



**COMMUNITY DEVELOPMENT AGENCY
LONG RANGE PLANNING DIVISION**

2850 Fairlane Court, Placerville, CA 95667

Phone (530) 621-4650, Fax (530) 642-0508

September 13, 2016

TO: Board of Supervisors

FROM: Claudia Wade, Senior Civil Engineer

Subject: Major Capital Improvement Program Update – Proposed 2016 CIP Book

PURPOSE AND SUMMARY

The County is updating its Capital Improvement Program (CIP) and Traffic Impact Mitigation (TIM) Fee Program as required by the General Plan and state law. The purpose of today's workshop is to provide the Board of Supervisors (Board) information and seek direction on the proposed 2016 CIP Book, provide tentative approval of the updated TIM Fee Nexus Study and authorize the inclusion of two new ordinances (TIM Fee Ordinance and the Frontage Improvements Ordinance) to the County Code.

Staff is recommending that the Board:

Proposed 2016 CIP Book

- 1) Provide tentative approval of the 2016 CIP as presented in Attachments 19B-19L.

TIM Fee Program

- 2) Provide tentative approval of the updated draft TIM Fee Nexus Study (Scenario 2) as presented in Attachment 19M.

Amendment to County of El Dorado Ordinance Code

- 3) Conceptually review and provide authorization, as required by Board Policy A-3, for the preparation of amendments to the appropriate County of El Dorado Ordinance Code Chapters and include the Frontage Improvements Ordinance (Attachment 13D) and the TIM Fee Ordinance (Attachment 13G).

Public Comment

- 4) Receive and file responses to public comments.

BACKGROUND

A CIP is a planning document that identifies capital improvement projects (e.g. roads and bridges) a local government or public agency intends to build over a certain time horizon (usually between 5-20 years). CIPs typically provide key information for each project, including

delivery schedule, cost and revenue sources. The County's CIP provides a means for the Board to determine capital improvement project and funding priorities over a 20-Year horizon.

In order to maintain the integrity of its roadway network, the County is required to develop and maintain a 10- and 20-Year CIP pursuant to General Plan Policy TC-Xb and Implementation Measure TC-A.

The General Plan requires the CIP and TIM Fee Program to be updated every five years to revise the 20-Year growth forecast and comprehensively re-evaluate the programs. This is often referred to as the "Major" update.

On September 30, 2014, the Board approved and authorized the Chair to sign Agreement for Services No. 214-S1511 with Kittelson and Associates, Inc. to begin the Major Update as required by General Plan Policy TC-Xb and Implementation Measure TC-A.

On February 23, 2016, the Board approved apportioning 45% of forecasted future grant funding toward non-TIM Fee CIP projects.

On April 19, 2016, the Board tentatively approved the following:

- Traffic Impact Mitigation Fee project list to be included in the CIP (Attachment 16B)
- TIM Fee Program Nexus Report (Attachment 16C)
- CIP project list (non-TIM Fee funded, Attachment 16D)
- Unfunded CIP Project list (Attachment 16E)

On May 19, 2016, a Notice of Availability of a Draft Environmental Impact Report (EIR) for the Major CIP and TIM Fee Program Update was released. The public comment period for the Draft EIR began on May 19, 2016 and ended on July 5, 2016. Four comment letters were received and can be found on the project website at the following website address:

<http://www.edcwesternslopeupdate.com/document-library.html>

The Final EIR will be brought to the Board in November for certification.

On June 7, 2016, El Dorado County voters approved Measure E. Measure E rescinded the 2008 amendments to Measure Y and made further amendments to the General Plan's policies regarding traffic impact mitigation by new development. It amended Policy TC-Xa to require that road capacity improvements needed to prevent new development's cumulative traffic impacts from reaching level of service (LOS) F be completed "before any form of discretionary approval can be given to a project." It also amended Policy TC-Xf, which provided two methods for the County to mitigate traffic impacts: (1) condition the project to construct necessary road improvements or (2) ensure that the necessary road improvements are scheduled for construction within the County's CIP, which is primarily funded by impact fees collected with each building permit. Measure E eliminated the second option.

Measure E requires that mitigation fees and assessments be applied to the geographic zone from which they originated and that they may be applied to existing roads for maintenance and improvement projects. Measure E also added a policy requiring voter approval before creating

an Infrastructure Financing District, a requirement already imposed by state law. In addition, Measure E requires that the County make findings of compliance before approving certain development projects. Finally, a number of statements were included in Measure E under the heading “Implementation.”

Policies adopted or amended by Measure E will remain in effect indefinitely unless amended or repealed by voter approval.

On August 9, 2016 the Board held a workshop on interpreting and implementing Measure E. August 30, 2016 an item was taken to the Board to adopt interim interpretive guidelines to implement Measure E and was continued off calendar. Measure E does not change LOS standards as stated in General Plan policy TC-Xd, the land use map diagram, or projected growth patterns (with any degree of certainty). Therefore, forecasted impacts to the County’s road network have not changed, and the proposed CIP project list remains unchanged. However, funding for the Diamond Springs Parkway project has changed: Missouri Flat Master Circulation and Financing Plan (MC&FP) funding has been replaced with other funding sources. See Section 2 of this report for a discussion on MC&FP funding.

DISCUSSION

1. Proposed 2016 CIP Book

Staff is recommending that the Board tentatively approve components of the 2016 CIP Book (Attachments 19B-19L) as follows:

- 1) Provide tentative approval of the Current Year, 5-Year, 10-Year, and 20-Year work plan for the West Slope Road/Bridge CIP as presented in Attachment 19B;
- 2) Provide tentative approval for the Unfunded CIP list as presented in Attachment 19C;
- 3) Provide tentative approval of the 5-Year Tahoe Environmental Improvement Program (EIP) as presented in Attachment 19D;
- 4) Provide tentative approval of the 10-Year Airport Capital Improvement Program (ACIP) as presented in Attachment 19E;
- 5) Provide tentative approval of the 5-Year Transportation Facilities Improvement Program (TFIP) as presented in Attachment 19F;
- 6) Provide tentative approval of the 5-Year Capital Overlay and Rehabilitation Program (CORP) as presented in Attachment 19G; and
- 7) Provide tentative approval of the remainder of the Proposed 2016 CIP Book as presented in Attachments 19H-19L

The proposed 2016 CIP Book includes the following five programs which compose the proposed 2016 CIP book:

- West Slope Road/Bridge CIP;
- Tahoe EIP;
- ACIP;
- TFIP; and
- CORP.

These programs are separated into the following sections:

West Slope Road and Bridge Program

- Current Year work plan;
- 5-Year CIP;
- 10-Year CIP; and
- 20-Year CIP.

ACIP

- Current Year work plan;
- 5-Year CIP; and
- 10-Year CIP.

Tahoe EIP and CORP

- Current Year work plan; and
- 5-Year EIP/CIP.

Projects that span several years may be listed in more than one funding segment of the CIP, depending on when funds are spent. For example, a project may be included in the 5-Year CIP for planning and the 10-Year CIP for construction. Projects are included in a funding segment if any funds are estimated to be spent during any of the segment's fiscal years.

The following discussion describes each program proposed for inclusion in the 2016 CIP Book.

West Slope Road/Bridge CIP:

Project construction schedules are included in the updated project lists. Construction for each CIP project is scheduled in the Current Year, 5-Year CIP, the 10-Year CIP or the 20-Year CIP. The placement of the TIM Fee funded CIP projects in each time frame was determined by the need for the project to implement the General Plan and ensure the appropriate LOS on the County road network meets the requirements of General Plan Policy TC-Xd. The remainder of the CIP projects are prioritized based on a number of factors (in no particular order), such as:

- Operational deficiencies
- Available funding
- Economic development
- Site limitations
- Capacity
- Development projects' conditions of approval
- Regulatory requirements
- General Plan policies (e.g., TC-Xa)

As directed by the Board in December 2015, the top two non-TIM Fee projects were added to the draft CIP project list: #71319 - US 50/Camino Area Local Road Improvements – El Dorado County Share and #GP137 - White Rock Road Widening (2 to 4 lanes) – Manchester Drive to Sacramento County line.

On June 7, 2016, an Interim 2016 CIP Book was approved by the Board. The purpose of the Interim CIP is to provide a work plan and approved budget for the Transportation Division from

the beginning of fiscal year 2016/17 through the adoption of the Major Five-Year update to the CIP and TIM Fee program. The Proposed 2016 CIP Book will supersede the 2016 Interim CIP Book.

The proposed 2016 CIP Book includes all TIM Fee funded CIP projects based on the analysis completed for the Major Update, as well as minor changes resulting from Measure E. This includes the removal, addition, and revised scope of work of CIP projects, and changes to the funding sources for Diamond Springs Parkway. Attachment 19N provides a list of projects either added or deleted from the 2016 Interim CIP Book as a result of the analysis completed for the Major TIM Fee Update. Attachment 19O lists CIP projects completed from 2001 through 2016.

In addition to the funded CIP projects (using TIM Fees, state/federal grants and other local funding), an “Unfunded” list (Attachment 19C) will be included as an appendix to the CIP book per the direction of the Board on February 23, 2016. The “Unfunded” list was compiled using various sources, including:

- Projects in the current CIP or TIM Fee programs that are no longer eligible for TIM Fee funding under the updated TIM Fee program.
- Projects suggested by the public through the El Dorado County Western Slope Update project website (www.edcwesternslopeupdate.com).
- Projects included in the *El Dorado County Bicycle/Pedestrian Plan 2010*.
- Projects suggested by the *Green Valley Road Final Corridor Analysis Report, 2014*, *Diamond Springs-El Dorado Area Mobility and Livable Community Plan, 2014* and *Cameron Park Community Transportation Plan, 2015*.

For further clarification, the “Unfunded” list includes projects that were suggested by the public. These suggested projects may be partially included in the proposed CIP or TIM Fee projects.

Options:

- 1) *Tentatively approve the proposed West Slope Road/Bridge CIP Projects and Schedule as presented in Attachment 19B and the Unfunded CIP Project list as presented in Attachment 19C.*
- 2) *Provide direction to staff on changes to projects included in the CIP and project schedules in Attachment 19B.*
- 3) *Provide direction to staff on changes to projects in the Unfunded CIP Project list in Attachment 19C.*

Staff Recommendation: *Option 1: Tentatively approve the proposed West Slope Road/Bridge CIP Projects and Schedule as presented in Attachment 19B and the Unfunded Project list in Attachment 19C.*

Tahoe EIP:

In 2015, Transportation’s Tahoe Engineering Group (TEG) completed the following projects, as summarized in Attachment 19O:

- Tahoe Hills Erosion Control Project

- Montgomery Estates Area 3 Erosion Control Project
- Lake Tahoe Blvd Erosion Control/ Stream Environment Zone (SEZ) Project
- Sawmill 2B Bike Path and Erosion Control Project

The TEG is solely grant funded, and is primarily responsible for constructing erosion control projects. However, more bike trail projects are appearing in the Tahoe EIP, as tourism and summertime outdoor recreation become more important in the Lake Tahoe Basin. The TEG's proposed Five-Year EIP includes construction of one to two projects per season. Projects in the Tahoe EIP are included in Attachment 19D. Staff proposes to construct the CSA 5 Erosion Control Project this summer.

Options:

- 1) *Tentatively approve the proposed Tahoe EIP Projects and Schedule as presented in Attachment 19D.*
- 2) *Give staff direction on changes to projects included in the CIP and project schedules.*

Staff Recommendation: *Option 1: Tentatively approve the proposed Tahoe EIP Projects and Schedule as presented in Attachment 19D.*

ACIP:

The CDA is responsible for operating the Placerville and Georgetown Airports, which includes developing and implementing the ACIP for both airports. Projects in the 2016 ACIP are included in Attachment 19E. The Federal Aviation Administration (FAA) reviews, authorizes and funds the ACIPs. Thus, the ACIPs are developed in partnership with the FAA. The FAA funds 90% of most ACIP project costs. A 5-Year ACIP for Georgetown and Placerville Airports was recently completed in cooperation with the FAA, entitling the CDA to pursue FAA grants for projects occurring during 2016-2021. The State has provided matching funds for Airport projects in past years. However, State matching funds have not been programmed in the 2016 ACIP, as these funds have become unreliable. State funding will continue to be pursued.

Placerville Airport projects included in the 2016 CIP book (Attachment 19E):

- Airport Layout Plan Update and Obstruction Survey – Placerville (CIP #93132)
- Crack Seal and Remark Runway 5-23, Taxiways, Aprons and Taxilanes – 2019 (CIP #93133)
- Crack Seal and Remark Runway 5-23, Taxiways, Aprons and Taxilanes – 2015 (CIP #93129)
- Taxiway Edge Lights (CIP #93130)
- Update Pavement Maintenance/Management Program (CIP #93131)

Georgetown Airport projects included in the 2016 CIP book (Attachment 19E):

- Airport Layout Plan 2021 Update – Georgetown (CIP #93523)
- Construction of AWOS (CIP #93520)
- Crack Seal and Remark Runway, Taxiways, Aprons and T-Hangar Taxilanes (CIP #93535)
- Crack Seal, Joint Seal & Mark Runway, Taxiways, Aprons & T-Hangar Taxilanes;

Change Runway End ID (CIP #93527)

- Obstruction Survey (CIP #93503)
- Update Airport Layout Plan with Program Narrative Report (CIP #93528)
- Update Pavement Maintenance/Management Program (CIP #93534)

The CDA is currently working with its airport consultant on an update to the Airport Layout Plan with Program Narrative Report for the Georgetown Airport. The 5-Year ACIP for the Placerville Airport includes a proposed project for an update to the Airport Layout Plan, similar to the update to the Airport Layout Plan with Program Narrative Report project for the Georgetown Airport that we are currently working on with our airport consultant. If staff is successful in obtaining an FAA grant for a proposed project to update the Airport Layout Plan for the Placerville Airport, that update is currently anticipated to start in FY 2016/2017. Each Updated Airport Layout Plan will include updated plans to provide appropriate criteria and guidelines for future airport projects and will generate an updated project list.

Options:

- 1) *Tentatively approve the proposed 10-Year ACIP Projects and Schedule as presented in Attachment 19E.*
- 2) *Provide direction to staff on changes to projects included in the 10-Year ACIP and project schedules.*

Staff Recommendation: *Option 1: Tentatively approve the proposed 10-Year ACIP Projects and Schedule as presented in Attachment 19E.*

TFIP:

The TFIP section (Attachment 19F) of the 2016 CIP Book includes one Facilities project – the Headington Wash Rack Facility Project (CIP #81134). The project is designed to meet requirements of the State Water Resource Control Board and Regional Water Quality Control Board, and includes the installation of an automated water treatment reclamation/recycling wash rack system at the Headington Corporation Yard.

The improvements include construction of a covered vehicle wash building, electrical power supply, automated treatment recycle system (with treatment equipment and holding tanks), rainwater storage tanks, plumbing of water systems, and disconnecting from the existing sewer line. The purpose of this project is to replace and improve the existing uncovered wash rack for County fleet vehicles, thereby eliminating runoff and sewer discharges, decreasing use of domestic water for equipment maintenance and greatly improving water quality and environmental impacts.

Construction was postponed from FY 2015/16 to FY 2016/17, due to delays in waiting for grant outcomes and coordinating the project requirements with other agencies. Significant operational cost savings could be realized at the facility due to the elimination of sewer discharges (and corresponding sewer fees), and use of automated wash features (less labor and wash time).

Options:

- 1) *Tentatively approve the proposed 5-Year TFIP Project and Schedule as presented in Attachment 19F.*
- 2) *Provide direction to staff on changes to projects included in the 5-Year TFIP and project schedules.*

Staff Recommendation: *Option 1: Tentatively approve the proposed 5-Year TFIP Project and Schedule as presented in Attachment 19F.*

CORP:

CORP projects are roadway rehabilitation projects which require an improvement to the roadway structural integrity. Transportation's strategy has been to fund CORP projects primarily with external funding. Projects on the Infrastructure Investment Options list (Attachment 19P) could be constructed if the Board wishes to approve additional General Fund revenue, continue allocating some Tribe revenue, or redirect revenue currently recommended for West Slope Road/Bridge Projects. CORP accomplishments for the years 2001-2016 are included in Attachment 19O.

As part of the \$1,250,000 Local Funds-Tribe annual funding designated in FY 2015/16, Transportation completed the Patterson Drive and Missouri Flat Road Overlay project in August, 2016. The project included an overlay of Patterson Drive between Lake Oaks Drive and Solstice Circle and Missouri Flat Road from State Route 49 to 700 feet north of State Route 49. See Attachment 19G for the CORP section of the proposed draft 2016 CIP Book.

Options:

- 1) *Tentatively approve the proposed CORP Projects and Schedule as presented in Attachment 19G.*
- 2) *Provide direction to staff on changes to projects included in the CORP and project schedules.*

Staff Recommendation: *Option 1: Tentatively approve the proposed CORP Projects and Schedule as presented in Attachment 19G.*

Additional Components of Proposed 2016 CIP Book

Staff is also requesting tentative Board approval of the additional components of the 2016 CIP Book (Attachments 19H-19L). The additional components consist of:

- Cover and Table of Contents
- Executive Summary
- Indexes
- Cash Proformas
- Acronyms and Definitions

Upon tentative approval of all components of the 2016 CIP Book (Attachments 19B-19L), staff will work to create the final product for Board approval in November/December.

Options:

- 1) *Tentatively approve the remaining components of the draft 2016 CIP Book as presented in Attachments 19H-19L.*
- 2) *Provide direction to staff on changes to the remaining components of the draft 2016 CIP Book.*

Staff Recommendation: *Option 1: Tentatively approve the remaining components of the draft 2016 CIP Book as presented in Attachments 19H-19L.*

2. TIM Fee Program

West Valley View

At the Board hearing held on April 19, 2016, a representative from West Valley View, LLC (WVV) voiced concerns regarding the updated TIM Fee Program’s potential impact to reimbursement timing for Silva Valley Interchange.

The current TIM Fee program allocates the cost for all Highway 50 projects in Zone 1-7 as follows: 50% to the Zone 1-7 Local TIM Fee Fund and 50% to the Highway 50 TIM Fee Fund. The current TIM Fee program allocates the cost of Highway 50 projects in Zone 8 (El Dorado Hills Boulevard Interchange and the Silva Valley Interchange) 100% to the Zone 8 Local TIM Fee Fund, specifically the Silva Valley “set aside” fund.

The draft updated TIM Fee program allocates the cost for all Highway 50 projects costs to the Highway 50 TIM Fee Fund. This change shifts some cost from local funds to the Highway 50 Fund (although there is no net change to the total fee amount due). This proposed change had a potential consequence: it could lengthen the repayment timeline to WVV since it lowers the local fee, thereby reducing the “value” of the 30% of the Zone 8 Local TIM Fee set aside to reimburse WVV for the Silva Valley Interchange.

The Board directed staff to address this issue. Staff believes that reallocating the cost for the two interchanges in Zone 8 back to the local Zone 8 TIM Fee fund is the most prudent approach, as it is consistent with the current TIM Fee program. There is no net fee increase or decrease associated with this change; it simply redistributes the cost between the local and Highway 50 funds. This change will keep WVV on the same projected reimbursement timeframe as would be the case under the current TIM Fee program.

On May 11, 2016, staff met with WVV representatives to discuss this revision and the results. Staff provided WVV with projected reimbursement timeframes under both the current and updated TIM Fee programs. During this meeting, WVV representatives also discussed their desire to amend their Reimbursement Agreement to change the frequency of the County’s payments to them from a yearly basis to a quarterly basis, allow their funds to accrue interest, and allow use of TIM Fee credits they currently hold on other projects in Zone 8 beyond Blackstone.

Other Draft Nexus Study Changes

Upon further review of the draft Nexus Study, a few line items were updated:

- Cost estimate increase for Bucks Bar Bridge (\$7,892,000 to \$8,542,357) on Table 7
- Cost estimate decrease for Green Valley Road Bridge at Mound Springs Creek (\$4,548,000 to \$4,067,770) on Table 7
- Cost estimate decrease for Green Valley Road Bridge at Indian Creek (\$4,522,000 to \$4,015,769) on Table 7
- Net cost decrease for Green Valley Rd (R-2). The change included revising the TIM Fee funded portion from County Line to Sophia Parkway on Table 10
- Clarification on Total Cost and programmed funding for Country Club Drive (R-10) on Table 10
- Fund balance revision for Pleasant Valley Road (SR49)/Patterson Drive Intersection Signalization, from (\$20,000) to (\$70,000), on Table 14
- Fund balance revision for Pleasant Valley Rd at Oak Hill Road Intersection Improvements, from (\$81,000) to (\$159,098), on Table 14

Diamond Springs Parkway

The MC&FP was created to help fund road capacity projects to support new commercial development in the area. The MC&FP funding mechanism is comprised of incremental sales and property taxes: 85% of new property and sales tax that would otherwise come to the County General Fund are set aside to pay for road improvements in the area. This funding mechanism was established in 2001 and currently generates approximately \$900,000 per year.

Measure E was approved by the voters on June 7, 2016. Policy TC-Xa 4 of Measure E states that “County tax revenues shall not be used in any way to pay for building road capacity improvements to offset traffic impacts from new development projects.” MC&FP monies are a County tax revenue. Staff recommends taking a conservative approach to ensure consistency with Measure E: replace MC&FP funding currently identified for the Diamond Springs Parkway Phase 1B (CIP #72375) with Tribal Funds and/or TIM Fee funds.

In addition, due to the Board’s prioritization of the Diamond Springs Parkway, it was determined that appropriate funding be provided in the TIM Fee Program to pay for right-of-way, sidewalk, curb and gutter. The cost estimate for the Diamond Springs Parkway project was also updated to include the construction of the ultimate intersection improvements at State Route 49 and at Missouri Flat Road.

Three scenarios were analyzed to replace MC&FP funds with Tribal Funds and/or TIM Fee funds. A Scenario Comparison table is provided in Attachment 19M. These scenarios also reflect the necessary changes to the TIM Fee Nexus study as described above. The scenarios are as follows:

- Scenario 1: Keep TIM Fee rates the same presented in April 2016 (with minor cost adjustments) by replacing MC&FP funds with Tribal funds (approximately \$13 million total in Tribal funds).
- Scenario 2: Maintain a balance of TIM Fee funds and Tribal funds to replace MC&FP funds. Uses approximately \$8 million total in Tribal funds.

- Scenario 3: Remove all Tribal funds as a revenue source and replace with TIM Fee funds.

Staff recommends Scenario 2 because it strikes a balance between increasing both Tribal Funds and TIM Fee funds; it results in a slight increase in TIM Fees compared to what was presented in April 2016 and a minor increase in Tribal Funds.

The three scenarios found in Attachment 19M includes the changes above and reallocation of the cost for the two interchanges in Zone 8 back to the local Zone 8 TIM Fee fund.

Options:

- 1) *Tentatively approve the draft TIM Fee Nexus Study, Scenario 1, as presented in Attachment 19M.*
- 2) *Tentatively approve the draft TIM Fee Nexus Study, Scenario 2, as presented in Attachment 19M.*
- 3) *Tentatively approve the draft TIM Fee Nexus Study, Scenario 3, as presented in Attachment 19M.*
- 4) *Provide direction to staff to analyze a separate alternative to the TIM Fee Nexus Study.*

Staff Recommendation: *Option 2: Tentatively approve the draft TIM Fee Nexus Study, Scenario 2, as presented in Attachment 19M.*

3. Amendment to County Ordinance Code

As discussed at the December 2015 Board hearing, two new Ordinances are required as part of the Major CIP and TIM Fee Update: a Frontage Improvements Ordinance and a TIM Fee Program Ordinance. Draft versions of these two ordinances were attached to the December 2015 Board item as Attachments 13D and 13G.

On February 23, 2016 the Board approved removing right-of-way, sidewalk, and curb and gutter costs from projects where development could build and pay for the improvements. Attachment 13C provides a detailed list of the cost savings to the TIM Fee program and the specific roadway projects. As a result of the removal of the right-of-way, sidewalk, curb and gutter, from specific projects within the TIM Fee program, an ordinance is necessary to enforce the requirement of development to construct its frontage improvements and dedicate right-of-way.

In order to proceed with the development of the Frontage Improvements Ordinance, as required by Board Policy A-3, the Board must provide authorization for the preparation of amendments to the appropriate County of El Dorado Ordinance Code Chapter(s) and include the Frontage Improvements Ordinance. Attachment 13D includes the initial draft of the Frontage Improvement Ordinances, presented in December 2015. The draft Frontage Improvement Ordinance is currently being modified and will be presented to the Board for adoption in November/December 2016.

Additionally, staff is also proposing to adopt the updated TIM Fee program via Ordinance. Currently, the County adopts the TIM Fee Program via Resolution. It is standard practice for

other jurisdictions, including Placer County, to adopt a TIM Fee program which establishes the basic structure with an Ordinance. Staff proposes the Board adopt the TIM Fee Program via Ordinance, and adopt the fee schedule via Resolution. The Resolution would be easier to amend on a yearly basis for rate adjustments.

In order to proceed with the development of the TIM Fee Ordinance, as required by Board Policy A-3, the Board must provide authorization for the preparation of amendments to the appropriate County of El Dorado Ordinance Code Chapter(s) and include the TIM Fee Ordinance. Attachment 13G includes the initial draft of the TIM Fee Ordinance, previously presented in December 2015. The draft TIM Fee Ordinance is currently being modified and will be presented to the Board for adoption in November/December of 2016.

Options:

- 1) *Provide staff authorization, as required by Board Policy A-3, to amend the appropriate County of El Dorado County Ordinance Code(s) to add the Frontage Improvements Ordinance and the TIM Fee Program Ordinance and conceptually review the Ordinances (Attachments 13D and 13G).*
- 2) *Provide staff direction to not create a Frontage Improvements Ordinance and/or a TIM Fee .*

Staff Recommendation: *Option 1: Provide staff authorization, as required by Board Policy A-3, to amend the appropriate County of El Dorado County Ordinance Code(s) to add the Frontage Improvements Ordinance and the TIM Fee Program Ordinance and conceptually review the Ordinances (Attachments 13D and 13G).*

4. Receive and file responses to public comment

The County continues to receive public comment on the Major CIP and TIM Fee Program Update. The following section summarizes and responds to comments received since the last Board workshop on April 19, 2016.

Growth Forecast and Distribution

A member of the public voiced concerns related to the forecasted growth used for the Major CIP and TIM Fee update, specifically in TIM Fee Zones 2 and 3. TIM Fee Zone 2 is the Cameron Park/Shingle Springs area, and TIM Fee Zone 3 is the El Dorado/Diamond Springs area. The comment was that too much growth is assumed in TIM Fee Zones 2 and 3, particularly given the low amount of growth that has occurred in these Zones in the last few years.

The El Dorado County Travel Demand Model Land Use Final Technical Memorandum (Land Use Memo) dated October 14, 2013, (Attachment 15C) describes the methodology for the distribution of residential and employment growth. Residential and employment growth forecasted through 2035 were applied to eight TIM Fee Zones (Table 2 of Attachment 19M).

A growth forecast is an assumption about how and where the County will grow in the future. Identifying an appropriate growth forecast entails reviewing both past and projected future trends, as well as considering the County's goals for how and where it wants to grow. The growth forecast approved by the Board in April 2014 is a key factor in the Major Five-Year CIP

and TIM Fee Updates. The updated CIP will be the County’s plan for providing infrastructure to existing and future residents consistent with the growth forecast identified. The updated TIM fee will be a critical funding component for the CIP. Although the market will ultimately determine when and where homes are built, the County’s policies and regulations (e.g. zoning codes/ordinances and the General Plan) along with the County’s decisions regarding where to invest in and build public infrastructure (e.g. the CIP and TIM Fee) will have a significant influence on the market.

The update of the 20-Year growth forecast is required by the County’s 2004 General Plan. In order to maintain the integrity of the County’s roadway network, the County is required to implement General Plan Policy TC-Xb and Implementation Measures TC-A and TC-B. These measures require the development of a 10- and 20-Year CIP as well as a 20-Year TIM Fee program. These policies also require the 20-Year growth forecast to be updated every five years.

Forecasting growth is an iterative and ongoing process – forecasts are reviewed and adjusted annually (as part of the annual CIP and TIM Fee updates) as well as every five years (as part of the Major Five-Year CIP and TIM Fee program updates). Routinely verifying and updating growth forecasts allows the County to account for new information and adjust its assumptions and plans accordingly.

The last 20-Year growth forecast was completed in 2002 by Economic & Planning Systems, Inc. (EPS) for development of the 2004 General Plan¹. The current CIP and TIM Fee programs are based on the EPS report and a traffic analysis completed by Dowling and Associates, Inc. in 2005. In 2012, BAE Urban Economics (BAE) completed a growth forecast through 2035, including a review of consistency with the 2004 General Plan, and a projection of the future growth rate. The growth forecast identified by the BAE report is based on El Dorado County’s historical growth rate and distribution. This growth forecast, which did not include accommodating the Regional Housing Needs Allocation (RHNA), was presented to the Board on July 30, 2013.

On February 24, 2014, and again on April 8, 2014, staff presented three 20-Year growth forecasts to the Board as a starting point for initiating the Major Five-Year CIP and TIM Fee updates. On April 8, 2014, the Board identified Scenario 3: Historical growth rate with General Plan-consistent growth distribution as the preferred alternative to proceed with the Major CIP and TIM Fee Update. Scenario 3 is the most consistent with the assumptions, goals and objectives of the 2004 General Plan that seek to “to concentrate and direct urban growth where infrastructure is present and/or can be more feasibly provided” (Plan Objective 6) and support “Community Regions where growth will be directed and facilitated” (Plan Concept A). In addition, Scenario 3 is the most consistent with Board-identified objectives for the General Plan 5-Year review, including the creation of jobs, reducing sales tax leakage, reducing constraints to the development of affordable housing, and preserving and protecting agriculture and natural resource lands. Finally, Scenario 3 also accommodates the County’s RHNA, a key State mandate implemented through the County’s Housing Element. The selected growth forecast was used as a starting point for the Major CIP and TIM Fee update processes.

¹ http://www.edcgov.us/Government/Planning/General_Plan_Supporting_Documents.aspx

Residential Growth

The residential growth forecast is based on the BAE report dated March 14, 2013 (see Attachment 8H). The BAE report indicates that the County’s residential growth projection is based on a continuation of the County’s historic West Slope residential growth trend over the 2010 to 2035 time period, yielding an average annual growth rate of 1.03 percent (approximately 17,500 new units through 2035). This rate is based on building permit data compiled by the County.

The BAE study did not fully take into account the County’s obligation to accommodate the RHNA as required by the State. The growth forecast and distribution that underpins the Major CIP and TIM Fee Update (i.e. Scenario 3) does accommodate the County’s RHNA to ensure consistency with the Housing Element and State law. The staff report prepared for the April 19, 2016 Board hearing discusses the RHNA and multi-family growth assumptions in detail (Attachment 16A).

Accommodating new units for above moderate income earners is generally not difficult for jurisdictions like El Dorado County because new single family homes are the predominant product being built and often command prices that make them affordable to only above moderate income earners. Conversely, accommodating new units for very low and low income earners is difficult for many jurisdictions, particularly those like El Dorado County, which are very desirable places to live and where the market will bear relatively higher new home purchase costs.

Jurisdictions across the state often find the most or only feasible way to accommodate new units for very low and low income earners (and sometimes even moderate) is through multi-family development or similar higher density and/or more naturally affordable housing options, such as secondary dwelling units. The County’s Housing Element directly addresses this issue: “Because low-income households are severely limited in their ability to pay for housing, they typically need to rely on high-density or multi-family housing” (page 4-4). Sacramento Area Counsel of Government’s (SACOG) adopted RHNA also addresses this issue: “For the very low and low-income categories, jurisdictions generally are required to identify sites zoned at multi-family residential densities.”

The CIP/TIM Fee Update land use assumption was based on this projected need: it includes approximately 3,700 multi-family units to accommodate this projection, along with 800 secondary dwelling units, which also tend to be affordable for very low and low income earners (per HO-1.24 and Board Policy B-14). The CIP/TIM Fee Update land use assumption ensures the County is implementing the Housing Element, including policies listed above that require the County: “shall ensure that public...facilities are provided to affordable housing projects at the same level as to market-rate housing” and “shall encourage Second Dwelling Units to provide housing that is affordable to very low, low and moderate income households.”

Many of the parcels relied on for compliance with the “adequate sites” inventory are located within TIM Fee Zones 2 and 3. An adequate sites analysis was prepared for the 2013 Housing Element Update. Major considerations that were used to establish the sites identified to

accommodate RHNA included areas with appropriate roadway infrastructure, public water, sewer, and the potential for transit. Failing to provide appropriate infrastructure to the sites (particularly needed road improvements) would jeopardize the “buildability” of these sites and may compromise the adequate sites inventory. RHNA has been accommodated in the proposed Major CIP and TIM Fee Update (and current programs) consistent with Measure Y policies (TC-Xa through TC-Xi).

In 1998, the voters approved Measure Y, “The Control Traffic Congestion Initiative.” This initiative added nine policies to the General Plan (Policies TC-Xa through TC-Xi). The initiative required that the policies, located within the Transportation and Circulation Element of General Plan, should remain in effect for 10 years. The initiative also stated that after a 10-year period the voters should be given the opportunity to readopt those policies for an additional 10 years. The General Plan Policies were amended in 2008 with a majority vote of the populace. As discussed above, Measure E further refined Measure Y.

The policies with the greatest potential to affect fees related to housing development are as follows: 1. Traffic from single family residential subdivision development projects of five or more units or parcels of land shall not result in, or worsen, LOS “F” (gridlock, stop-and-go) traffic congestion during weekday, peak-hour periods on any highway, road, interchange, or intersection in the unincorporated areas of the County. 2. Developer-paid traffic impact fees combined with any other available funds shall fully pay for building all necessary road capacity improvements to fully offset and mitigate all direct and cumulative traffic impacts from new development upon any highways, arterial roads, and their intersections during weekday, peak-hour periods in unincorporated areas of the County. Implementation of these requirements was incorporated into the 2004 General Plan update through development of the TIM Fee Program. At this time, an analysis is still being done as to the impacts of Measure E on the housing element which may directly impact the distribution of multi-family housing.

The TIM fees for affordable housing vary by zone due to the roadway LOS conditions in the area, the amount of traffic contributed by zone to the roadway network, and the cost estimates for required roadway improvements within the roadway network. The majority of vacant multi-family parcels are located in the more costly TIM fee areas, TIM Fee Zones 2 and 3. This is due to the need for multi-family housing to be located within a short proximity to services and infrastructure, which is where development is concentrated and therefore LOS is higher. Large concentrations of higher-density housing in areas where there is an inadequate LOS and infrastructure would not be appropriate. Cost factors of up to \$29,500 per unit could constrain development (as demonstrated in Scenario 2 of the TIM Fee Nexus Study), especially multi-family housing, and special needs housing.

Employment Growth

Information from the BAE study provided the employment forecast. BAE’s employment projections follows the same general methodology as that used to prepare the 2002 El Dorado County growth projections used in the adopted 2004 General Plan. It assumes that an overall relationship between housing growth and job growth will prevail through 2035, which is expressed in terms of the ratio between jobs and housing in a given area. Due to the West

Slope's varied geography and the diverse range of communities found there, jobs/housing ratios vary significantly from Market Area to Market Area, with those located closer to Sacramento and closer to the County's major transportation corridor (Highway 50) tending to have the highest jobs/housing ratios, and those more isolated communities tending to have the lower jobs/housing ratios. The non-residential growth projections assume that as residential growth proceeds in the West Slope area, the increase in jobs will track the increase in housing, based on each Market Area's jobs/housing ratio.

In summary, consistent with Scenario 3, residential and employment growth through 2035 were applied to the eight TIM Fee Zones (See Table 2 of Attachment 19M). The El Dorado County Travel Demand Model Land Use Final Technical Memorandum (Land Use Memo) dated October 14, 2013, (Attachment 15C) describes the methodology for the distribution of growth. The BAE report was a baseline document which was adjusted to meet the general plan goals and policies by placing the growth within the inventory of achievable residential and non-residential units by Market area. A complete discussion of the Cameron Park/Shingle Springs and Diamond Springs Market Areas #2 and #3 is provided in Attachment 15C. The Land Use Memo did not take into account the required multi-family units to accommodate RHNA which are primarily located in Zones 2 and 3. Table 2 of Attachment 19M (TIM Fee Nexus Study) includes RHNA in its multi-family housing allocations. Additionally, the growth projections took into account the approved subdivision maps which have not been constructed to date. Such approved projects within Zones 2 and 3 include Silver Springs, Campobello, and Porter Subdivisions which total approximately 330 single family homes.

Future Traffic Volumes on Highway 50

A member of the public stated that the future traffic volumes on US Highway 50 (US 50) are projected to decrease. This statement is incorrect. Draft Technical Memorandum 2-3: Existing and Future Deficiency and Nexus Assessment, prepared by Kittelson and Associates, Inc. (KAI) and dated March 31, 2016 (Attachment 16H), contains the existing and future traffic volumes for all study roadway segments, including US 50. There are 34 segments for US 50, starting at the El Dorado/Sacramento County Line and extending to Echo Summit Road. The volumes are displayed by direction (i.e. eastbound and westbound) and peak hour (i.e. AM and PM) for each segment. Traffic volumes are projected to increase on every segment, in both directions and in both peak hours.

All segments of US 50 are projected to serve more traffic in 2035 than in existing conditions. The average traffic growth for each segment ranges from 64% (between Latrobe Road and Bass Lake Road) to 15% in the City of Placerville. This level of traffic growth is reasonable, given the growth forecast and distribution assumed for this project.

External Trip Percentages

A member of the public stated that the TIM Fee nexus study assumed a 31% external trip share in the Public Review Draft Nexus Study (dated September 2015, Legistar # 14-0245, Attachment 9M) and that number decreased to 14% in the Final Draft Nexus Study (dated April 2016, Legistar # 14-0245, Attachment 16C). This statement is incorrect. The commenter was comparing the wrong tables, which led to the misinterpretation. Table 23.1 in the Public Review

Draft Nexus Study is comparable to Table 24 in the Final Draft Nexus Study. The percentage for the external trip share changed from 31% to 32%.

Household Travel Survey

A member of the public questioned why the model continues to use the 2000 Household Travel Survey conducted by SACOG and not the updated 2013 Caltrans Household Travel Survey.

El Dorado County, Caltrans, and several jurisdictions use the SACOG model information as a basis for their own models. SACOG's current travel demand model (TDM) was developed using the last complete household travel survey which was conducted in 2000.

It is important to understand that the use of the 2000 household travel survey was to create the mathematical models which emulate the choices people make (how much to travel, to what destinations, etc.). SACOG, like El Dorado County, does not rely on the 2000 survey for validation of the model. More current data is used to calibrate and validate the model to match conditions in the base year of the forecasts (i.e. 2015 data for the most recent SACOG model). Although the survey comes from 2000, the SACOG and El Dorado County TDM is regularly updated to more recent years using the most recent traffic counts. Since the SACOG and El Dorado County model reasonably matches travel in the base years for the future forecasts, and also shows reasonable sensitivity to key factors of interest to the SACOG planning, SACOG elected to continue to use the demand models which were developed on the 2000 household survey. Household travel surveys are very expensive, very difficult to execute, and for every survey, there is some level of bias which needs to be assessed and adjusted for in the model calibration and validation process.

SACOG is in the process of updating their household travel survey, tentatively planned to be done in Fall 2017. Even with the new survey, SACOG will need to do calibration and validation to the same aggregate data sources (traffic counts, etc.) and the new survey itself will be of very limited use for that purpose, beyond reasonableness checks on trip rate and calibration of trip length frequencies.

Regarding the 2013 Caltrans Household Travel Survey, the sample was even smaller than the SACOG 2000 survey: 2,300 households of 830,000 total (0.3%). Combining the problems with definition of trips plus the even smaller sample, SACOG has opted to not use the 2013 Caltrans Household Travel Survey. It should be noted that Caltrans itself bases its models on the SACOG model.

Upon Caltrans review of the latest draft SACOG Metropolitan Transportation Plan/ Sustainable Communities Strategy (MTP/SCS), which was adopted on February 18, 2016, Caltrans provided the following comment:

“We suggest mentioning the recent results from the 2013 California Household Travel Survey that showed a significant increase in the percentage of California residents walking, biking or using public transportation in their daily activities at the statewide level. Since 2000, the percentage of these trips has increased from 11 percent to nearly 23 percent.”

*Please see the attached press release:
<http://www.dot.ca.gov/hq/paffairs/news/pressrel/14pr021.htm>”*

SACOG’s response to Caltrans comment was as follows:

“SACOG staff is aware of the 2013 California Household Travel Survey, and the 2000-2001 California Household Travel Survey. The comparisons of the 11 percent walk/bike/transit share (actually 11.4 percent) from the 2000-2001 CHTS, and the 23 percent share (actually 22.5 percent) in the 2013 CHTS is misleading, given that the underlying definition of trip for the two surveys is different. This difference is exacerbated by differences in sampling and weighting of the surveys.

The 2000-2001 CHTS was a more conventional survey, with a “trip” defined as a change of location to participate in specific non-travel activities (work, school, shopping, etc.). Mode assignment was given to all travel needed to connect from one of the non-travel activities to the next non-travel activity. The 2013 CHTS tally counted any change in place as a trip, which included travel activities. For example, a complex trip, such as a person walking from home to a transit stop, boarding a bus, transferring to rail at another transit stop, and walking from the final rail stop to work, would have been counted as one transit trip in the 2000-2001 CHTS, but was counted as four trips (two walk trips, and two transit trips) in the 2013 CHTS for the tally in question. It’s possible to re-code the place-based trip definition in the 2013 CHTS to the activitybased trip definition used in the 2000-2001 CHTS, and provide an apples-to-apples comparison. However, this was not done.

The differences in the sampling and data collection approaches between the 2000-2001 CHTS and the 2013 CHTS also affect the comparison, because the 2013 CHTS survey design, sampling approach and data collection methods made it more likely that shorter trips (including many walk trips) which were forgotten by respondents in the 2000-2001 CHTS were likely to be remembered and recorded in the 2013 CHTS.

SACOG staff tallied the travel data for SACOG region residents in the 2013 CHTS, using the given place-based trip definition. The tally of walk/bike/transit trips for the SACOG region was 14.0 percent (compared to the 22.5 percent statewide). SACOG staff believes that the difference between this 14.0 percent, and the 10.3 percent reported as combined bike/walk/transit share for all trips in Table 5C of the draft MTP/SCS could be explained by the different trip definition.

The trip definition SACOG uses for all of its modeling and forecasting activities is more consistent with that used in the 2000-2001 CHTS. SACOG staff does not have access to the raw survey data from the 2000-2001 CHTS, and only has the published statewide tally (11.4 percent), so no further change-over-time comparisons from the draft MTP/SCS mode share estimates and the 2000-2001 CHTS are possible. Without significant work to re-code the 2013 CHTS to be consistent with trip definitions used by SACOG for travel forecasting, comparisons to the 2013 CHTS are not possible either.”

RECOMMENDATION

Staff is recommending that the Board:

Proposed 2016 CIP Book

- 1) Provide tentative approval of the 2016 CIP as presented in Attachments 19B-19L.

TIM Fee Program

- 2) Provide tentative approval of the updated draft TIM Fee Nexus Study (Scenario 2) as presented in Attachment 19M.

Amendment to County of El Dorado Ordinance Code

- 3) Conceptually review and provide authorization, as required by Board Policy A-3, for the preparation of amendments to the appropriate County of El Dorado Ordinance Code Chapters and include the Frontage Improvements Ordinance (Attachment 13D) and the TIM Fee Ordinance (Attachment 13G).

Public Comment

- 4) Receive and file responses to public comments.

Next Steps

- Finalize the Programmatic Environmental Impact Report (EIR)
- In September/October, staff will present the CIP/TIM Fee Program to the Planning Commission. Staff will request that the Planning Commission: 1) Make a finding of consistency for the CIP with the General Plan, 2) Make a recommendation to the Board for approval of the proposed General Plan Amendment to the Transportation and Circulation Element, 3) Make a recommendation for approval of the Programmatic EIR, and 4) Receive and file the TIM Fee Resolution and Ordinance and Frontage Improvements Ordinance.
- In November/December, staff will return to the Board for: 1) Final adoption of the TIM Fee Program roadway list, 2) Final adoption of the TIM Fee Program Nexus Study, 3) Adoption of the 2016 CIP Book, 4) Final adoption of the TIM Fee Program, 5) First reading and adoption of the TIM Fee Ordinance, 6) First reading and adoption of the Frontage Improvements Ordinance, 7) Adoption of the TIM Fee Resolution, 8) Certification of the EIR, and 9) Adoption of the General Plan Amendment for the Transportation and Circulation Element. Staff will also provide a draft TIM Fee Program Administration Manual.
- In December, staff will return to the Board for the second reading of the TIM Fee Ordinance and the Frontage Improvements Ordinance. TIM Fees will go into effect 60 days from the second reading of the TIM Fee Ordinance.
- In December/January, staff will return to the Board to approve the TIM Fee Program Administration Manual.

Contact

Claudia Wade, Sr. Civil Engineer
Community Development Agency, Long Range Planning Division