



Missouri Flat Area Master Circulation and Funding Plan (MC&FP) Phase II & Business Parks Financial and Market Strategy Report

EL DORADO COUNTY COMMUNITY DEVELOPMENT AGENCY
LONG RANGE PLANNING DIVISION

February 10, 2015

Legistar #15-0048

Background – MC&FP




- In late 1990's, County was processing applications for new retail in Missouri Flat corridor: WalMart, El Dorado Villages (Safeway center) & Sundance Plaza (now Crossings, not yet constructed)
- Due to existing traffic congestion, road capacity was insufficient to meet LOS standards; County unable to approve new commercial
- County adopted urgency ordinances limiting new commercial development in the area for two years between April 16, 1996 and April 15, 1998 (Ordinance Nos: 4417, 4420, & 4446)
- MC&FP created to provide funding mechanisms to address existing road deficiencies within corridor & facilitate new commercial



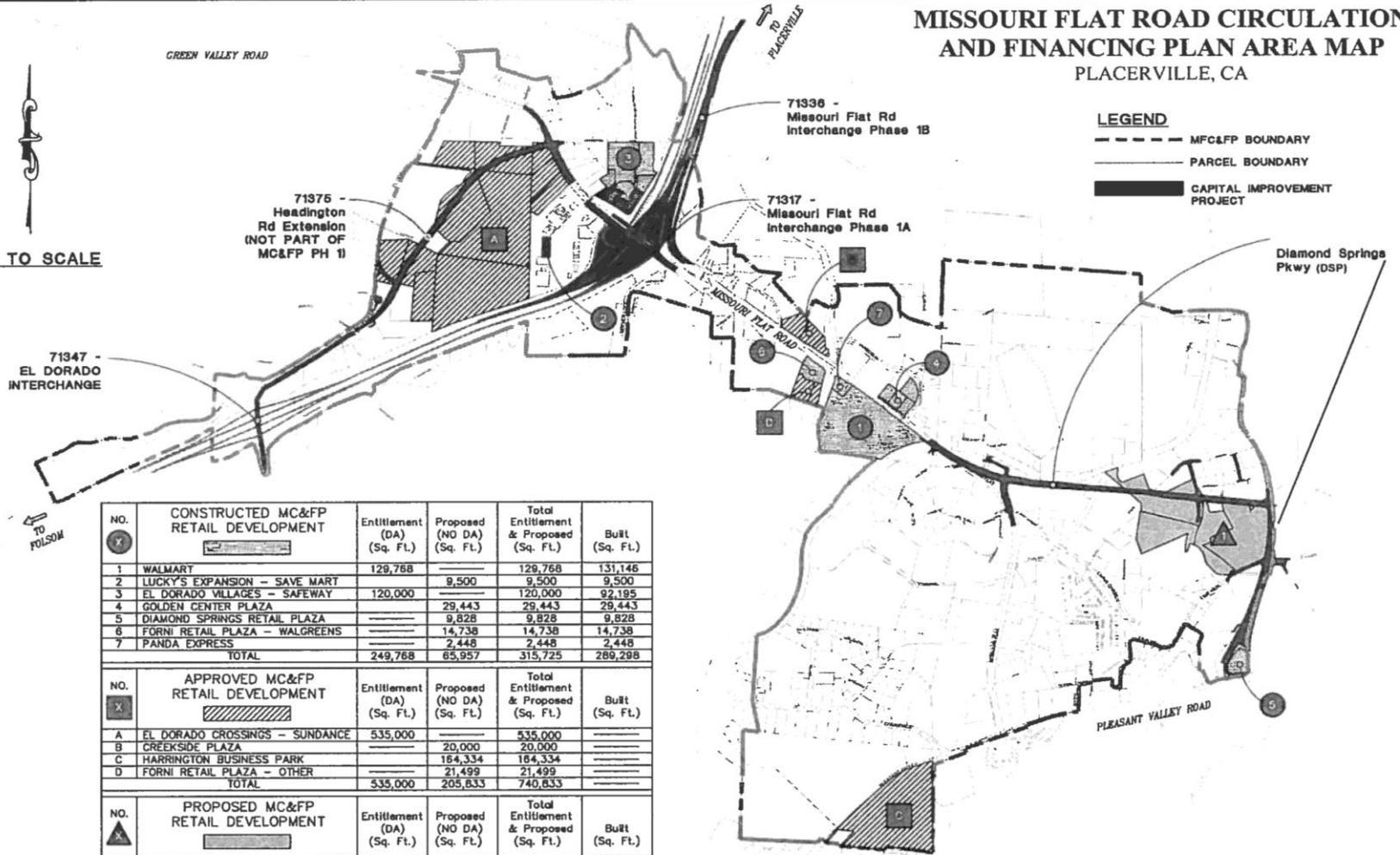
MC&FP Area Map


MISSOURI FLAT ROAD CIRCULATION AND FINANCING PLAN AREA MAP PLACERVILLE, CA


LEGEND


-  MFC&FP BOUNDARY
-  PARCEL BOUNDARY
-  CAPITAL IMPROVEMENT PROJECT

NOT TO SCALE



NO. 	CONSTRUCTED MC&FP RETAIL DEVELOPMENT	Entitlement (DA) (Sq. Ft.)	Proposed (NO DA) (Sq. Ft.)	Total Entitlement & Proposed (Sq. Ft.)	Built (Sq. Ft.)
1	WALMART	129,768	---	129,768	131,146
2	LUCKY'S EXPANSION - SAVE MART	---	9,500	9,500	9,500
3	EL DORADO VILLAGES - SAFEWAY	120,000	---	120,000	92,195
4	GOLDEN CENTER PLAZA	---	29,443	29,443	29,443
5	DIAMOND SPRINGS RETAIL PLAZA	---	9,828	9,828	9,828
6	FORNI RETAIL PLAZA - WALGREENS	---	14,738	14,738	14,738
7	PANDA EXPRESS	---	2,448	2,448	2,448
TOTAL		249,768	65,957	315,725	289,298

NO. 	APPROVED MC&FP RETAIL DEVELOPMENT	Entitlement (DA) (Sq. Ft.)	Proposed (NO DA) (Sq. Ft.)	Total Entitlement & Proposed (Sq. Ft.)	Built (Sq. Ft.)
A	EL DORADO CROSSINGS - SUNDANCE	535,000	---	535,000	---
B	CREEKSIDE PLAZA	---	20,000	20,000	---
C	HARRINGTON BUSINESS PARK	---	164,334	164,334	---
D	FORNI RETAIL PLAZA - OTHER	---	21,499	21,499	---
TOTAL		535,000	205,833	740,833	---

NO. 	PROPOSED MC&FP RETAIL DEVELOPMENT	Entitlement (DA) (Sq. Ft.)	Proposed (NO DA) (Sq. Ft.)	Total Entitlement & Proposed (Sq. Ft.)	Built (Sq. Ft.)
r	DIAMOND DORADO	---	238,000	238,000	---
TOTAL		---	238,000	238,000	---

TOTAL RETAIL DEVELOPMENT (SQ. FT.)	784,768	509,790	1,294,558	289,298
MC&FP APPROVED PHASE 1 RETAIL (SQ. FT.)	732,278	---	---	---
TOTAL DIFFERENCE (SQ. FT.)	52,490	---	---	---



Goals and Objectives

In approving Phase I of the MC&FP, the Board acted upon the following goals and objectives (Attachment F):

- Alleviate existing traffic congestion
- Establish a vital commercial center in El Dorado County
- Improve the County's fiscal well-being
- Establish the framework for revenue collection that will fund specific improvements identified in the Missouri Flat area
- Allow for discretionary approvals of commercial development in the Missouri Flat area



Funding Sources

The MC&FP planned to use a range of funding sources for needed transportation improvements, including:

- Private Financing (developer constructed facilities)
- Traffic Impact Mitigation (TIM) Fees
- MC&FP incremental sales and property taxes (85% of new property and sales tax) established in 2001
- Mello-Roos (CFD) established in 2002; however, no special tax has been set and no bonding incurred
- State and federal transportation grants; County received substantial state funding for interchange improvements



Phased Approach

- MC&FP developed anticipating two phases of development; because of Measure Y (approved Nov. 3, 1998), only Phase I of MC&FP approved (Dec. 15, 1998)
- Phase I anticipated transportation improvements to address existing level of service deficiencies and allow for approximately 732,278 square feet of additional commercial development:
 1. Missouri Flat Widening from U.S. Highway 50 to Forni Road
 2. Missouri Flat Widening from Forni Road to Pleasant Valley Connector
 3. Highway 50/Missouri Flat Road Interchange Improvements (Phase I)
 4. Missouri Flat Road/Pleasant Valley Connector Roadway (Two Lanes)
 5. U.S. Highway 50 and El Dorado Road Interchange Improvements



Phase 1 Success

MC&FP Phase I Status of Roadway Facilities

List of Authorized Facilities	Status
Missouri Flat Road Widening – Phase A: Mother Lode Dr to Forni Rd	Completed
Missouri Flat Road Widening - Phase B: Forni Rd to future Pleasant Valley Connector (Diamond Springs Parkway)	Completed
Missouri Flat Road /US 50 Interchange Improvements - Phase 1	In Progress (Phase 1 was split to 1A, 1B, 1B.2 and 1C. 1A & 1B are complete)
Pleasant Valley Connector Roadway: Missouri Flat Rd to Hwy 49/Fowler Lane Intersection (Diamond Springs Prkwy)	In Progress
Missouri Flat Rd at Headington Rd - Intersection Improvements and Signalization	Not Complete
Missouri Flat Rd at El Dorado Rd - Intersection Improvements & Signalization	Completed



Why Phase II?

1. Reduce additional constraints to build out of area:
 - 500,000 sq/ft of commercial constructed to date with additional 400,000 sq/ft pending - total would exceed the 732,278 sq/ft anticipated in Phase I.
 - Identify and fund additional improvements to the Highway 50/Missouri Flat Road Interchange and adjacent roads to relieve congestion and create additional capacity for planned commercial development
 - Build much-needed road improvements without increasing taxes or TIM fees



Why Phase II?

2. Facilitate additional commercial development to:
 - Expand retail shopping opportunities for residents and visitors
 - Keep more sales tax revenue in the County (reduce sales tax leakage to neighboring jurisdictions)
 - Increase job and business opportunities in the County



Why Phase II?

3. Address Caltrans concern about Mo Flat Interchange

- Caltrans expressed need for County to include ~\$35 million Interchange Phase II (SPUI) in CIP and TIM Fee Program and construct within next 10-20 years
 - Not currently in CIP or TIM Fee Program; adding it would likely increase TIM fees
 - Issue must be resolved for Diamond Springs Parkway to move forward
- MC&FP Phase II will evaluate options:
 - Staff wants to evaluate interchange alternatives to see if there are less expensive ways to achieve desired result
 - Staff also not convinced that Interchange Phase II is needed that soon given historic growth trends and updated growth forecast



Board Actions to Date

- **Dec. 15, 1998:** Board established MC&FP Phase I
- **May 22, 2012:** Board directed staff to initiate MC&FP Phase II and identified following projects as top priorities for funding/completion:
 - U.S. Highway 50/Missouri Flat Road Interchange (Single Point Urban Interchange);
 - Missouri Flat Road/Pleasant Valley Connector (two (2) lanes) (Diamond Springs Parkway); and
 - Review other road improvements at U.S. Highway 50/Missouri Flat Road, such as Grade Separation.
- **February 24, 2014:** Board directed staff to issue a RFP to seek consultant assistance for MC&FP Phase II



Need for Consultant Assistance

February 24, 2014: Board discussed whether to use consultants; as a result, Board directed staff to issue RFP

1) Specialized expertise necessary

- EPS has specialized skillset: Public finance and Mello Roos, fiscal and economic impact analysis, real estate market analysis
- EPS and their key staff worked with County to create Phase I

2) One-time project - not an ongoing task/responsibility

3) Deliver project within 12 months while not impacting delivery of other projects (e.g. Major CIP/TIM Fee update)



Need for Consultant Assistance

LRP's two engineers currently responsible for:

- Major CIP/TIM update; annual CIP update; mid-year CIP revisions
- Traffic studies scoping/review for public projects (e.g. courthouse, sheriff facility) and private applications
- Creation/update of Transportation Impact Study Protocols
- Updating intersection needs list (e.g. signals, stop controls, etc.)
- Ongoing Travel Demand Model maintenance/updates
- Coordination with EDCTC - Regional Transportation Plan (RTP)
- Coordination with SACOG - MTP/SCS update
- Coordination with Caltrans - traffic modeling and CIP projects
- Coordination with the JPA Southeast Connector
- Coordination with neighboring jurisdictions (Folsom south, etc.)



MC&FP Phase II Summary

- Use money generated by MC&FP Phase I to fund staff and consultant costs for Phase II (no General Fund cost)
- Reduce barriers to additional commercial development in Missouri Flat corridor without raising TIM fees
- Project as scoped will not impact delivery of Major CIP/TIM Fee Update - both projects will benefit by conducting them in a coordinated fashion
- Timeline: 12 months to completion



Background – Business Parks

- On December 17, 2013, the Board directed staff to analyze and report back on reducing TIM fees for businesses to stimulate activity within the County’s three existing business parks
 - The Board item noted that a “similar approach has been utilized to assist in financing road improvements in the Missouri Flat area”
- This task was given to the Econ Development Strategic Investment Team and was addressed at two subsequent Board workshops
- Economic Development staff budgeted \$100,000 of General Fund money in their FY 14/15 budget for a study to address the Board’s questions by comprehensively analyzing barriers to development in business parks and recommending strategies to address them



Background – Business Parks

- This study and MC&FP were combined into a single RFP/contract due to similar subject matter and consultant expertise sought, and to minimize County costs for contract/project management
- Economic Development staff was going to lead this study
- Since this study was initially scoped in early 2014, there have been two significant changes:
 1. Budget concerns
 2. Econ Development function in transition due to staffing changes



Background – Business Parks

- Staff report and recommendation written prior to Economic Development changes
- Staff recommends delaying the Business Parks study to:
 - Allow further budget discussions to determine General Fund impact
 - Not inadvertently increase LRP workload due to Economic Development staff vacancy
 - Reconsider study when Economic Development position is filled (evaluate need, funding, consultants vs. in-house, etc.)



Summary of Recommendations

1. Find that money collected from sales and property tax increment in the MC&FP area can be used to fund staff and professional services in the creation of MC&FP Phase II
2. Make findings that it is more economical and feasible to engage an outside consultant to provide the expertise and assistance necessary to develop the MC&FP Phase II
3. Award RFP No. 14-918-090 for consulting services related to the Missouri Flat Area Master Circulation and Financing Plan Phase II and Business Parks Financial and Market Strategy Report to Economic & Planning Services, Inc.
4. Authorize the Purchasing Agent to execute an agreement for services not to exceed \$600,000 for a three-year period, subject to review and approval by County Counsel and Risk Management
5. Authorize the Chair of the Board to sign the budget transfer allowing the Business Parks Financial and Market Strategy Report to be funded with Economic Development funding



Summary of *Modified* Recommendations

1. Find that money collected from sales and property tax increment in the MC&FP area can be used to fund staff and professional services in the creation of MC&FP Phase II
2. Make findings that it is more economical and feasible to engage an outside consultant to provide the expertise and assistance necessary to develop the MC&FP Phase II
- X. Direct staff to remove Component 2 from draft agreement for services
3. Award RFP No. 14-918-090 for consulting services related to the Missouri Flat Area Master Circulation and Financing Plan Phase II ~~and Business Parks Financial and Market Strategy Report~~ to Economic & Planning Services, Inc.
4. Authorize the Purchasing Agent to execute an agreement for services not to exceed ~~\$600,000~~\$450,000 for a three-year period, subject to review and approval by County Counsel and Risk Management
5. ~~Authorize the Chair of the Board to sign the budget transfer allowing the Business Parks Financial and Market Strategy Report to be funded with Economic Development funding~~

