



**TAHOE
REGIONAL
PLANNING
AGENCY**

ATTACHMENT C:
MITIGATION FUND RELEASE POLICY
GUIDELINES

DECEMBER 8, 2021

Attachment C

Mitigation Fund Release Policy Guidelines

Background

TRPA collects mitigation fees from project applicants to mitigate the impacts of project development. These fees are kept in TRPA accounts and may be requested for use by the region's local jurisdictions to implement Environmental Improvement Program (EIP) projects on the 5-year EIP priority list and/or projects included in the Regional Transportation Plan.

Procedure

Each local jurisdiction (City of South Lake Tahoe, Douglas County, El Dorado County, Placer County and Washoe County) is required to update its EIP projects and Regional Transportation projects annually in LT Info online: <https://laketahoeinfo.org/>.

Local jurisdictions submit mitigation fund requests to TRPA staff for initial review and TRPA Governing Board approval.

Local jurisdictions must use the standard Mitigation Fund Request Form which includes the following:

- EIP project number
- Project description
- Project stage and schedule for completion
- Amount and type of mitigation funds requested
- Details of any other funding sources targeted or secured for the project

Before TRPA approves a release of funds, the requesting jurisdiction must show documentation that all mitigation funds collected by their jurisdiction on behalf of TRPA have been paid to TRPA.

The local jurisdiction must report to TRPA annually through the EIP reporting process online (<https://laketahoeinfo.org/>) on the progress, performance measures, and funding expenditures of each EIP project and/or Regional Transportation project for which mitigation funds were authorized.

Policies

Mobility Mitigation Funds:

TRPA may disperse funds from the mobility mitigation fund to the local jurisdictions, or the Tahoe Transportation District (TTD) upon approval from the appropriate jurisdiction, for Vehicle Miles Travelled (VMT) mitigating transportation projects/programs.

The project/program must also be consistent with the most recently approved Regional Transportation Plan constrained project list.

The intended use of mobility mitigation funds is for implementation and project delivery activities for shovel-ready projects (e.g., project-level environmental review, preliminary engineering/design, construction phase, etc.). Principal account funds cannot be used for project planning which includes design/feasibility studies, environmental impact documents, or application or permitting costs.

Mobility Mitigation Interest Funds: Accrued interest may be used for VMT mitigating transportation projects as outlined above, and/or:

- Project planning including design/feasibility studies, environmental impact documents, or application or permitting costs.
- Monitoring or project-specific research
- Special one-time project costs (to be reviewed and approved by TRPA legal counsel)

Note: The balance of fees collected under the previous Air Quality Mitigation Fee (AQMF) program can be used for VMT and air quality projects by local jurisdictions until expended. Examples of projects eligible for the AQMF, and not the MMF, are high efficiency street sweepers, vector trucks, wood stove retrofit programs, and other directly related air quality projects.

Water Quality Mitigation Funds:

TRPA may disperse funds from the water quality mitigation fund to the local jurisdictions for water quality Environmental Improvement Projects/programs on the EIP 5-year list.

The project/program must also be consistent with TRPA's 208 Water Quality Management Plan and the Environmental Improvement Program.

The intended use of water quality mitigation funds is for the implementation of shovel-ready projects. Funds can also be used to purchase equipment to improve water quality, such as vector trucks, high efficiency street sweepers, etc., provided the local jurisdiction commits to funding the ongoing operations and maintenance costs of the equipment or vehicles.

Principal account funds cannot be used for project planning which includes design/feasibility studies, environmental impact documents, or application or permitting costs.

Water Quality Mitigation Interest Funds: Accrued interest may be used for water quality projects/programs as outlined above, and/or:

- Project planning including design/feasibility studies, environmental impact documents, or application or permitting costs
- Monitoring or project-specific research
- Special one-time project costs (to be reviewed and approved by TRPA legal counsel)

Stream Environment Zone (SEZ) Funds:

As provided in Section 82.6 of the TRPA code, at least 25% of the water quality mitigation funds shall be set aside in a separate account for SEZ restoration projects that are consistent with TRPA's 208 Water Quality Management Plan and the Environmental Improvement Program. This jurisdictional set-aside shall be evaluated annually and may be waived if TRPA determines that there are no more SEZ restoration projects identified in a given jurisdiction.

Operations and Maintenance (O&M) Funds:

Up to 25% of the mobility mitigation and water quality mitigation funds received, may be set aside for EIP project/program related administration, regular operations and maintenance costs or monitoring expenditures.

- All O&M mitigation fund releases require a 1:1 local funding match. This is funding provided by the local jurisdictions, exclusive of state or federal funds. Matching funds may include in-kind general fund expenses provided which are directly related to EIP project/program implementation.
- O&M mitigation funds cannot be used for project planning such as design/feasibility studies, environmental impact documents, or application or permitting costs.

Restrictions

Mitigation funds cannot be used to fund mitigation measures that are required as conditions of project approval if a project is required to fully fund implementation of the mitigation measure. For example, water quality mitigation funds cannot be used to finance an SEZ restoration project, if that restoration is a required condition of project approval.