nd Reading	11/10/14	2PM
Reno City Council - 2nd Reading	11/12/14	12PM
Washoe County Commission - 2nd Reading	11/12/14	10AM
5th Edition RRIF Fees Go into Effect (Min. 30 days after last approval)	01/01/15	

**Meetings**

Washoe Planning Commission

Reno Planning Commission

Sparks Planning Commission

Sparks City Council

Washoe Commission

Reno City Council

**Date**

1st Tuesday at 6:30PM

1st Wed at 6PM

1st/3rd Thursday at 6PM

2nd/4th Monday at 2PM

2nd/4th Tuesdays at 10AM

2nd/4th Wed at 12PM