



REGIONAL TRANSPORTATION COMMISSION

Metropolitan Planning • Public Transportation & Operations • Engineering & Construction

Metropolitan Planning Organization of Washoe County, Nevada

November 20, 2020

AGENDA ITEM 3.5

TO: Regional Transportation Commission

FROM: Dale Keller, P.E.
Engineering Manager

Bill Thomas, AICP
Executive Director

SUBJECT: Automatic Annual Increase of Regional Road Impact Fees (RRIF)

RECOMMENDATION

Acknowledge receipt of information regarding an automatic annual increase of 2.38% to the Regional Road Impact Fees as allowed by NRS 278B.225 and required by ordinances adopted by Washoe County, the City of Reno and the City of Sparks.

SUMMARY

NRS 278B.225 authorizes the governing body of a local government which imposes an impact fee to adopt an ordinance to automatically increase the impact fees annually to account for inflation. The City of Reno, the City of Sparks and Washoe County have each adopted ordinances to automatically increase the impact fees annually (the “Ordinances”):

- Washoe County – Ordinance No. 1307 (2006) (amending Chapter 110, Article 706, Impact Fees)
- City of Reno – Ordinance No. 5843 (2006) (adding Chapter 18.14.505)
- City of Sparks – Ordinance No. 2329 (2006)

Pursuant to NRS 278B.255 and the Ordinances, the impact fees are to be increased automatically every twelve months by the RTC RRIF Administrator, provided that no increase shall occur within a twelve month period following action by the local government to (i) adopt any revisions to the land use assumptions regarding the impact fees; (ii) adopt any revisions to the RRIF capital improvement plan; or (iii) otherwise increase the impact fees. The current impact fees were established by adoption of the 6th Editions of the General Administrative Manual and the Capital Improvements Plan dated December 1, 2019. There has been no action to increase the impact fees since then. Therefore, this automatic annual increase can and will occur and become effective on December 1, 2020.

Pursuant to NRS 278B.255 and the Ordinances, the amount of the increase is equal to the lesser of (1) 4.5%, or (2) the rolling five-year average of the percent increase of the Consumer Price Index (CPI) for West Urban Consumers data from the U.S. Bureau of Labor Statistics. Based on the index for 2015 through 2019, the impact fees will be increased by 2.38%. The calculations are reflected in Attachment A.

The new fee schedule is shown in Attachment B. The RTC RRIF Administrator will make administrative revisions to the 6th Editions of the General Administrative Manual and the Capital Improvements Plan to reflect the new fee schedule effective December 1, 2020.

FISCAL IMPACT

The rate of the impact fees will increase and that may or may not result in increased impact fee revenues.

PREVIOUS ACTIONS BY BOARD

There has been no previous Board action or direction on this matter.

ADDITIONAL BACKGROUND

NRS 278B.225 Impact fee to pay cost of street project: Ordinance to cumulatively increase fee on automatic basis to adjust for inflation; time at which such increases become effective.

1. The governing body of a local government which imposes an impact fee to pay the cost of constructing a street project may include a provision in the ordinance imposing the impact fee or adopt a separate ordinance providing that each year in which the governing body does not adopt any revisions to the land use assumptions or capital improvements plan or otherwise increase the impact fee, the current amount of the impact fee is cumulatively increased:

- (a) By a percentage equal to the average percentage of increase in the Consumer Price Index for West Urban Consumers for the preceding 5 years; or
- (b) By 4.5 percent, whichever is less.

2. Upon inclusion of a provision in the ordinance imposing the impact fee or the adoption of a separate ordinance authorized by subsection 1, no further action by the governing body is necessary to effectuate the annual increases.

3. Each increase authorized pursuant to this section becomes effective 1 year after:

- (a) The date upon which the impact fee initially becomes effective;
- (b) The date the governing body adopts a revised capital improvements plan; or
- (c) The effective date of any previous increase in the impact fee pursuant to this section, whichever occurs last.

(Added to NRS by [2003, 958](#))

Attachments

**Regional Road Impact Fee
Consumer Price Index - All Urban Consumers**

Not Seasonally Adjusted

Area: West urban
Item: All items
Base Period: 1982-84=100
Years: 2015 to 2019

Year	Annual CPI West Urban	Percent Change	5 Year Rolling Average
2015	243.015	1.2%	
2016	247.705	1.9%	
2017	254.738	2.8%	
2018	263.263	3.3%	
2019	270.350	2.7%	2.38%

Source: US Department of Labor - Bureau of Labor Statistics
(<http://data.bls.gov/cgi-bin/dsrv>)

ATTACHMENT B

6th Edition Regional Road Impact Fee Consumer Price Index Automatic Adjustment Year 1

		6th Edition				6th Edition Year 1 Indexing			
		Current Fee Schedule				Proposed Fee Schedule			
		North Service Area		South Service Area		North Service Area		South Service Area	
		\$320.71 per VMT		\$313.18 per VMT		\$328.34 per VMT		\$320.63 per VMT	
Land Use	Unit	VMT/Unit	Cost Per Unit	VMT/Unit	Cost Per Unit	VMT/Unit	Cost Per Unit	VMT/Unit	Cost Per Unit
Residential									
Single-Family	Dwelling	15.03	\$4,820.27	14.22	\$4,453.42	15.03	\$4,934.95	14.22	\$4,559.36
Multi-Family	Dwelling	10.23	\$3,280.86	9.68	\$3,031.58	10.23	\$3,358.92	9.68	\$3,103.70
Industrial									
General Light Industrial	1,000 GFA	5.05	\$1,619.59	4.78	\$1,497.00	5.05	\$1,658.12	4.78	\$1,532.61
Manufacturing	1,000 GFA	4.00	\$1,282.84	3.79	\$1,186.95	4.00	\$1,313.36	3.79	\$1,215.19
Warehouse	1,000 GFA	1.77	\$567.66	1.68	\$526.14	1.77	\$581.16	1.68	\$538.66
Min-Warehouse	1,000 GFA	1.54	\$493.89	1.46	\$457.24	1.54	\$505.64	1.46	\$468.12
Commercial/Retail									
Commercial/Retail	1,000 GFA	22.94	\$7,357.09	21.71	\$6,799.14	22.94	\$7,532.12	21.71	\$6,960.88
Eating/Drinking Places	1,000 GFA	22.94	\$7,357.09	21.71	\$6,799.14	22.94	\$7,532.12	21.71	\$6,960.88
Casino/Gaming	1,000 GFA	46.90	\$15,041.30	44.37	\$13,895.80	46.90	\$15,399.15	44.37	\$14,226.35
Office and Other Services									
Schools	1,000 GFA	13.12	\$4,207.72	12.41	\$3,886.56	13.12	\$4,307.82	12.41	\$3,979.02
Day Care	1,000 GFA	13.12	\$4,207.72	12.41	\$3,886.56	13.12	\$4,307.82	12.41	\$3,979.02
Lodging	Room	3.41	\$1,093.62	3.23	\$1,011.57	3.41	\$1,119.64	3.23	\$1,035.63
Hospital	1,000 GFA	10.92	\$3,502.15	10.33	\$3,235.15	10.92	\$3,585.47	10.33	\$3,312.11
Nursing Home	1,000 GFA	6.76	\$2,168.00	6.40	\$2,004.35	6.76	\$2,219.58	6.40	\$2,052.03
Medical Office	1,000 GFA	35.44	\$11,365.96	33.53	\$10,500.93	35.44	\$11,636.37	33.53	\$10,750.72
Office and Other Services	1,000 GFA	9.92	\$3,181.44	9.39	\$2,940.76	9.92	\$3,257.13	9.39	\$3,010.72
Regional Recreational Facility	Acre	2.32	\$744.05	2.20	\$689.00	2.32	\$761.75	2.20	\$705.39