

Date: November 2, 2021

Subject: Updated Fee Changes in accordance with Transnet Extension

Ordinance

<u>Regional Transportation Congestion Improvement Program Fees (RTCIP Fees)</u>

The RTCIP fee is applicable only on residential development. The fee was established to ensure that new development directly invests in the region's transportation system to offset the negative impact of growth on congestion and mobility. On-site affordable (low income) units may be exempt from the RTCIP. For an affordable housing unit to receive RTCIP exemption, the developer must submit evidence of a recorded Affordable Housing Agreement with the San Diego Housing Commission.

Current RTCIP Fees

Single Family Dwelling Unit (DU)	\$3,069/per dwelling unit
Multi Family Dwelling Unit (DU)	\$2,456/per dwelling unit

The City of San Diego RTCIP Funding Program currently provides a list of communities that were previously determined to be exempt from the RTCIP fees. However, the City is required to periodically ensure the Funding Program's consistency with the Transnet Extension Ordinance. In accordance with this requirement, the communities of **Black Mountain Ranch, Carmel Valley, and North University City**, which were previously exempt from the RTCIP fees due to the alternative contributions toward regional transportation infrastructure, no longer meet the City's RTCIP funding requirement through the provision of the applicable Development Impact Fees (DIF). To ensure the City's compliance with the RTCIP Funding Program and the TransNet extension ordinance, all residential projects in Black Mountain Ranch, Carmel Valley, and North University City, now include the RTCIP Fee. Affordable housing units that meet certain requirements continue to be exempt from payment of the RTCIP fee.

The following communities remain exempt from the RTCIP fee:

- 1. Mira Mesa*
- 2. Otay Mesa
- 3. Pacific Highlands Ranch
- 4. Torrey Highlands

Note: * All senior multi-family housing projects, in 3 Roots, will include the RTCIP fee.