



May 31, 2017

The Honorable Don Wagner
Mayor, City of Irvine
One Civic Center Plaza
Irvine, CA 92606

Re: Irvine Business Complex Traffic Nexus Fee Study Update

Dear Mayor Wagner and City Council Members:

On behalf of our membership, I would like to state our concerns with the proposed Traffic Nexus Fee Study Update.

The Building Industry Association of Southern California, Orange County Chapter (BIA/OC) is a non-profit trade association of over 1,100 member companies employing over 100,000 people affiliated with the home building industry. Our mission is to champion housing as the foundation of vibrant and sustainable communities.

Orange County is ranked 2nd only to the bay area for the highest housing prices. This is largely due to 1) lack of adequate housing stock, 2) a jobs to housing imbalance, and 3) lack of available land coupled with excessive regulation on the housing industry.

As the City considers the proposed Traffic Fee Update for the remaining development in the Irvine Business Complex (IBC), we ask the Council to consider the thousands of dollars in fees currently associated with each dwelling unit. At a time when the region is faced with rising home prices, every effort to reduce the ultimate cost to build in Orange County should be considered.

With this in mind, the BIA/OC is concerned by the proposed 108% increase to the traffic impact fee, and ask that options such as gradually implementing the fee update be proposed.

While we understand that traffic is an important issue the City must

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evaluate as the IBC implementation moves forward, increasing the cost on those doing business in the IBC by such a large percentage at one time may affect the affordability of new development projects.

Thank you for your thoughtful consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "S. LaMotte".

Steven C. LaMotte
Chapter Executive Officer