



## **Transportation Corridor Agencies™**

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### FREQUENTLY ASKED QUESTIONS MAJOR THOROUGHFARE AND BRIDGE FEE PROGRAM

Which projects are exempt from payment of fees?

- Projects that provide documentation of exemption from property taxes
- Common structures in residential tracts such as a pool building, provided that the use is limited to residents and their guests
- Governmental structures such as fire stations, schools to the extent that they shall not be used for generating revenue or commercial purposes
- Rebuilding (replacing) a residential structure or a non-residential structure, provided that the new structure is for the same number of residences or square feet as the previous structure
- Churches, including church schools, and other non-profit organizations upon proof of exemption from property tax
- On-site leasing offices and recreation facilities for apartment complexes
- Structures that are permanently open to the elements – meaning that they do not have 4 walls, a door, and a roof (examples -- gas station canopies, restaurant outdoor patio dining areas)

When are fees due? Can a builder pay the fees prior to pulling of a building permit to avoid an increase in the fee amount?

The fees are due at the time the building permit is issued. The fee rate applied is the rate in effect on the day of permit issuance. Fees cannot be paid prior to issuance of a permit to avoid a fee increase.

What are the criteria for determining whether a single family or multi-family rate is applicable for residential projects? Can there be both single and multi-family in the same project?

In 1992, the Boards adopted an interpretation of the Fee Program (Interpretation 92-1) which clarified the criteria for determining the correct category (single family v. multi-family) for residential projects.

The two sets of criteria for classifying units within projects are:

Single Family

Multi-Family

(1) Separate lot

(1) No separate lot

(2) Detached

(2) Attached

(3) 1,500 square feet or larger

(3) Less than 1,500 square feet

Individual units will be classified as “single family” if they exhibit two or more characteristics of that category, and units will be classified as “multi-family” if they exhibit two or more characteristics of that category.

The possibility exists, based on this method of categorizing units that both single family and multi-family units will occur within the same tract/development.

When are fees increased? What determines the amount of the fee increase?

The fees are increased on July 1<sup>st</sup> of each year. The Boards of Directors adopted the rate increase assumed in the financing documents for the Agencies. This rate was a historical average rate increase of the California Construction Cost Index. The percentages are:

Foothill/Eastern Areas of Benefit:	2.206%
San Joaquin Hills Areas of Benefit:	2.667%

The TCA sends the new fee schedule in April, prior to the July 1<sup>st</sup> implementation date. The schedules are sent to various staff members at each agency, including the City Manager, the representative of the Technical Advisory Committee, and the Community Development/Building Department. If you do not receive a copy, please contact TCA.

Are fees due for the addition of a building mezzanine?

Per the Fee Program, any expansion of a non-residential use is subject to fees for the net increase of gross square feet of non-residential buildings.

Is credit given for demolition of a structure?

Yes. Reconstruction of non-residential buildings on the same legal building site (although not necessarily in the same footprint) as the demolished structure is exempt from paying fees, provided the structure is the same square footage or less than the demolished structure. If the new structure is larger than the demolished structure, fees would be collected for the net square footage increase.

What about self-storage projects? How are the fees charged?

Fees are collected for the gross square feet of the project which includes all enclosed storage units. If there is a manager's residence on site, a residential fee (instead of non-residential fee) would be collected for that portion of the project. The criteria for classifying residential units would apply in determining whether the manager's residence was a single family or multi-family unit.

How should fees be calculated for a senior citizen housing project?

The only exception to the collection rules for senior housing is for congregate care projects. For example, senior apartments are charged at the multi-family rate; a convalescent hospital would be charged at the non-residential rates.

A congregate care facility is a licensed community care facility offering long-term accommodations for senior citizens along with a full range of related services, such as a common dining area, doctor's office, beauty salon, administrative offices, exercise room, etc. For those projects that qualify under this definition, please refer to the Fee Program or contact TCA for details.

If the congregate care facility is housed in a single-family structure, the project is subject to single family residential rates. Any future conversions of this type of facility to any other use shall be subject to full fee assessment at that time.

How are fees charged for a hotel?

A hotel is assessed at the non-residential rate for the gross square feet, including each floor of multiple story buildings. A timeshare facility also is assessed at the non-residential rate for the gross square feet.

How does a builder appeal the fees?

The builder must pay the fees in protest and file an appeal to the Agencies' Technical Advisory Committee. To file an appeal, the builder must send a petition and supporting evidence on why the fees were not due or how they were calculated incorrectly to the TCA Administrative Offices. The City will be asked by the TCA to review the petition and provide any documentation necessary such as copies of the permit and receipt for the payment of fees. The Committee will hear the appeal and issue a decision. The Committee decisions may be appealed to the Board of Directors. If the builder wins the appeal, TCA will refund the fees.

What if there is an overpayment of fees?

The builder or the member agency needs to submit a request for repayment of fees. Documentation of the reason for the overpayment and copies of the receipt for the payment of fees must be submitted. The TCA will review the request and, if approved, will issue a refund check to the permit holder.

What if the permit expires and the builder comes in to renew it? Are fees due?

If a permit has expired, credit will be given for the fees already paid and the difference will be assessed. For example, if the fee amount per square foot was \$4.00 when the original permit was issued and, at the request for renewal, the fees were \$4.25 per square foot, 25 cents per square foot would be due.

What if the permit is extended? Are fees due?

If the permit does not expire and is extended with no lapse, no fees are due. However, as a matter of practice, after the permit has been extended twice, fees should be recomputed and the difference charged.

To where should fee payments be sent?

Please note that all payments and the corresponding remittance forms are to be mailed directly to our Trust Company at the following address:

**Ms. Cristina Garchitorena  
Bank of New York Mellon Trust Company  
Attn: California Unit  
400 S. Hope St., Suite 400  
Los Angeles, CA 90071**

If you prefer to wire the funds, please use the following wire instructions.

**For Foothill/Eastern Transportation Corridor Fees:  
Bank of New York Mellon Trust Company  
ABA# 021000018  
CAS# 8900300094  
Further Credit: 114642  
Reference: Revenue Fund DIF Account**

**For San Joaquin Hills Transportation Corridor Fees:  
Bank of New York Mellon Trust Company  
ABA# 021000018  
CAS# 8900300094  
Further Credit: 426903  
Reference: San Joaquin Hills Revenue Fund**

Our office must also be provided with summary sheets that include the following information by corridor: date the fee was received, amount received, whom it was collected from, location (including city, zone, lot, block, tract, address, as applicable) and building permit number.

Who should be contacted if there are questions on the administration of the program or if a builder has questions about the Fee Program?

Please contact the TCA. You can reach:

Gregory Walker, Manager, Internal Audit, at (949) 754-3438  
or by e-mail at [gwalker@thetollroads.com](mailto:gwalker@thetollroads.com)

Andrew Seibly, at (949) 754-3425 or by e-mail at [aseibly@thetollroads.com](mailto:aseibly@thetollroads.com)

If we are not available, please leave a message and we will get back to you as soon as possible. Please let us know if you need any materials such as copies of the Fee Program, interpretations or receipts.