Proposed City-Wide Traffic Impact Fee
Frequently Asked Questions (FAQ)

What is a development impact fee?
A development impact is a one-time charge on new
development and redevelopment imposed by local
jurisdictions. It is designed to cover the cost of new
public infrastructure and capital facilities that are
needed because of new development. It is author-
ized under the California Mitigation Fee Act.

What is a Traffic Impact Fee?
A Traffic Impact Fee (TIF) is a development impact
fee that ensures that new development and redevelop-
ment projects pay their “fair share” to mitigate
traffic impacts.

Why is the City of Cupertino considering adoption
of a Traffic Impact Fee?
The need for a Traffic Impact Fee (TIF) was identified
in the recently adopted (December, 2014) Cupertino
General Plan, Community Vision 2015 – 2040. It is
expected that the TIF will be a critical component of
a broader transportation funding package.

Who is conducting the Traffic Impact Fee study? The
City has retained a professional consultant team to
conduct the TIF based on a competitive Request for
Qualifications (RFP) process. The consultant team is
being led by Economic & Planning Systems (EPS) and
Stantec Consulting Services.

Will the TIF require approval by City Council?
Yes, the TIF must be approved by the City Council. A
vote by the public or affected property owners is not
required for approval. City may also choose to ex-
empt other land use projects, such as those being
pursued by non-profit entities (e.g. public service
organizations, religious institutions, etc.).

What is the anticipated schedule for the TIF study
process?
The TIF study is anticipated to be adopted by the City

Who would pay the TIF?
The TIF would be paid by builders and/or developers of
private sector buildings (e.g. new or redeveloped office,
retail, residential projects) in the City. Public sector pro-
jects are exempt from development impact fees (e.g. City,
County and State projects). The

When are development impact fees paid?
While development impact fees are generally paid upon
issuance of a building permit, the law provides some flex-
ibility.

How is the TIF amount determined?
The maximum allowable TIF amount is determined based
on a detailed “Nexus Study” prepared in accordance with
the legal requirements of the State Mitigation Fee Act.
The Study determines the nexus, or relationship, be-
tween the impacts of new development in the City and
the need for new transportation infrastructure. This
Study also estimates the cost of the required transporta-
tion infrastructure.

What types of transportation projects can the TIF pay
for?
The TIF is used to pay for transportation projects needed
accommodate new development. Examples include
street and sidewalk improvements, bicycle and pedestri-
an facilities, new traffic signals, and transit facilities. By
law, TIF cannot be used to pay for operating and mainte-
nance costs.

How can I found out more and / or participate in the
study process.
The City and its consultants will host a number of public
meetings as part of the TIF study process. Information
related to these meetings (e.g. time, location, agenda)
will be posted on the City website at www.cupertino.org
Notifications will also be published in the Cupertino Cou-
rier, the Scene, and posted in City facilities. All of the
work products from the study will also be posted on the
City’s website. You can also sign up to receive email noti-
ification at:  www.cupertino.org/notify