



# Impact Fee Programs as Active Transportation Funding

*Chris Gregerson, PE, TE, AICP*

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## Impact Fee Programs as Active Transportation Funding



# Agenda

- Problem Overview
- What is a TIF Program
- History of LOS
- Challenges and Opportunities
- Updating TIF Programs
- Program Update Challenges
- VMT Mitigation Program Overview
- Recommendations
- Key Takeaways





## Impact Fee Programs as Active Transportation Funding



# The Transportation Landscape has Changed

- Limited Transportation Funding
- Rising Construction Costs
- Climate and Sustainability Policies
- Focus on Safety
- Demand for Multimodal Transportation



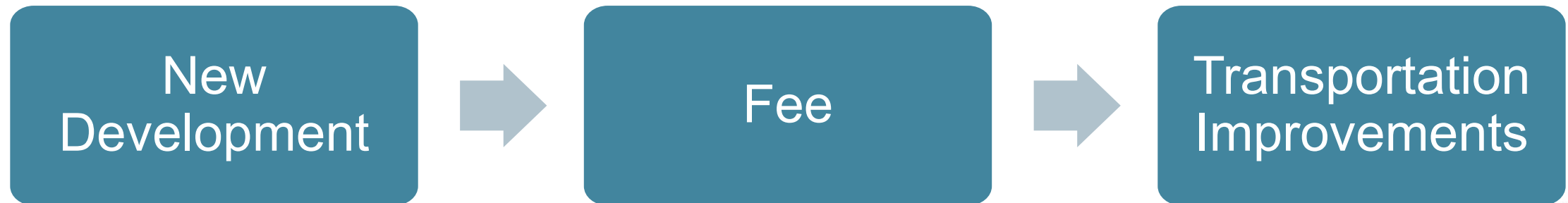


## Impact Fee Programs as Active Transportation Funding



# What is a Traffic Impact Fee Program?

- Fee Charged to New Development
- Pays for Transportation Improvements Such as:
  - Roadway/Intersection Improvements
  - Bike & Pedestrian Facilities
  - Traffic Signal Equipment & Timing Upgrades
  - Safety Upgrades
- Development Pays Fair Share





## Impact Fee Programs as Active Transportation Funding



# Traditional Traffic Impact Fee Programs



- Historically designed to fund:
  - *Roadway Widenings*
    - Local Streets to Freeways
  - *Expanded Intersections*
    - Turn Pockets, Through Lanes, Free Rights
- Focus on Reducing Delay
  - *Level of Service*
  - *Volume-to-Capacity Ratios*
  - *Travel Time*

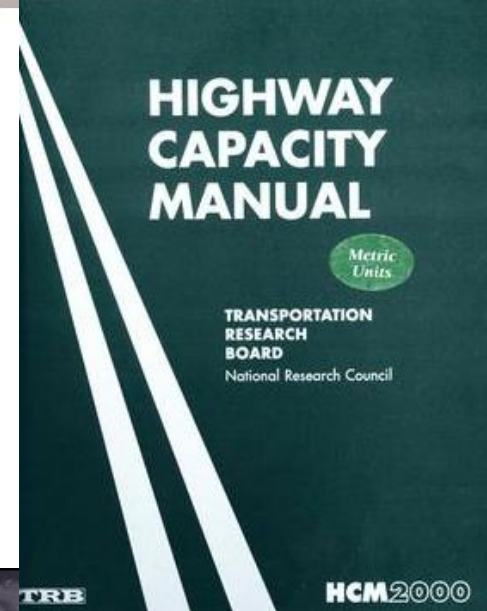


## Impact Fee Programs as Active Transportation Funding



# History of LOS

- First Edition of HCM published in 1950
- 7 Editions Published
- Significantly Guided Transportation Decision-Making
- Its Application Has Been Tied To
  - *Urban Sprawl*
  - *Impacts to Active Transportation*
  - *Increasing Maintenance*



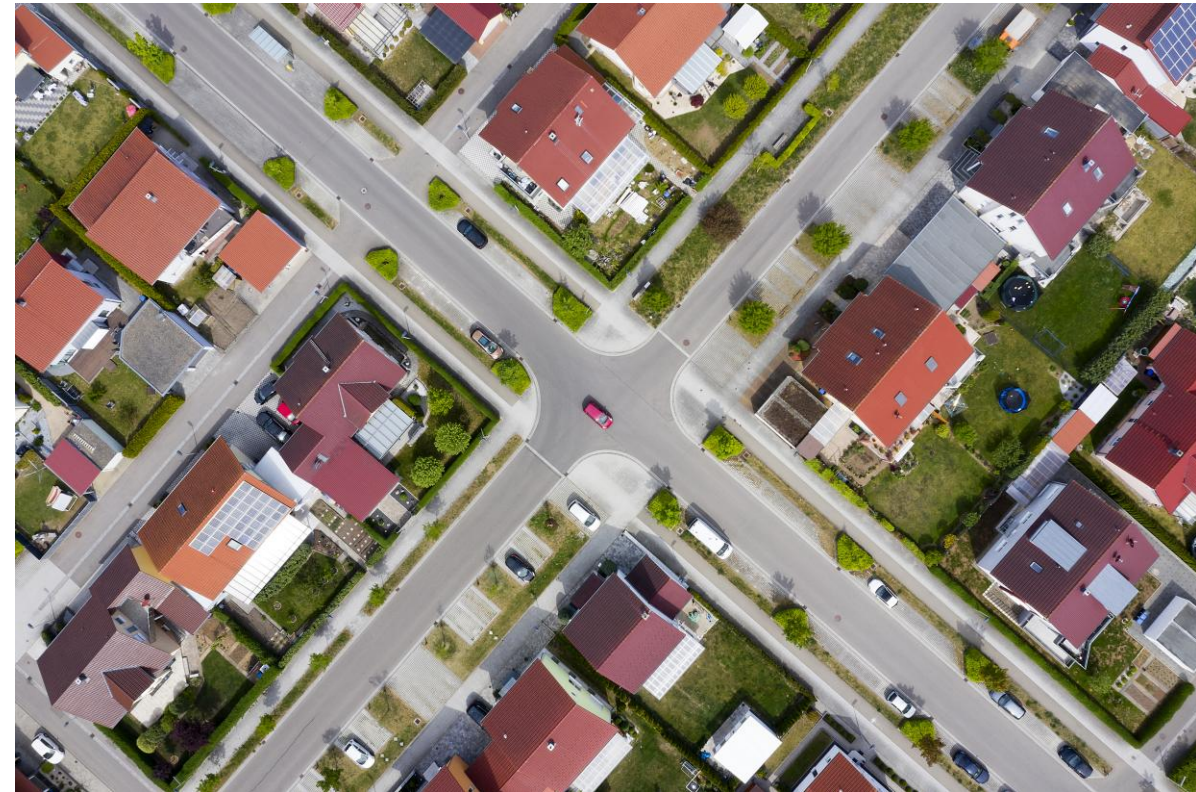


## Impact Fee Programs as Active Transportation Funding



# Traditional Funding Model More Difficult

- Funding Challenges
  - *Federal/State Uncertainty*
  - *Local Budget Constraints*
- Project Delivery Challenges
  - *Construction Cost Inflation*
  - *ROW Acquisition*
  - *Built Out Communities*
  - *Maintenance Obligations*
- Policy Conflicts
  - *Vision Zero*
  - *Climate Resilience*
  - *Equity*





## Impact Fee Programs as Active Transportation Funding



# Opportunity: Modernizing Fee Programs

- Shift Focus to Active Transportation Projects

- *Promotes Mode Shift*
  - Fewer Vehicle Trips
- *Reduces Emission Reductions*
  - Addresses Climate Goals
- *Lower Project Costs*
  - Shortens Delivery Timeline
- *Improves Safety*
- *Improves Connectivity*
- *Supports Active Transportation Plans*





## Impact Fee Programs as Active Transportation Funding



# Impact Fee Program Update Steps – Nexus Study

1. Calculate Land Use Growth
  - a) *Future Growth on Existing Network*
2. Perform Deficiency Analysis
3. Identify Improvements Addressing Deficiencies
4. Cost Improvements
5. Calculate Growth's Fair Share
6. Calculate New Fees

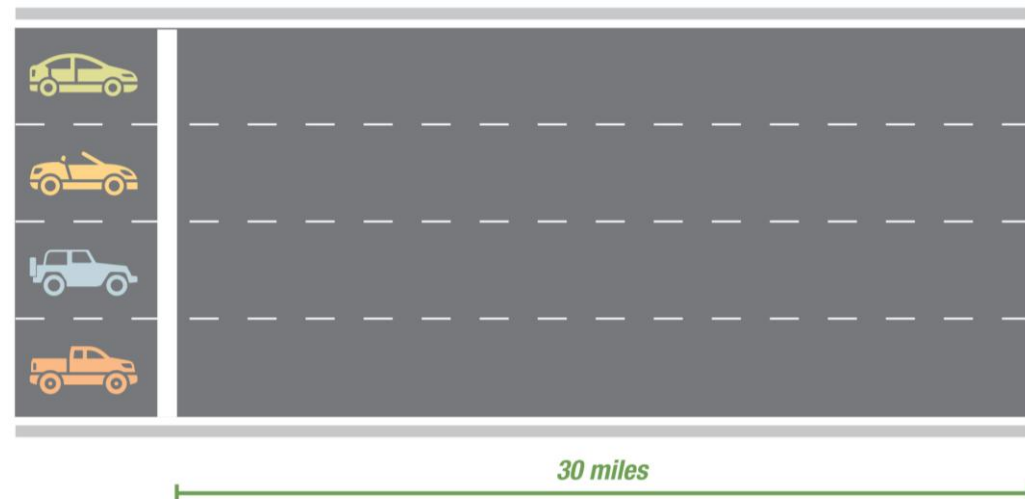


## Impact Fee Programs as Active Transportation Funding



# LOS to VMT Metric Shift

- Reducing VMT vs Reducing Delay
- Stronger Nexus Between Development and Improvements
  - *Quantifying VMT Reductions vs Delay Reductions due to Mode Shift*
- Several Ways to Calculate VMT Reductions
  - *Trip Generation x Average Trip Length*
  - *Citywide Roadway Network*
  - *Congested VMT vs Total VMT*
- Flexibility: No 1 Size Fits All Solution



4 vehicles travel 30 miles  
or simply  
 **$4 \times 30 = 120$  VMT**



## Impact Fee Programs as Active Transportation Funding



## Projects to be Funded

- Sidewalk Gap Closures
- Bicycle Facilities
- Pedestrian Crossings
- Transit Access/Capital Improvements
- Signal Modifications/Upgrades





## Impact Fee Programs as Active Transportation Funding



# Challenges During Transition

- Communication & Political Implications
  - *Decision Makers, Public, and Developers*
  - *Education is Key*
- Unconstructed Roadway Projects in Program
- VMT Calculation Tools
- Nexus and Proportionality
- Fee Cost vs Housing Need

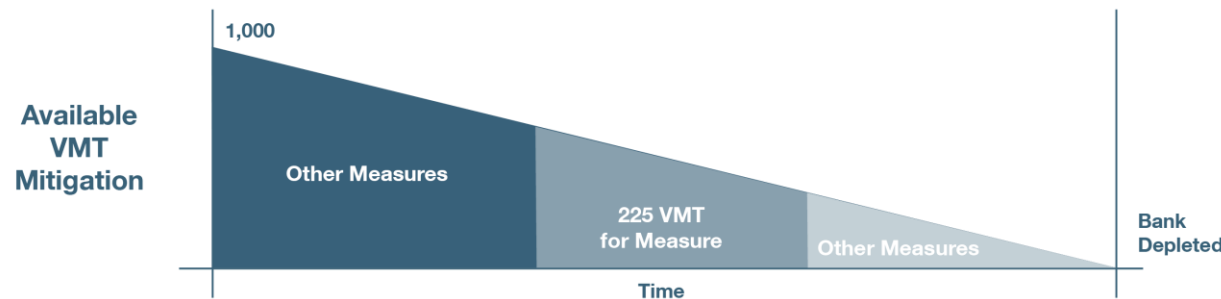
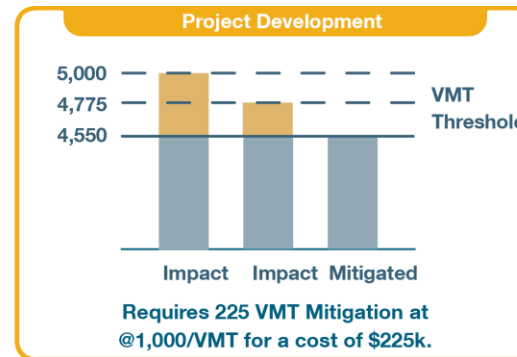
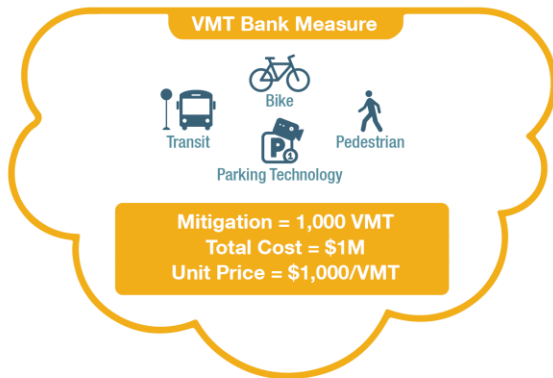




## Impact Fee Programs as Active Transportation Funding



# VMT Mitigation Program



- Funding Option in California
  - *Addresses Environmental Mitigation Obligations*
- Separate from TIF Programs
- Charge \$ per VMT Reduced
  - *Total Project Cost / Total VMT Reduced*
- Fewer Legal Requirements



## Impact Fee Programs as Active Transportation Funding



# Recommendations

- Determine Political Feasibility
- Start Education Early
- Clearly Communicate Benefits to Stakeholders
- Develop Defensible Nexus Analysis
- Coordinate with Adopted Mobility Plans





## Impact Fee Programs as Active Transportation Funding



# Key Takeaways

- Modernized Impact Fee Programs Can:
  - *Boost Limited Transportation Dollars*
  - *Support Vision Zero Goals*
  - *Help Implement Active Transportation/Transit Plans*
  - *Deliver Projects*
  - *Support Active Communities*
  - *Align with Climate Goals & Local Policy*





## Impact Fee Programs as Active Transportation Funding



# Questions

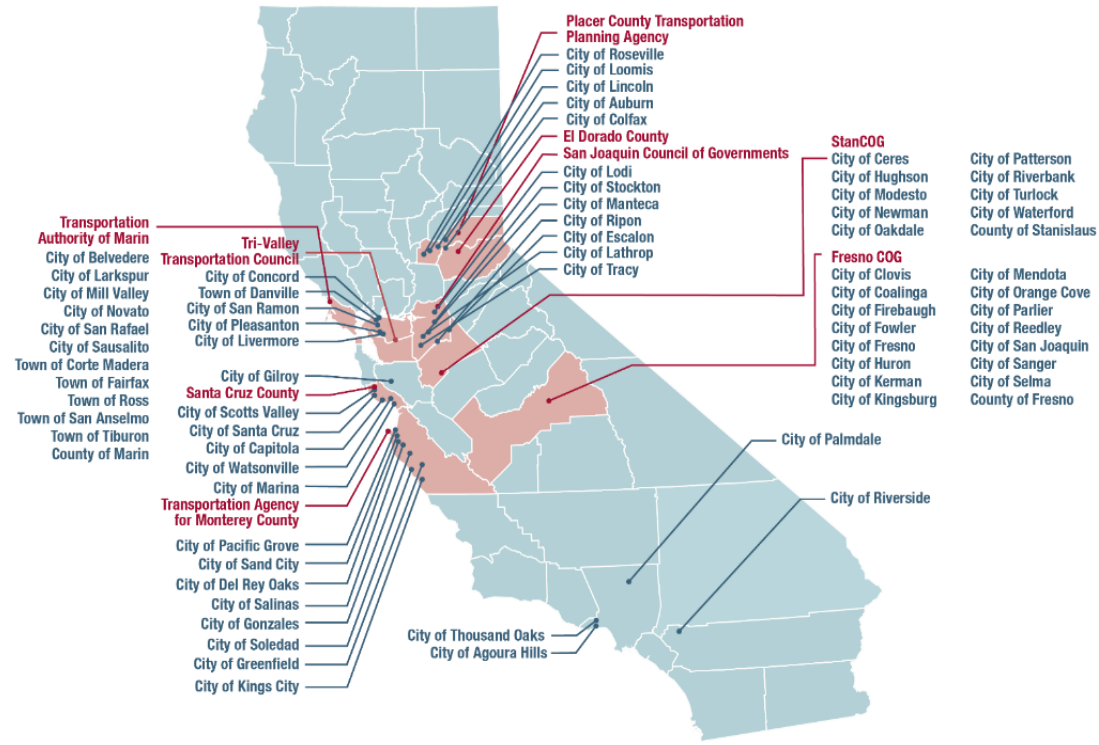




# Impact Fee Programs as Active Transportation Funding



## Kimley-Horn Fee Program Experience





## Impact Fee Programs as Active Transportation Funding



# Traffic Study vs. TIF Program

|                        |  |  |
|------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                        | Traffic Analysis                                                                    | Transportation Fee Program                                                          |
| Purpose                | Safe and Reasonable Local Traffic Operations                                        | Offset Deficiencies Caused by New Development                                       |
| Legal Basis            | Local Ordinance or General Plan                                                     | State Law                                                                           |
| Analysis Basis         | Level Of Service                                                                    | DU Equivalency (Based on Trips)                                                     |
| Typical Mitigation     | Local Transportation Improvements                                                   | Local/ Regional Transportation Improvements                                         |
| Analysis Documentation | Traffic Report                                                                      | Calculation Summary                                                                 |