CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO:	HONORABLE MAYOR AND CITY COUNCIL	**FROM:**	John Ristow
SUBJECT:	**Fiscal Year 2024-2025 Annual Traffic Impact Fee Report**	**DATE:**	October 27, 2025

Approved Date: 10/28/25

COUNCIL DISTRICTS: 1, 3, 4, 5, 6, 7, 8

RECOMMENDATION

Accept the annual Fiscal Year 2024-2025 Traffic Impact Fee Report and five-year report prepared in accordance with the Mitigation Fee Act (Government Code section 66000 *et seq.*) on the status of the City of San José's four traffic impact fee programs: North San José, Evergreen-East Hills, US-101/Oakland/Mabury, and Interstate 280/Winchester Boulevard.

SUMMARY AND OUTCOME

Accepting this memorandum with the attached Traffic Impact Fee (TIF) reports of required information will allow the City of San José (City) to continue to use the various TIF funds to fully or partially fund mitigation measures for transportation impacts in accordance with four development policies: 1) North San José Area Development Policy; 2) Evergreen-East Hills Development Policy; 3) US-101/Oakland/Mabury Transportation Development Policy; and 4) Interstate 280/Winchester Boulevard Transportation Development Policy.

BACKGROUND

The Mitigation Fee Act requires public agencies to account for and make specific findings regarding mitigation fees collected by an agency as a condition of development approval. The law also requires that the local or lead agency review and make available to the public both an annual and a five-year report that accounts for the mitigation fees held by the agency. As the Mitigation Fee Act authorizes local agencies to combine the annual and five-year reports, the information in this report satisfies both requirements. The City Council approved the previous Fiscal Year 2023-2024 Annual Report. The attached FY 2024-2025 Annual Report covers the period from July 1, 2024 to June 30, 2025.

The City has four separate TIFs that are charged to new developments under the following policies and the companion ordinances that establish the TIF: the North San José Area Development Policy, the Evergreen-East Hills Development Policy, the US101/Oakland/Mabury Transportation Development Policy, and Interstate 280/Winchester Boulevard Transportation Development Policy. All these policies rely to varying degrees on funding from different sources, including new development, and federal, state, regional, and local sources. A summary of each TIF is provided in Attachment A – Transportation Impact Fee Descriptions.

As required by law, each of the TIF is segregated from the General Fund and accounted for in special revenue funds, which earn interest. These funds, including interest, must be held for the purpose of financing the improvements for which the fees are collected (Section 66001).[1]

The City expects significant funding from local and state sources to contribute to the TIF-identified transportation improvements – for example, Santa Clara County's 2016 Measure B and California Senate Bill 1. This will enable the City to combine TIF and other funds to significantly advance design and delivery for many transportation projects in the near term. In addition, the City will continue to prioritize the implementation of improvements based on future development and associated opportunities.

ANALYSIS

The Mitigation Fee Act regulates how public agencies may establish, collect, maintain, and spend impact fees imposed on developers for the purpose of defraying costs of public facilities that are necessary to mitigate the impacts of the new development. The Act requires periodic public reporting of the accounts for each fee and requires certain findings be made by the City. As authorized by the Mitigation Fee Act, both the annual and five-year reports have been combined in this report.

The annual reporting requirements for each fiscal year are as follows:[2]

a) A brief description of the type of fee in the account or fund.
b) The amount of the fee.
c) The beginning and ending account balance of the account or fund.
d) The amount of the fees collected and the interest earned.

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[1] Unless otherwise specified, all references are to the California Government Code.
[2] Section 66006(b)(1)

e) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
f) An identification of an approximate date by which the construction of the public improvements will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.
g) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan.
h) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.

Additionally, the five-year report[3] requires the inclusion of the following additional findings by the City Council with respect to that portion of the account or fund remaining unexpended whether committed or uncommitted.

a) Identify the purpose to which the fee is to be put.
b) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
c) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).
d) Designate the approximate dates on which the funding referred to in subparagraph (c) is expected to be deposited into the appropriate account or fund.

Attachments B through E address the reporting requirements for each of the four TIF accounts maintained by the City. The separate attachments include information for each different TIF account and satisfy the requirements for both an annual report and five-year report.

For each TIF fund, the City is required to make available to the public the annual report within 180 days after the last day of each fiscal year and is also required to make the information public no later than 15 days prior to the City Council meeting at which it will be considered.[4]

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[3] California Government Code Section 66001(d)(1).
[4] California Government Code Section 66006(b)(2).

EVALUATION AND FOLLOW-UP

This item will be reported annually to the City Council. The next report (FY 2025-2026) will be presented to City Council in fall 2026.

COORDINATION

This report has been coordinated with the City Attorney's Office, City Manager's Budget Office, the Planning, Building, and Code Enforcement Department, and the Public Works Department.

PUBLIC OUTREACH

This report was made available to the public by November 7, 2025, on the City's Council Agenda website for the November 18, 2025 City Council Meeting, in accordance with the Mitigation Fee Act. This report and relevant area development policies are posted on the City's Department of Transportation's "Policies"[5] webpage.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

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[5] https://www.sanjoseca.gov/your-government/departments-offices/transportation/policies

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
John Ristow
Director, Department of Transportation

For questions, please contact Jessica Zenk, Deputy Director, Department of Transportation at (408) 535-3543.

ATTACHMENTS

A. Transportation Impact Fee Descriptions
B. North San José Traffic Impact Fee
C. Evergreen-East Hills Traffic Impact Fee
D. US-101/Oakland/Mabury Traffic Impact Fee
E. Interstate 280/Winchester Boulevard Traffic Impact Fee

Transportation Impact Fee Descriptions
November 18, 2025

The City has four separate traffic impact fees (TIFs) that are charged to new developments under the following policies and the companion ordinances that establish the TIF: the North San José Area Development Policy, the Evergreen-East Hills Development Policy, the US101/Oakland/Mabury Transportation Development Policy, and Interstate 280/Winchester Boulevard Transportation Development Policy. All these policies rely to varying degrees on funding from different sources, including new development, and federal, state, regional, and local sources. The following is a summary of each TIF:

North San José TIF: In 2005, the City adopted the North San José Area Development Policy (NSJ ADP), which established a TIF to fund a mitigation program that supports the development of the North San José area by alleviating automobile congestion due to new development and enhancing multi-modal transportation options.

The NSJ ADP and TIF (see San José Municipal Code (SJMC) Chapter 14.29) authorize the City to charge the TIF to individual developments to partially fund transportation improvements that are necessary to mitigate the traffic impacts of development in the NSJ ADP area. The mitigation measures funded by the NSJ TIF are specified in the June 2005 North San José Traffic Impact Fee Plan and as revised in May 2009 (see SJMC sec. 14.29.020.F). They include intersection improvements, new streets, extension and/or widening of existing streets, as well as regional improvements to Santa Clara County expressways and state highway facilities. The plan also includes multimodal improvements to implement the City's North San José Deficiency Plan and comply with the Valley Transportation Authority (VTA) Congestion Management Program as required by Government Code section 65089.3. Included in the Deficiency Plan are enhanced bus services, shuttle services, light rail improvements, new grid streets, and continuous bicycle connections on major streets and trails.

On May 17, 2022, the City Council approved amendments to the NSJ ADP (2022 Amendment) that effectively retired the 2005 policy with respect to future development, while still requiring past entitled projects to fulfill their requirements, including mitigation and payment of TIFs under the policy. As a result of the 2022 Amendment, the NSJ TIF no longer applies to development projects in the NSJ ADP area that did not receive entitlements and/or land use permits prior to the 2022 Amendment effective date.

Evergreen-East Hills TIF: The Evergreen-East Hills Traffic Impact Fee (EEH TIF) provides funding for transportation improvements necessary to mitigate the transportation impacts of new development under the Evergreen-East Hills Development Policy (EEH DP). The EEH DP allows a limited increase in development within the Evergreen-East Hills area boundaries. The EEH DP promotes long-term vitality of the region by linking together this limited new development with supporting transportation infrastructure and establishes a TIF to fund those improvements. The TIF program included 20 mitigation measures as specified in the November 2008 Evergreen-East Hills Traffic Impact Fee Analysis (see SJMC sec. 14.33.020.E).

On December 7, 2021, the City Council approved amendments to the Envision San José 2040 General Plan associated with the General Plan four-year review, which included direction to staff to amend the EEH DP so that the EEH TIF would apply to only projects that have received development approvals prior to the date of this amendment and would no longer apply to future development in Evergreen- East Hills.

As the City is working toward delivering these transportation mitigation measures with the collected TIF, City staff completed the Evergreen-East Hills Development Policy Nexus Study Update in December 2020 (revised in September 2023). Originally, the 20 transportation mitigation measures were identified in the EEH DP based on projecting where the future development and impacts would be located. As part of the Nexus Study Update, pre-COVID transportation trends were incorporated in the evaluation of each of the outstanding, previously identified mitigation measures.

On October 24, 2023, Council approved an ordinance amending San José Municipal Code Title 14, Chapter 14.33, entitled "Evergreen-East Hills Development Policy Traffic Impact Fee Requirements." This ordinance limited the application of Chapter 14.33 to projects that received an approved entitlement (general plan amendment and/or zoning amendment) and/or a land use permit from the effective date of the EEHDP to the effective date of the related resolution amending the EEHDP, making the Evergreen- East Hills Traffic Impact Fee inapplicable to future Evergreen-East Hills development projects.

Since the collected TIF to date cannot fund all the outstanding mitigation measures, the Nexus Study Update prioritizes locations demonstrating the highest needs as a result of the entitled and built development in the Evergreen-East Hills area. The Nexus Study Update prioritized the scopes for 17 outstanding transportation improvements, 12 of which are considered high-priority improvements and would be delivered in the near term using the collected TIF to date. The remaining five improvements will be delivered when additional TIF are collected from projects that were approved prior to the effective date of the EEH DP amendments.

US-101/Oakland/Mabury TIF: The purpose of the US-101/Oakland/Mabury TIF is to partially fund transportation improvements necessary to mitigate the traffic impacts from new development under the US-101/Oakland/Mabury Transportation Development Policy.

The improvements supported by the US-101/Oakland/Mabury TIF are specified in the July 2007 US-101/Oakland & US101/Mabury Road Interchanges Traffic Impact Fee Analysis (See SJMC sec. 14.30.020.H), which will partially fund: (1) the improvement of the US-101 Oakland Road interchange by upgrading the facility to maximize capacity; and (2) the construction of the new US-101 interchange at Mabury Road, which has been identified in the City's General Plan as a needed freeway gateway to alleviate congestion at the US-101/Oakland Road interchange. These transportation improvements will provide more efficient access to the US-101 freeway for new development and the Berryessa/North San José BART station.

Interstate 280/Winchester Boulevard TIF: The Interstate 280/Winchester Boulevard TIF partially funds a northbound I-280 off-ramp at Winchester Boulevard, as specified in the September 2016 Interstate 280/Winchester Boulevard Traffic Impact Fee Plan (see SJMC section 14.34.020.B). New development in the plan area that generates demand for the off-ramp is required to pay the TIF. Other funding sources include regional funding and fees collected from developments outside of the plan area that would be required to mitigate their traffic impacts at the interchange. The VTA and Caltrans are the lead agencies implementing the project.

NORTH SAN JOSÉ TRAFFIC IMPACT FEE
November 18, 2025

1. Type and purpose of fee in fund:

The North San José Traffic Impact Fee (NSJ TIF) was a fee charged to new development within the boundaries of the North San José Area Development Policy (NSJ ADP) pursuant to Chapter 14.29 of the San José Municipal Code. The purpose of the fee is to partially fund transportation improvements that are necessary to mitigate cumulative traffic impacts resulting from new development in the Policy area. The transportation improvements are specified in the NSJ ADP and the June 2005 North San José Traffic Impact Fee Plan (as revised in February 2022) and are listed in Table 4 herein.

2. Relationship between fee and purpose for which it is charged:

The traffic impact fee was charged to all new development within the boundaries of the NSJ ADP pursuant to Chapter 14.29 of the San José Municipal Code. The relationship between the fee and the purpose for which it is charged is detailed in the 2005 NSJ ADP and the June 2005 North San José Traffic Impact Fee Plan (as revised in February 2022). The fee that is charged to new development in the Policy area partially funds transportation improvements that are necessary to mitigate the cumulative traffic impacts resulting from that new development.

3. Amount of fee:

The fee amounts from the effective date of the traffic impact fee, including periodic increases, are specified in Table 1 below.

Table 1.
Traffic Impact Fees[1]

Fee Period (Starting FY, Ending FY)	**Trip Fee (per PM Peak Hour Trip)**	**Industrial Fee (per sq. ft.)**	**Residential Fee Single family (per unit)**	**Residential Fee Multi family (per unit)**	**Large-scale Commercial Fee (per sq. ft.)**	**Hotel Fee (per room)**
FY2005-2006, FY2006-2007	$11,138	$10.44	$6,994	$5,596	N/A	N/A
FY2007-2008, FY2008-2009	$11,885	$11.14	$7,463	$5,971	N/A	N/A
FY2009-2010, FY2010-2011	$12,683	$11.89	$7,964	$6,372	$16.65	$3,600
FY2011-2012, FY2012-2013	$13,533	$12.69	$8,498	$6,800	$17.66	$3,819
FY2013-2014, FY2014-2015	$14,441	$13.54	$9,068	$7,256	$18.74	$4,052
FY2015-2016, FY2016-2017	$15,410	$14.44	$9,677	$7,742	$19.88	$4,299
FY2017-2018, FY2018-2019	$16,444	$15.41	$10,326	$8,262	$21.09	$4,560
FY2019-2020, FY2020-2021	$17,547	$16.45	$11,019	$8,816	$22.38	$4,838
FY2021-2022, FY2022-2023	$18,725	$17.55	$11,758	$9,408	$25.18	$5,133
FY2023-2024, FY2024-2025	$19,981	$18.73	$12,547	$10,039	$26.72	$5,455
FY2024-2025, FY2025-2026	$21,321	$19.99	$13,389	$10.712	$28.35	$5,777

[1] The impact fee is increased by 3.3% annually compounded on July 1 of every odd-numbered year (SJMC sec. 14.29.040.B). Additionally, individual development projects may be credited for vehicle trips for existing development on their property in accordance with the requirements of the Policy.

4. Sources of funding:

The sources of funding for all of the improvements are outlined in the 2005 NSJ ADP and the June 2005 North San José Traffic Impact Fee Plan (as revised in February 2022). The cost of transportation improvements necessitated by North San José development totals approximately $939,020,618 (in 2025 dollars). A portion of the cost is planned to be funded by the City of San José and other funding sources (federal, state, and regional), with the remainder being funded by the NSJ TIF. Those regional funds are likely to include funding from the 2016 Santa Clara County Measure B.

5. Beginning and ending fund balances.

The beginning and ending fund balances are indicated in Table 2 (next page).

6. Fees collected and interest earned:

Fees collected and interest earned by the fund are indicated in Table 2 (next page).

Table 2.
Account Summary for the NSJ TIF

North San José Traffic Impact Fees	FY08-FY20	FY21	FY22	FY23	FY24	FY25	TOTAL
Beginning Balance	$ -	$44,475,580	$49,698,060	$48,233,701	$47,103,999	$44,050,069	
Developer Fees	55,723,374	5,060,508	(3,366,432)		113,317		57,530,767
Miscellaneous Revenue/Xfer In From Other Funds	35,170						35,170
Interest Earnings	3,755,879	700,268	405,030	1,047,878	1,393,354	1,472,316	8,774,725
Expenditures							
- Highway 237 Bikeway	(298,344)						(298,344)
- Montague Expressway	(2,681,557)						(2,681,557)
- Montague Expressway Phase 2		(148,132)	(748)		(2,000,000)		(2,148,880)
- North San José Light Rail Cabinets				(340,835)	(205,000)		(545,835)
- North San José Transit Improvements		(36,272)	(21,589)	(82,051)	(146,656)	(111,592)	(398,161)
- Parks, Recreation, and Neighborhood Services (PRNS) P				(1,500,000)			(1,500,000)
- Route 101/Trimble/De La Cruz Interchange Improvements	(3,229,126)	(105,670)	(320,518)	(502,496)	(527,404)	(516,800)	(5,202,015)
- Route 101/Zanker	(4,556,918)	(140,788)	(199,826)	(76,471)	(182,267)	(356,847)	(5,513,117)
- Route 880/Charcot	(1,536,538)	(265,608)	(154,277)				(1,956,423)
- Trail: Guadalupe/Tasman Under-Crossing	(59,184)						(59,184)
Expenditures as part of a Settlement Agreement							
- North San José - City of Santa Clara Settlement					(1,500,000)	(1,750,000)	(3,250,000)
Encumbrances - Prior Year	7,566,874	2,677,177	2,519,002	325,001	727		
- Route 880/Charcot Engineering Contract	(10,244,051)	(2,519,002)					
- Route 101/Rimble/De La Cruz Interchange Improvements			(1)	(0)			
- North San José Light Rail Cabinets			(325,000)	(240)			
- North San José Transit Improvements				(487)			
Encumbrances - Current Year							
North San José Ending Balance	**$44,475,580**	**$49,698,060**	**$48,233,701**	**$47,103,999**	**$44,050,069**	**$42,787,146**	**$ 42,787,146**
Remaining Budgeted CIP Funds							
- Montague Expressway Phase 2						9,302,000	9,302,000
- Route 101/Trimble/De La Cruz Interchange Improvements						4,502,796	4,502,796
- Route 101/Zanker						11,955,886	11,955,886
Funds Budgeted as part of a Settlement Agreement							
- Montague Expressway Phase 2						1,000,000	1,000,000
- North San José - City of Santa Clara Settlement							
Earmarked Funds							
Remaining Unallocated North San José TIF Progam Funds						**$16,026,464**	**$ 16,026,464**

*The City refunded Santa Clara Unified School District $3.4M of TIFs collected in FY21.
https://sanjose.legistar.com/View.ashx?M=F&ID=10872733&GUID=4BB88608-AC00-410F-9807-D3739C420C50.
Note: This table shows values rounded to the nearest whole dollar for legibility.

7. Public improvements on which fees were expended, amount of expenditure, and percentage of cost funded by fees:

Table 3 below lists TIF expenditures by project in FY08-FY25, completed and in-progress public improvements, the amount of traffic fees that have been expended on each project, and the percentage of the total cost of each improvement that was funded with traffic impact fees. Those improvements that do not have traffic fee expenditures were funded by other funding sources.

Table 3.
Project Expenditures Summary

Public Improvement	TIF Expenditures (FY2008-FY2025)	Percentage of Improvement Cost funded by TIF
Highway 237 Bikeway[3]	$298,344	50%
Montague Expressway[3]	$2,681,557	N/A
Montague Expressway Phase 2[1]	$2,148,880	N/A
North San José Light Rail Cabinets[1]	$545,835	N/A
North San José Transit Improvements[1]	$398,161	N/A
Parks, Recreation, and Neighborhood Services (PRNS) Projects	$1,500,000	N/A
Route 101/Trimble/De La Cruz[1]	$5,202,015	N/A
Route 101/Zanker[1]	$5,513,117	N/A
Route 880/Charcot[2]	$1,956,423	N/A
Guadalupe Trail/Tasman Drive Under-crossing[3]	$59,184	10%
Montague Expressway/Old Oakland Road[3]	$0	0%
Zanker Road/Tasman Drive[3]	$0	0%
Capitol Expressway/Capitol Avenue[3]	$0	0%

- Note, expenditures do not include past encumbrances.
1. Improvement is partially completed; hence, no data is available for “percentage of improvement cost”.
2. Improvement has been removed from the improvements list. Expenditures are not expected beyond FY 2023.
3. Improvement is completed.

8. Approximate date by which construction of the public improvements will commence, and approximate date by which the funding for incomplete improvements will be deposited into the appropriate account or fund[2]

The date of construction depends on a determination by the local agency that

[2] As such, this section satisfies reporting requirements of the annual report as indicated in California Government Code Section 66006(b)(1)(F) as well as the five-year report as required in Government Code Section 66001(d)(1)(D).

confirms sufficient funds from all sources to complete the specified public improvement. Other than the completed projects listed in Table 3 above, sufficient funds have not been collected, either from traffic fees or other sources to complete financing and construction of the North San José Transportation Improvements. Route 101/Trimble/De La Cruz started construction in September 2021, opened for beneficial use summer 2025, and expected to close out by early 2026.

All of the public improvements specified in the June 2005 North San José Traffic Impact Fee Plan with the February 2022 revision and listed in Table 4 herein are required to address area-wide traffic impacts resulting from new development within the boundaries of the NSJ ADP. Because the traffic impact fees do not provide full funding for all required improvements, other funding sources, such as federal, state, regional, and City funding, are also required. It is not certain when the funds from these other sources will be available and to which specific improvements they will apply. However, the City of San José expects significant funding from the 2016 Santa Clara County Measure B to contribute to regional and active transportation improvements in the NSJ ADP.

The public improvements are prioritized to support traffic impacts from new development as they are needed within the NSJ ADP area and by when full funding of an improvement becomes available through the various funding programs. The Envision San José 2040 General Plan and the NSJ ADP are intended to provide improvements needed to support new development entitled under the NSJADP through 2035, so complete funding and the design and construction of improvements are expected to occur no later than five years after the conclusion of the term of the current General Plan and NSJ ADP, to wit: 2040 for past entitled projects.

9. Interfund transfers and loans:

No interfund transfers or loans were made during the fiscal years FY08-FY25 utilizing these funds.

10. Refunds and allocations:

No refunds or allocations pursuant to subdivisions (e) and (f) of Section 66001 were made during the fiscal years FY08-FY25.

11. List of NSJ ADP public improvements:

Table 4 (next page) lists the improvements that will be funded in part by the NSJ TIF with the associated costs of each of the transportation improvement projects pursuant to the 2005 NSJ ADP and the June 2005 North San José Traffic Impact Fee Plan (as revised in February 2022).

Table 4.
North San José Traffic Impact Fee Improvements and Cost Summary

Table 1 - North San José Transportation Improvements and Cost Summary

Location (Type)	Cost (2005 $)	Cost (2025 $)
North San José Major Roadway Improvements		
Montague Expressway Widening*	$18,000,000	$35,200,000
US 101/Zanker Road/Skyport Drive/Fourth Street Improvement Project	$64,000,000	$357,000,000
US 101/Trimble Road Interchange*	$27,000,000	*Under Const.*
North San José Grid Street System	$55,000,000	$217,759,285
Subtotal North San José Major Roadway Improvements	**$164,000,000**	**$609,959,285**
North San José Intersection Improvements		
Zanker Road and Montague Expressway[a]	*See Note a*	*See Note a*
River Oaks Parkway and Montague Expressway	*See Note b*	*See Note b*
Trimble Road and Montague Expressway	*$30,000,000*	$59,693,666
McCarthy Boulevard & Montague Expressway[b]	*$68,000,000*	$135,305,643
Old Oakland Road and Montague Expressway	$500,000	*Complete*
Junction Avenue and Charcot Avenue	$1,000,000	$1,989,789
Trade Zone Boulevard and Montague Expressway	$2,175,000	*Complete*
Subtotal North San José Intersection Improvements	**$101,675,000**	**$196,989,097**
Other Intersections Outside of North San José		
San Tomas Expressway and Stevens Creek Boulevard	$1,300,000	$2,586,726
San Tomas Expressway and Moorpark Avenue	$500,000	$994,894
King Road and McKee Road	$2,025,000	$4,029,322
Capitol Avenue and Berryessa Road	$250,000	$497,447
Subtotal Intersections Outside of North San José	**$4,075,000**	**$8,108,390**
Offsetting Action from CMA Immediate Implementation Action List		
Bicycle, Pedestrian, TDM and Transit Actions (Bus, LRT Improvements)	**$62,300,000**	**$123,963,846**
TOTAL COST	**$332,050,000**	**$939,020,618**
Other Contributions (City of San José, Federal, State, and Regional)	**($59,000,000)**	**($114,722,543)**
Potential Santa Clara County 2016 Measure B Contributions**	**$ -**	**($351,307,000)**
NET TOTAL to be funded by the NSJ TIF	**$273,050,000**	**$472,991,075**

NOTES

a - Included as part of the Zanker Road Widening cost

b - Included as part of the Montague Expressway Widening cost

** - 2021 project costs reflect engineering progress and more accurate estimates of improvements.*

*** -Figure shown represents "up to" or maximum anticipated Measure B contribution based on October 2021 application.*

Source: North San José Area Development Policy (2005), Table 6, and North San José Traffic Impact Fee Plan, February 2005 (Revised April 2009), Table 3

EVERGREEN-EAST HILLS TRAFFIC IMPACT FEE
November 18, 2025

1. Type and purpose of fee in fund:

The Evergreen-East Hills Traffic Impact Fee (EEH TIF) was a fee charged to new development within the boundaries of the Evergreen-East Hills Development Policy area pursuant to Chapter 14.33 of the San José Municipal Code. The purpose of the fee is to fund transportation improvements specified in the Evergreen-East Hills Development Policy[1] (EEH DP). The EEH DP identified 20 transportation improvements associated with development capacity of the policy.[2] In September 2023, the City conducted the EEH DP Nexus Study Update which updated the scopes for 17 outstanding transportation improvements and maintained the original recommendation for another (new signal at Marten and Flint). Twelve (12) of the 18 improvements are considered high-priority and would be delivered in the near term using the collected TIF to date. The remaining six improvements would be delivered when additional TIF are collected from projects that were approved prior to the effective date of the EEH DP amendments. The improvements are listed in Table 5 herein.

2. Relationship between fee and purpose for which it is charged:

The traffic impact fee was charged to all new development within the boundaries of the EEH DP pursuant to Chapter 14.33 of the San José Municipal Code. The EEH DP details the relationship between the fee and its assessed purpose. The fee that was charged to new development in the Policy area funds transportation improvements that are necessary to address traffic impacts resulting from new development under the Policy.

3. Amount of fee:

The fee amounts from the effective date of the traffic impact fee, including periodic increases, are specified in Table 1 below.

[1] Evergreen-East Hills Development Policy (adopted December 16, 2008).
[2] Evergreen-East Hills Development Policy Nexus Study Update (dated December 2020, revised September 2023).

Table 1.
Traffic Impact Fees[3]

Calendar Year	Residential Fee (per unit)	Commercial/Office Fee (per sq. ft.)
2009	$13,214	$11.49
2010	$13,214	$11.49
2011	$13,431	$11.68
2012	$13,804	$12.00
2013	$14,037	$12.21
2014	$14,262	$12.40
2015	$14,786	$12.86
2016	$15,148	$13.17
2017	$15,605	$13.57
2018	$16,033	$13.94
2019	$16,357	$14.22
2020	$16,782	$14.59
2021	$17,575	$15.28
2022	$18,505	$16.09
2023	$20,424	$17.76
2024	$20,958	$18.22
2025	$20,926	$18.20

4. Sources of funding:

Other than state and regional funds used for the US-101 corridor improvements, EEH TIF is the primary source of funding for all the improvements outlined below in Table 5 in accordance with the EEH DP.

5. Beginning and ending fund balances:

The beginning and ending fund balances are indicated in Table 2 below.

6. Fees collected and interest earned:

Fees collected and interest earned by the fund are indicated in Table 2 below.

[3] The impact fee is increased annually on January 1 per the Engineering News-Record Construction Cost Index for the San Francisco Bay Area, published by the McGraw Hill (SJMC sec. 14.33.040.B). Additionally, individual development projects may be credited for vehicle trips for existing development on their property in accordance with the requirements of the Policy.

Table 2.
Account Summary for the EEH TIF

Evergreen Traffic Impact Fees	FY08-FY20	FY21	FY22	FY23	FY24	FY25	TOTAL
Beginning Balance	$ -	$ 7,022,648	$ 7,350,185	$ 6,766,784	$ 7,176,364	$ 8,066,154	
Developer Fees	6,667,943	235,017	51,176	610,665	859,465	1,022,535	9,446,801
Interest Earnings	354,705	101,459	64,304	167,092	241,739	291,933	1,221,233
Expenditures							
- Copper to Fiber and Adaptive Timing			(109,023)	(134,665)	(5,948)		(249,636)
- Evergreen Bikeways 2025					(6,171)		(6,171)
- Highway 680/Jackson Traffic Signal		(8,939)	(88,440)	(132,989)	(112,499)	(176,022)	(518,890)
- Nieman Boulevard/Daniel Maloney Drive Improvements				(116,079)	(94,051)	(213,982)	(424,111)
- San Felipe/Yerba Buena Intersection Improvements			(120,407)	(264,844)	(13,127)		(398,379)
- Story/Clayton Intersection Improvements							
Encumbrances - Prior Year				381,011	100,611	80,227	
- Copper to Fiber and Adaptive Timing			(37,500)				
- Highway 680/Jackson Traffic Signal			(148,291)	(100,611)	(80,227)		
- San Felipe/Yerba Buena Intersection Improvements			(195,220)				
Encumbrances - Current Year							
- Highway 680/Jackson Traffic Signal						(1,089,890)	(1,089,890)
Evergreen Ending Balance	**$ 7,022,648**	**$ 7,350,185**	**$ 6,766,784**	**$ 7,176,364**	**$ 8,066,154**	**$ 7,980,956**	**$ 7,980,956**
Remaining Budgeted CIP Funds							
- Evergreen Bikeways 2025						494,000	494,000
- Highway 680/Jackson Traffic Signal						891,199	891,199
- Nieman Boulevard/Daniel Maloney Drive Improvements						1,735,968	1,735,968
- Ruby/Norwood Roundabout						675,000	675,000
- Story/Clayton Intersection Improvements						330,000	330,000
Remaining Unallocated Evergreen TIF Progam Funds						**$ 3,854,789**	**$ 3,854,789**

Note: This table shows values rounded to the nearest whole dollar for legibility.

7. Public Improvements on which fees were expended, amount of expenditure, and percentage of cost funded by fees:

Table 3 below lists TIF expenditures by project in FY08-FY25, completed and in-progress public improvements, the amount of traffic fees that have been expended on each project, and the percentage of the total cost of each improvement that was funded with traffic impact fees. Those improvements that do not have traffic fee expenditures were funded by other funding sources.

Table 3.
Project Expenditures Summary

Public Improvement	**TIF Expenditures (FY2008-FY2025)**	**Percentage of Improvement Cost funded by TIF**
I-680 Ramps (N) and Jackson Avenue[1]	$518,890	N/A
Nieman Boulevard and Daniel Maloney Drive[1]	$424,111	N/A
Capitol Expressway and Quimby Road[1]	$0	N/A
White Road and Quimby Road[2]	$0	0%
Nieman Boulevard and Aborn Road[1]	$0	0%
San Felipe Road and Yerba Buena Road (South)[2]	$398,379	100%
Ruby Avenue and Tully Road-Murillo Avenue[2]	$0	0%
Marten Avenue and Mt. Rushmore Drive[2]	$0	0%
Ocala Avenue and Hillmont Avenue[2]	$0	0%
Ocala Avenue and Adrian Way[2]	$0	0%
Copper to Fiber and Adaptive Signal Timing Upgrades[2] White Rd[3]	$249,636	100%
US-101 Corridor Improvements[2]	$0	0%
Evergreen Bikeways 2025[1]	$6,171	N/A

- Note, expenditures do not include past encumbrances.
1. Improvement is partially completed; hence, no data is available for "percentage of improvement cost".
2. Improvement is completed.
3. Included as part of the White Road/Quimby Road and White Road/Aborn Road intersection improvements.
4. Included as part of the I-680/Jackson Avenue signal and/or related improvements.

8. Approximate date by which construction of the public improvements will commence, and approximate date by which the funding for incomplete improvements will be deposited into the appropriate account or fund[3]:

The date of construction depends on a determination by the local agency that confirms existing sufficient funds from all sources to complete the specified public

[3] As such, this section satisfies reporting requirements of the annual report as indicated in California Government Code Section 66006(b)(1)(F) as well as the five-year report as required in Government Code Section 66001(d)(1)(D).

Projects entitled prior to the anticipated amendment approval date will fulfill requirements towards the improvements specified in the Evergreen-East Hills Traffic Impact Fee Analysis. While the EEH DP is in effect, if public funds are advanced to accelerate the construction of the improvements specified in the EEH DP, the EEH TIFs shall be collected until all advanced City funding is fully reimbursed to the City (SJMC sec. 14.33.060).

The amount of development and its timing will be determined by the economy, markets, and the decisions made by private sector property owners and developers. The timing of funding for incomplete transportation improvements for deposits into the appropriate fund depends on development activity and the availability of funding from other sources, such as the City of San José, regional authorities, and grants.

Table 4 shows known and expected project start dates. The Envision 2040 General Plan and the Policy are intended to provide improvements needed to support new development entitled under the EEH DP through Year 2035. As such, the full funding deposited into the appropriate accounts and the completion of improvements are expected no later than five years after the conclusion of the term of the current General Plan and EEH DP, to wit: 2040.

Table 4
Approximate Construction Start and End Dates

	Construction Year Start	Construction Year End
High-Priority Improvements		
Capitol Expressway and Aborn Road [1]	TBD	TBD
Capitol Expressway and Silver Creek Road [1]	TBD	TBD
I-680 Ramps (N) and Jackson Avenue [2]	2025	2026
Marten Avenue and Mt. Rushmore Drive		Complete
Nieman Boulevard and Daniel Maloney Drive [2]	2025	2026
Ocala Avenue and Hillmont Avenue [2]		Complete
Ruby Avenue and Norwood Avenue [2]	2025	2026
Ruby Avenue and Tully Road-Murillo Avenue [2]		Complete
San Felipe Road and Yerba Buena Road (South) [1]		Complete
Story Road and Clayton Road	2026	2026
White Road and Aborn Road [1]	2023	2027
White Road and Quimby Road [1]		Complete
Lower-Priority Improvements		
Capitol Expressway and Quimby Road [1]	TBD	Partially Complete
Nieman Boulevard and Aborn Road [1]	TBD	Complete
Ocala Avenue and Adrian Way		Complete
Nieman Boulevard and Yerba Buena Road [1]	TBD	TBD
Quimby Road and Scottsdale Drive [2]	TBD	TBD
Story Road and Lancelot Lane [2]	TBD	TBD
Marten Ave and Flint Ave	TBD	TBD
Bike Plan 2025 Implementation		
Silver Creek Rd [3]		Complete
Quimby Rd [4]	2022	2029
White Rd [5]	2024	2027
Aborn Rd [6]	2023	2028
San Felipe Rd [7]	2024	2027
Yerba Buena Rd [8]		Complete
Nieman Blvd [9]		Complete
Jackson Ave [10]	2024	2027
Tully Rd [11]	2023	2026
Copper-to-fiber and Adaptive Signal Timing Upgrades		
White Rd [12]		Complete
Jackson Ave [13]		Complete
US 101, between I-280 and Yerba Buena Road		
US 101 Corridor Improvements		Complete

NOTES

[1] The EEHDP Amendment, approved in October 2023, replaced the original mitigation measures with new or additional intersection improvements.

[2] The original improvement per the 2008 EEHDP FEIR included adding a new signal. The EEHDP Amendment, approved in October 2023, replaced the improvement or include additional improvements.

[3] Included as part of the Capitol Expressway/Silver Creek Road intersection improvements.

[4] Included as part of the Capitol Expressway/Quimby Road and White Road/Quimby Road intersection improvements.

[5] Included as part of the White Road/Quimby Road and White Road/Aborn Road intersection improvements.

[6] Included as part of the White Road/Aborn Road and Nienman Boulevard/Aborn Road intersection improvements.

[7] Included as part of the San Felipe Road/Yerba Buena Road (South) intersection improvements.

[8] Included as part of the San Felipe Road/Yerba Buena Road (South) and Nienman Boulevard/Yerba Buena Road intersection improvements.

[9] Included as part of the Nieman Boulevard/Aborn Road and Nienman Boulevard/Yerba Buena Road intersection improvements.

[10] Included as part of the I-680/Jackson Avenue signal and/or related improvements.

[11] Included as part of the Ruby Avenue/Tully Road/Murillo Avenue signal and/or related improvements.

[12] Included as part of the White Road/Quimby Road and White Road/Aborn Road intersection improvements.

[13] Included as part of the I-680/Jackson Avenue signal and/or related improvements.

Source: EEHDP Amendment (October 2023); EEHDP Nexus Study Update (September 2023)

9. Interfund transfers and loans:

No interfund transfers or loans were made during the fiscal years FY10-FY25 utilizing these funds.

10. Refunds and allocations:

No refunds or allocations pursuant to subdivisions (e) and (f) of Section 66001 were made during the fiscal years FY10-FY25.

11. List of EEH DP public improvements:

Table 5 (on next page) lists the improvements that will be funded in part by the EEH TIF with the associated costs of each of the transportation improvement projects.

Table 5
Evergreen-East Hills Traffic Impact Fee Improvements and Cost Summary

	Cost (2008 Dollars)[1]	Cost (2025 Dollars)[1]
High-Priority Improvements[15]		
Capitol Expressway and Aborn Road [1]	$ 1,250,000.00	$250,000
Capitol Expressway and Silver Creek Road [1]	$ 1,250,000.00	TBD
I-680 Ramps (N) and Jackson Avenue [2]		$2,500,000
Marten Avenue and Mt. Rushmore Drive [2]		Complete
Nieman Boulevard and Daniel Maloney Drive [2]		$2,100,000
Ocala Avenue and Hillmont Avenue [2]		Complete
Ruby Avenue and Norwood Avenue [2]		$675,000
Ruby Avenue and Tully Road-Murillo Avenue [2]		Complete
San Felipe Road and Yerba Buena Road (South) [1]	$ 1,269,000.00	Complete
Story Road and Clayton Road [1]		$330,000
White Road and Aborn Road [1]	$ 500,000.00	TBD
White Road and Quimby Road [1]	$ 500,000.00	Complete
Lower-Priority Improvements[15]		
Capitol Expressway and Quimby Road [1]	$ 1,000,000.00	TBD
Nieman Boulevard and Aborn Road [1]		Complete
Ocala Avenue and Adrian Way		Complete
Nieman Boulevard and Yerba Buena Road [1]	$ 800,000.00	TBD
Quimby Road and Scottsdale Drive [2]		TBD
Story Road and Lancelot Lane [2]		TBD
Marten Ave and Flint Ave		TBD
Bike Plan 2025 Implementation		$500,000
Silver Creek Rd [3]		
Quimby Rd [4]		
White Rd [5]		
Aborn Rd [6]		
San Felipe Rd [7]		
Yerba Buena Rd [8]		
Nieman Blvd [9]		
Jackson Ave [10]		
Tully Rd [11]		
Copper-to-fiber Upgrades and Adaptive Signal Timing		
White Rd [12]		Complete
Jackson Ave [13]		Complete
US 101, between I-280 and Yerba Buena Road		
US 101 Corridor Improvements[14]	$ 1,307,200.00	Complete
TOTALS	**$ 1,307,200.00**	**$6,355,000**

NOTES

[1] *The EEHDP Amendment, approved in October 2023, replaced the original mitigation measures with new or additional intersection improvements.*

[2] *The original improvement per the 2008 EEHDP FEIR included adding a new signal. The EEHDP Amendment, approved in October 2023, replaced the improvement or include additional improvements.*

[3] *Included as part of the Capitol Expressway/Silver Creek Road intersection improvements.*

[4] *Included as part of the Capitol Expressway/Quimby Road and White Road/Quimby Road intersection improvements.*

[5] *Included as part of the White Road/Quimby Road and White Road/Aborn Road intersection improvements.*

[6] *Included as part of the White Road/Aborn Road and Nienman Boulevard/Aborn Road intersection improvements.*

[7] *Included as part of the San Felipe Road/Yerba Buena Road (South) intersection improvements.*

[8] *Included as part of the San Felipe Road/Yerba Buena Road (South) and Nienman Boulevard/Yerba Buena Road intersection improvements.*

[9] *Included as part of the Nieman Boulevard/Aborn Road and Nienman Boulevard/Yerba Buena Road intersection improvements.*

[10] *Included as part of the I-680/Jackson Avenue signal and/or related improvements.*

[11] *Included as part of the Ruby Avenue/Tully Road/Murillo Avenue signal and/or related improvements.*

[12] *Included as part of the White Road/Quimby Road and White Road/Aborn Road intersection improvements.*

[13] *Included as part of the I-680/Jackson Avenue signal and/or related improvements.*

[14] *The US-101 Corridor Improvements was completed in 2014 with a total cost of $81.7 million. The EEHDP TIF was not used for*

[15] *High-priority improvements will be delivered in the near term using the collected TIF as of October 2023. Lower-priority*

Source: EEHDP Amendment (October 2023); EEHDP Nexus Study Update (September 2023)

US-101/OAKLAND/MABURY TRAFFIC IMPACT FEE
November 18, 2025

1. Type and purpose of fee in fund:

The US-101/Oakland/Mabury Traffic Impact Fee (TIF) is a fee charged to new developments within the boundaries of the US-101/Oakland/Mabury Transportation Development Policy[1] (TDP) area pursuant to Chapter 14.30 of the San José Municipal Code. The purpose of the fee is to partially fund transportation improvements outlined in the TDP. These improvements are intended to mitigate traffic congestion associated with anticipated new development in the area, and to provide adequate access to the US-101 freeway for new development and the future Berryessa BART station. The TIF was established to partially fund (1) the improvement of the US-101/Oakland Road interchange by upgrading the facility to maximize capacity; and (2) the construction of the new US-101 interchange at Mabury Road, which has been identified in the City's General Plan as a needed freeway access point to alleviate congestion at the US- 101/Oakland Road interchange and intersections in the proximity. The improvements are specified in the US-101/Oakland/Mabury TDP and are listed in Table 4 herein.

2. Relationship between fee and purpose for which it is charged:

The traffic impact fee is charged to new developments in the proximity of the US-101/Oakland/Mabury TDP interchanges pursuant to Chapter 14.30 of the San José Municipal Code. The TIF is charged to new development near the US-101/Oakland Road interchange and the planned US-101/Mabury-Berryessa Road interchange, where the project-specific traffic analysis indicates that the new development generates interchange vehicle trips. In an effort to promote new industrial land use or intensification of existing industrial land uses, the TDP exempts trips generated by future industrial growth from the TIF program. The mechanism for determining trip credits for new industrial developments that are exempt from the TIF program is detailed in pages seven to nine of this attachment. The relationship between the fee and the purpose for which it is charged is detailed in the US-101/Oakland/Mabury TDP (2007, as revised).

3. Amount of fee:

The fee amounts from the effective date of the traffic impact fee, including periodic increases, are specified in Table 1 below.

[1] Adopted December 18, 2007, and as revised from time to time.

Table 1
Traffic Impact Fees[2,3]

Calendar Year	Trip Fee (per PM Peak Hour Trip)[3]
2008	$30,000
2009	$30,000
2010	$31,201
2011	$31,713
2012	$32,595
2013	$33,143
2014	$33,675
2015	$34,913
2016	$35,767
2017	$36,847
2018	$37,857
2019	$38,623
2020	$39,625
2021	$41,499
2022	$43,696
2023	$48,226
2024	$49,487
2025	$49,412

4. Sources of funding:

The sources of funding for all the improvements are outlined in the 2007 US-101/Oakland/Mabury TDP (as amended). The estimated cost of improvements at the US-101 interchanges at Oakland Road and Mabury-Berryessa Road totals $319 million. A portion of the cost is planned to be funded by the City of San José and regional sources totaling $179 million, with the remaining $140 million being funded by the US- 101/Oakland/Mabury TIF (all amounts given in 2025 dollars).

The Traffic Impact Fee Program requires new development that generates demands for the Policy Interchange Intersections to make a fair share of financial contributions

[2] The impact fee is increased annually on January 1 per the Engineering News-Record Construction Cost Index for the San Francisco Bay Area, published by the McGraw Hill (SJMC sec. 14.30.040.C).
[3] The TDP also allocates 115 PM peak hour vehicular trips generated by future industrial development to be exempt from the Traffic Impact Fee Program.

as determined by the Nexus Study[4] prepared as a part of this TIF program. The City administers the TIFs it collects and conducts appropriate studies, design, environmental clearance, and construction of the improvements as funds become available from payment of the impact fee by new development and other funding sources identified above.

5. Beginning and ending fund balances:

The beginning and ending fund balances are indicated in Table 2 below.

6. Fees collected and interest earned:

Fees collected and interest earned by the fund are indicated in Table 2 below.

Table 2
Account Summary for the US-101/Oakland/Mabury TIF

Mabury Traffic Impact Fees	FY08-FY20	FY21	FY22	FY23	FY24	FY25	TOTAL
Beginning Balance	$ -	$23,438,856	$23,715,930	$18,233,685	$19,029,523	$19,015,923	
Developer Fees	22,450,281	30,000		305,872	241,130	592,944	23,620,227
Interest Earnings	1,223,939	333,281	207,459	502,779	690,049	750,910	3,708,417
Expenditures							
- Route 101/Mabury Road Project Development	(235,363)	(86,207)	(1,155,752)	(1,567,018)	(1,286,970)	(663,797)	(4,995,107)
Encumbrances - Prior Year				4,533,952	2,979,747	2,637,557	0
- Route 101/Old Oakland Road Improvements			(4,533,952)	(2,979,747)	(2,637,557)		
Encumbrances - Current Year							
- Route 101/Old Oakland Road Improvements						(2,637,557)	(2,637,557)
Mabury Ending Balance	**$23,438,856**	**$23,715,930**	**$18,233,685**	**$19,029,523**	**$19,015,923**	**$19,695,980**	**$ 19,695,980**
Remaining Budgeted CIP Funds							
- Route 101/Mabury Road Project Development						803,424	803,424
Remaining Unallocated Mabury TIF Progam Funds						**$18,892,556**	**$ 18,892,556**

Note: This table shows values rounded to the nearest whole dollar for legibility.

7. Public Improvements on which fees were expended, amount of expenditure, and percentage of cost funded by fees:

Table 3 below lists completed and in-progress public improvements, the amount of traffic fees that have been expended on each project, and the percentage of the total cost of each improvement that was funded with traffic impact fees. Those improvements that do not have traffic fee expenditures were funded by other funding sources.

[4] US-101/Oakland Road & US-101/Mabury Road Interchanges Traffic Impact Fee Analysis, July 2007, by the Department of Transportation, City of San José.

Table 3
Project Expenditures Summary

Public Improvement	TIF Expenditures (FY2008-FY2025)	Percentage of Improvement Cost funded by TIF
Route 101/Mabury Road*	$4,995,107	N/A
Route 101/Old Oakland Road*	$2,637,557	N/A

- Note, all expenditures do not include encumbered but not spent funds.
** Project has not been completed; hence, no data is available for "percentage of improvement cost".*

8. Approximate date by which construction of the public improvements will commence, and approximate date by which the funding for incomplete improvements will be deposited into the appropriate account or fund[5]:

The date of construction depends on a determination by the local agency that confirms existing sufficient funds from all sources to complete the specified public improvement. To date, sufficient funding has not been collected to fully fund the interchange improvements.

In August 2012, the City Council approved an engineering consultant agreement to begin development of the initial project documentation required by Caltrans to construct a new freeway interchange at the US-101 undercrossing of Mabury Road consistent with the Envision 2040 General Plan. Extensive studies followed and in 2018, Caltrans accepted findings that the US 101/Mabury Interchange would not adversely impact safety or operations along US 101; however, Caltrans stipulated that certain operational improvements – namely, auxiliary lanes – would have to be included and studied during the Project Approval and Environmental Document (PA&ED) phase. In addition, Caltrans and the City agreed to also study local street network and other interchange improvements.

In tandem, the City began looking at the whole US-101 corridor from Mabury Rd to Oakland Rd and considering an interchange at Berryessa Rd as a potential alternative to Mabury Rd. An interchange at US-101 and Berryessa Rd would include modifications to the US 101/Oakland Rd interchange and improve interchange spacing along US-101. The City coordinated with Caltrans to include this alternative as part of the study and received concurrence from Caltrans in July 2019. The cost estimate for this project is in development. An initial estimated project cost shows an increase in the project budget due to additional local improvements and improvements to Mabury Rd required for the Berryessa Rd alternative.

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[5] As such, this section satisfies reporting requirements of the annual report as indicated in California Government Code Section 66006(b)(1)(F) as well as the five-year report as required in Government Code Section 66001(d)(1)(D).

In December 2019, the City issued a Request for Proposal (RFP) to evaluate the US 101/Mabury-Berryessa-Oakland corridor and allow for new perspectives on the project. The RFP solicited engineering consultant services to prepare scoping, environmental studies, project reports, and potentially a final design of the project. The City awarded the project to HNTB in October 2020. The project is currently in the PA&ED stage. Subsequent phases (e.g., plan, specification, and estimate (PS&E), and property acquisition and construction) would follow as funding becomes available.

The Envision 2040 General Plan and the Policy are intended to provide improvements needed to support new development through Year 2035, so complete funding and the design and construction of improvements is expected to occur no later than five years after the conclusion of the term of the current General Plan and US- 101/Oakland/Mabury TDP, to wit: 2040. If public funds are advanced to accelerate the construction of the improvements specified in the July 2007 US-101/Oakland/Mabury TDP, the TIF shall be collected until all advanced City funding is fully reimbursed to the City (SJMC sec. 14.30.051).

9. Interfund transfers and loans:

No interfund transfers or loans were made during the fiscal years FY10-FY25 utilizing these funds.

Refunds and allocations:

No refunds or allocations pursuant to subdivisions (e) and (f) of Section 66001 were made during the fiscal years FY10-FY25.

10. List of US-101/Oakland/Mabury TDP public improvements:

Table 4 below lists the improvements that will be funded in part by the US-101/Oakland/Mabury TIF with the associated costs of each of the transportation improvement projects:

Table 4
US-101/Oakland/Mabury Traffic Impact Fee Improvements and Cost Summary[6]

Improvements	Cost (2014 $)	Cost (2025 $)
US-101/Oakland Rd Interchange*	$23,000,000	$75,161,359
Widening of Oakland Road between Commercial Street and US-101 freeway, including the US-101 over-crossing to 8 lanes across, including dual left turn lanes for both northbound and southbound directions.		
Widening of US-101 on-ramps and off-ramps to accommodate additional turning lanes.		
Widening of eastbound Commercial Street to provide additional lanes.		
Signal modifications at intersections of the US-101/Oakland Road (N), the US-101/Oakland Road (S), and the Oakland Road/Commercial Street.		
Intersection improvement at Berryessa Road and Commercial Street intersection for an additional westbound to northbound right turn lane.		
US-101/Mabury Rd or Berryessa Rd Interchange*	$57,000,000	$244,000,000
Construction of a new northbound US-101 diagonal off-ramp and a new US-101 loop on- ramp on the southeast quadrant of the US-101/Mabury Rd or Berryessa Rd interchange.		
Construction of a new southbound US-101 diagonal off ramp and a new US-101 loop on- ramp on the southwest quadrant of the US-101/Mabury Rd or Berryessa Rd interchange.		
Installation of new traffic signals at the Mabury Rd or Berryessa Rd intersections with the northbound ramps and southbound ramps.		
TOTAL COST	**$80,000,000**	**$319,161,359**
Other Contributions (State, Regional, and/or Federal)	**($44,000,000)**	**($179,264,195)**
NET TOTAL to be funded by the US-101/Oakland/Mabury TIF	**$36,000,000**	**$139,897,164**

Source: US-101/Oakland/Mabury Transportation Development Policy (2015)
** - 2021 project costs reflect engineering progress and more accurate estimates of improvements*

[6] Net total to be funded by TIF decreased with increased potential Santa Clara County 2016 Measure B Contributions

COUNCIL AGENDA: 3/2/2021

ITEM:

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: MICHAEL LIW
Deputy Director of Public Works

FROM: JOHN RISTOW
Deputy
Director of
Transportation

SUBJECT: INDUSTRIAL TRIP CREDITS FOR US-101/OAKLAND/MABURY TRANSPORTATION DEVELOPMENT POLICY

DATE: May 19, 2017

Approved

Date

COUNCIL DISTRICT: 3 and 4

This memo provides a mechanism for determining trip credits for new industrial developments that are exempt from the Traffic Impact Fee (TIF) program in the US 101/Oakland/Mabury Transportation Development Policy (TDP).

The TDP, adopted in 2007 and amended in 2009 and 2015, includes a TIF program that requires new development to make fair share contribution toward the construction cost of the interchange improvements as identified in the TDP. The fee, as determined by the Nexus Study in the TDP, is based on the number of new trips traversing through at least one of the five identified interchange intersections during the PM peak hour. In an effort to promote new industrial land use or intensification of existing industrial land uses in the area, the TDP allocates 115 PM peak hour trips at the interchange intersections to be trips generated by future industrial growth that are exempt from the TIF program. Qualified industrial development would receive trip credits from the 115-trip pool until the pool is exhausted.

ELIGIBILITY

The following industrial land uses are eligible for industrial trip credits:

- Manufacturing and assembly (light, medium and heavy)
- Laboratory, processing
- Research and development
- Warehouse/distribution facility
- Wholesale sale establishment
- Wineries, breweries (including incidental off-sale of alcoholic beverages)

- Trade & vocational school

For the purpose of trip credit calculations, development sites that are composed of one or more discontiguous parcels shall be considered as a single development.

TRIP CREDITS

A traffic study shall be conducted to estimate the amount of trip credits a qualified industrial development would receive. Trip credits are estimated using a four-step process: (1) trip generation, (2) trip distribution, (3) trip assignment, (4) trip credits.

Trip Generation

In determining project trip generation, the magnitude of traffic entering and exiting the development is estimated for the PM peak hour. Trip generation rates for the proposed development vary based on the type of intensification. As shown in Table 1, intensification of an existing industrial development could happen by adding new building area, increasing the amount of off-street parking, or both. If the development proposes to increase *both* the building area and the number of off-street parking, intensification by building area or intensification by parking spaces, whichever is higher, shall be selected. Trip generation for the proposed development is compared with that of the pre-existing legally established development on the subject site to determine the overall net trip generation.

Table 1: Trip Generation Rates for Industrial Developments

Development Type	PM Peak Hour Trip Rates[1]
New development	Measured in trips per 1,000 square feet gross floor area
Existing development intensified by building area only	Measured in trips per 1,000 square feet gross floor area
Existing development intensified by off-street parking only	Measured in trips per employee (assuming one off-street parking space equates to one employee)
Existing development intensified by both building area and off-street parking	Measured in trips per 1,000 square feet gross floor area, or trips per employee, whichever generates the higher percentage of intensification

1. Trip generation rates shall be obtained from the latest edition of the Institute of Transportation Engineers (ITE) Trip Generation Handbook.

Trip Distribution and Trip Assignment

An estimate is made of the directions which the project trips would travel, based on traffic patterns on the surrounding roadway system and on the locations of complementary land uses. The net project trips are then assigned to local transportation network to determine the number of new trips traversing the interchange intersections during the PM peak hour.

Trip Credits

Trip credits are calculated based on both the estimated number of new peak-hour trips at the interchange intersections (i.e. trip assignment) and the level of intensification. Table 2 outlines the methodology for allocating trips to existing developments based on the percentage of intensification. If the percentage of intensification is greater than 90% of the existing site, no trip credits would be given. As the percentage of intensification decreases, the amount of trip credit increases. This framework provides incentives to existing industrial developments and facilitates reinvestment in more traditional industrial activities.

Table 2:
Trip Credit Incentive

Intensification	Trip Credit Incentive
>90%	0% (except for warehouse/distribution or manufacturing/assembly facility of up to 30,000 square feet, to which 1 trip credit shall be provided)
>80% and <=90%	20% (maximum of 10 trips)
>70% and <=80%	40% (maximum of 10 trips)
>60% and <=70%	60% (maximum of 10 trips)
>50% and <=60%	80% (maximum of 10 trips)
>0% and <=50%	100% (maximum of 10 trips)

To ensure the trip credit pool is allocated to multiple developments, a maximum of 10 trips shall be allocated per new development or intensification project on a first-come, first-serve basis, until the pool of 115 industrial trip credits is exhausted. In addition, a minimum of one (1) trip shall be allocated for a new or intensification of a stand-alone warehouse/distribution or manufacturing/assembly facility of up to 30,000 square feet in size. The one-trip minimum credit will provide the incentive to small industrial developments regardless of their level of intensification. For example, if an existing warehouse of less than 30,000 square feet in size proposes to intensify by more than 90%, it would still receive one (1) trip credit.
An economic subsidy valued at $100,000 or greater pursuant to California Government Code Section 53083 shall be brought forward for review by the San José City Council.

/s/

JOHN RISTOW Deputy
Director of Transportation

For questions please contact Ramses Madou, Transportation Planner Manager, at 408- 975-3283.

INTERSTATE 280/WINCHESTER BOULEVARD TRAFFIC IMPACT FEE
November 18, 2025

1. Type and purpose of fee in fund:

The Interstate 280/Winchester Boulevard Traffic Impact Fee (TIF) is a fee charged to new developments within the Interstate 280/Winchester Boulevard Transportation Development Policy (TDP) area boundaries pursuant to Chapter 14.34 of the San José Municipal Code and any development project that is projected to generate vehicle trips utilizing the planned improvement (SJMC 14.34.020.D). The TIF will provide partial funding for all design and construction related activities for the new northbound off-ramp from I-280 to Winchester Boulevard, as outlined in the Interstate 280/Winchester Boulevard TDP[1], to alleviate traffic congestion associated with anticipated intensification of development in the vicinity of the interchange, and to provide more direct access from I-280 northbound to West San José Urban Village areas and surrounding areas.

2. Relationship between fee and purpose for which it is charged:

The traffic impact fee is charged to all new development within the boundaries of the Interstate 280/Winchester Boulevard TDP area pursuant to Chapter 14.34 of the San José Municipal Code. The September 2016 Interstate 280/Winchester Boulevard TDP Nexus Study[2] details the relationship between the fee and the purpose for which it is changed. The fee that is charged to new developments in the Policy area partially funds transportation improvements that are necessary to mitigate the traffic impacts resulting from that development.

3. Amount of fee:

The fee amount from the effective date of the traffic impact fee is specified in Table 1 below. Fees will be collected prior to issuance of building permits for any project.

[1] Adopted in September 2016.

[2] "Interstate 280/Winchester Boulevard Transportation Development Policy Nexus Study", September 2016, by the Department of Transportation, City of San José.

Table 1 Traffic Impact Fee[3]

Year	Trip Fee (per PM Peak Hour Trip)
2016*	$25,641
2017	$25,641
2018	$26,344
2019	$38,623
2020	$27,575
2021	$28,878
2022	$30,407
2023	$33,560
2024	$34,437
2025	$34,385

**Fee was adopted in late 2016 therefore 2016 and 2017 fee amounts were the same.*

4. Sources of funding:

The sources of funding for the I-280 northbound off-ramp at Winchester Boulevard are outlined in the Interchange 280/Winchester Boulevard TDP. The cost of the off-ramp is estimated to be $229.65 million (in 2025 dollars). New development in the TDP Plan Area would contribute $57.66 million (in 2025 dollars) via the Traffic Impact Fee program. Measure B contributions will contribute up to $171.53 million (in 2025 dollars). The remaining $0.46 million (in 2025 dollars) is anticipated to be funded from other sources, including state or regional funds and some future development outside of the Plan Area.

The funding sources are shown in Table 2 below.

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[3] The impact fee is increased annually on January 1 by the change in the Engineering News-Record Construction Cost Index for the San Francisco Bay Area, published by the McGraw Hill (SJMC sec. 14.34.040.B). Additionally, individual development projects may be credited for vehicle trips for existing development on their property in accordance with the requirements of the Policy.

Table 2
Sources of Funding (2025 Dollars)

Funding Source	Amount
Traffic Impact Fee	$57.66 million
Measure B Contributions[1]	$171.53 million
Other Funding Sources[2]	$0.46 million
Total	$229.65 million

Notes:

1. Figure shown represents "up to" or maximum anticipated Measure B contribution based on October 2021 application. To date, $20.57M has been allocated to this project.

2. Other funding sources include regional funding and other fees collected from development outside of the Plan Area that would be required to mitigate its traffic impacts at the interchange.

5. Beginning and ending fund balances:

The beginning and ending fund balances are indicated in Table 3 below.

6. Fees collected and interest earned:

Fees collected and interest earned by the fund are indicated in Table 3 below.

Table 3
Account Summary for the I-280 Winchester TDP TIF[5]

I-280 Winchester TDP Traffic Impact Fees	FY08-FY20	FY21	FY22	FY23	FY24	FY25	TOTAL
Beginning Balance	$ -	$ 574,484	$ 1,507,209	$ 1,437,094	$ 1,409,539	$ 1,391,857	
Developer Fees	2,616,278	1,010,731					3,627,009
Interest Earnings	19,323	8,564	12,862	31,490	43,577	47,739	163,554
Expenditures							
- I-280/Winchester Boulevard Interchange	(2,061,117)	(86,569)	(82,978)	(59,044)	(61,259)	(32,159)	(2,383,126)
Encumbrances - Prior Year							
Encumbrances - Current Year							
I-280 Winchester Ending Balance	**$ 574,484**	**$ 1,507,209**	**$ 1,437,094**	**$ 1,409,539**	**$ 1,391,857**	**$ 1,407,438**	**$ 1,407,438**
Remaining Budgeted CIP Funds							
- I-280/Winchester Boulevard Interchange						1,359,698	1,359,698
Remaining Unallocated I-280 Winchester TIF Progam Funds						**$ 47,739**	**$ 47,739**

Note: This table shows values rounded to the nearest whole dollar for legibility.

7. Public Improvements on which fees were expended, amount of expenditure, and percentage of cost funded by fees:

Table 3 above shows $2,383,126 total expenditures through FY25. All funds used furthered project development efforts.

8. Approximate date by which construction of the public improvements will commence, and approximate date by which the funding for incomplete improvements will be deposited into the appropriate account or fund[4]:

The date of construction depends on a determination by the local agency that confirms existing sufficient funds from all sources to complete the specified public improvement. To date, sufficient funding has not been collected to fully fund the project.

Currently, the VTA, in cooperation with Caltrans and City of San José, gained approval of the Final Environmental Impact Report/Environmental Assessment for the I-280/Winchester Boulevard Improvements Project along with the Project Report in April 2025. Project is currently beginning on the design phase with right-of-way, and construction phases to follow pending funding availability.

Implementation of this improvement is anticipated conclude by 2029. While development projects pay traffic impacts fees toward this improvement, the VTA is working with Caltrans to provide the necessary environmental clearance and project design. The Valley Transportation Plan 2040 (VTP 2040) provides a funding strategy that relies on federal, state, regional and local funding sources which will be supplemented by the fees adopted in conjunction with this policy to deliver a complete project. In the event that public funds are advanced to accelerate the construction of the improvements specified in the September 2016 Interstate 280/Winchester Boulevard TDP, the TIF shall be collected until all advanced City funding is fully reimbursed to the City (SJMC sec. 14.34.060).

9. Interfund transfers and loans:

No interfund transfers or loans were made from FY08- FY25.

10. Refunds and allocations:

No refunds or allocations pursuant to subdivisions (e) and (f) of Section 66001 were made from FY08- FY25.

11. List of Interstate 280/Winchester Boulevard TDP public improvement:

Table 4 below lists the cost summary of the Interstate 280/Winchester Boulevard TDP improvement:

[4] As such, this section satisfies reporting requirements of the annual report as indicated in California Government Code Section 66006(b)(1)(F) as well as the five-year report as required in Government Code Section 66001(d)(1)(D).

Table 4
I-280 Winchester TDP TIF Traffic Impact Fee Improvements and Cost Summary

Improvement	Cost (2017 $)	Cost (2025 $)
280/Winchester*	$145,000,000	$229,651,586
TOTAL COST	$145,000,000	$229,651,586
Other Contributions (State, Regional, and/or Federal)**	**N/A**	-$171,986,983
NET TOTAL to be funded by the 280/Winchester TIF***	**N/A**	**$57,664,603**

Notes:
**Total cost based on analysis conducted in 2022 environmental study.*
***Includes costs from 2021 Measure B Highway Interchange Application, which not available in 2017.*
**** Net total was not calculated in 2017.*