



Legislation Details (With Text)

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Title: Department of Transportation recommending the Board receive and approve the El Dorado Countywide Housing and Employment Projections, 2018-2040 Memoranda pertaining to the Major Update of the Traffic Impact Mitigation (TIM) Fee Program and the Capital Improvement Program (CIP). (Est. Time: 1 Hr.)

FUNDING: TIM Fee Program.

Sponsors:

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Attachments: 1. A - Draft Memo 2018 to 2040 WS Growth Projections, 2. B - BOS Presentation 3-17-20

Date	Ver.	Action By	Action	Result
3/17/2020	1	Board of Supervisors	Approved	Pass

Department of Transportation recommending the Board receive and approve the El Dorado Countywide Housing and Employment Projections, 2018-2040 Memoranda pertaining to the Major Update of the Traffic Impact Mitigation (TIM) Fee Program and the Capital Improvement Program (CIP). (Est. Time: 1 Hr.)

FUNDING: TIM Fee Program.

DISCUSSION / BACKGROUND

The Department of Transportation has been directed to accelerate the Major Update to the TIM Fee Program and the CIP (see September 17, 2019, Item 32). This is the fifth workshop to discuss policy items related to the implementation of the TIM Fee Program.

An El Dorado Countywide Housing and Employment Projections, 2018 - 2040 Memorandum (Memorandum) prepared by the County's consultant, BAE Urban Economics, Inc. (BAE) was presented to the Board on November 19, 2019 (Item 35). The Board approved the use of a 0.70% annual growth rate for residential growth and 0.67% annual growth rate for non-residential growth for the next twenty year period for the TIM Fee Major Update.

BAE has prepared the Sub-County growth allocations, with input from County staff and Kimley-Horn (Attachment A). The highlights of Attachment A are discussed below.

Growth Allocations

BAE summarized the 2010 to 2018 growth patterns documented in Attachment A, Appendix A in Table 3a. As shown in Table 3a, El Dorado Hills captured the vast majority (85.5 percent) of the West Slope's residential growth, and most (79.5 percent) of the West Slope's job growth occurred in the areas of the West Slope outside of Community Regions. The concentration of job growth outside of the Community Regions was counter-intuitive, until Kimley-Horn's examination of the 2010 to 2018

job growth revealed that 936 new jobs were created with the opening of the Red Hawk Casino, which lies just outside the Cameron Park and Shingle Springs Community Regions.

In preparing to allocate El Dorado's 2018 to 2040 employment and population growth to sub-areas within the West Slope, BAE considered these growth patterns as well as the existing concentrations of housing and jobs. Specifically, because the casino development was an anomaly, BAE adjusted Table 3a to remove the casino jobs and create a job growth pattern that may be considered more typical of the historic pattern in the unincorporated areas of El Dorado County's West Slope. The adjusted growth pattern is shown in Table 3b, and shows that after removing the casino jobs, a more typical 30.3 percent of the County's job growth between 2010 and 2018 occurred in the Balance of the West Slope areas, with the other 69.7 percent distributed across the Community Regions.

BAE also considered the existing 2018 distribution of housing units and jobs as also likely to be a strong indicator of how growth may proceed between 2018 and 2040, based on the logic that the relative concentrations of housing and jobs throughout the Community Regions and the Balance of the West Slope are indicative of locational characteristics that will tend to attract more new development to those locations that have historically been attractive for development.

The share of existing housing units and jobs located in each Community Region and the Balance of the West Slope as of 2018 is shown in Table 4, alongside the share of adjusted 2010 to 2018 growth in each of these areas. For jobs growth, BAE considered a third factor, which is the pattern of new residential growth. Job growth and housing growth tend to be closely linked, with new housing following growth in job opportunities, and jobs growing in areas with housing growth due to expanding consumer demand to support commercial activity and the accompanying jobs.

With the overall West Slope housing and job growth projections from Table 2 as the starting point, BAE then used the composite residential and jobs growth shares shown in Table 4 to make an initial sub-county allocation of housing and job growth for the years 2020, 2025, 2030, 2035, and 2040.

BAE cross-checked the initial sub-areas allocations against data regarding the remaining development capacity in each of the sub-areas. The cross-checking indicated that the Balance of the West Slope area would run out of capacity to accommodate its initial residential growth allocation based on the composite growth shares in the 2025 to 2030 time period. BAE then re-allocated the excess Balance of West Slope residential growth to the Community Regions in proportion to their anticipated growth as indicated by the composite residential growth shares. This process then resulted in El Dorado Hills running out of capacity to accommodate its increased residential growth allocation (i.e., initial growth allocation plus spillover from Balance of West Slope) in the 2035 to 2040 time period. BAE then allocated that secondary excess from El Dorado Hills into the Cameron Park (2/3 of excess) and Shingle Springs (1/3 of excess), based on the assumption that development demand that otherwise would have been captured in El Dorado Hills would likely spill over to the two nearest Community Regions and that Cameron Park would capture the greatest share because it is a more established community (i.e., larger), closer to El Dorado Hills, and closer to commuting destinations to the west. The results of these residential sub-area allocations and re-allocations are shown in the upper part of Table 5.

BAE followed a similar procedure in allocating the job growth using the composite growth shares calculated on Table 4 for jobs; however, BAE found that all of the projected job growth could be accommodated within the respective Community Regions and the Balance of the West Slope with no need to re-allocate job growth among areas. In each Community Region and in the Balance of the

West Slope, a cursory comparison between the job allocations and the available non-residential land in each respective Community Region and the Balance of West Slope indicated that there is adequate land in each area to accommodate the job allocations.

Table 5 also provides a breakout of the allocated residential unit growth to single-family and multifamily units. This breakout is based on the availability of land for single-family residential development versus multifamily residential development in each Community Region and the Balance of the West Slope, recognizing that El Dorado County generally has a limited supply of multifamily housing units relative to the total housing stock and demand will likely be strong for multifamily units as a more affordable alternative to detached single-family homes for-sale in the coming years.

Note: The Planning Commission will hear this item at its meeting on March 12, 2020. This Legistar file will be updated as necessary following that meeting..

Next Steps

Based on input from the Board and direction from County staff, BAE will finalize the West Slope growth allocations. These allocations will be used in the preparation of an updated Travel Demand Model for the TIM Fee and CIP major updates, and provide a basis for the 2016 - 2020 Five-year General Plan review and the 2021 - 2029 Housing Element Update.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

May 14, 2019 (Item 41) the Board directed staff to move forward with the major update to the TIM Fee Program.

September 17, 2019 (Item 32) the Board directed staff to expedite the 2020 Major TIM Fee update and provide public outreach by holding workshops at the Board.

October 8, 2019 (Item 26) the Board received Technical Memorandum 1A: Vehicle Miles Traveled Based Equivalent Dwelling Units Rates, Technical Memorandum 1B: Fee Rates by Size of Single-Family Unit, Technical Memorandum 1C: Age-Restricted Fee Category, and the proposed schedule for the Major Update to the TIM Fee Program and Capital Improvement Program (CIP).

October 22, 2019 (Item 21) the Board approved Agreement 4324 with DKS Associates in the amount of \$300,000 to provide staff assistance in developing the Major Update to the TIM Fee Program and CIP.

November 19, 2019 (Item 35) the Board approved the use of a 0.70% annual growth rate for residential growth and 0.67% annual growth rate for non-residential growth for the next twenty year period for the TIM Fee Major Update.

December 17, 2019 (Item 53) the Board gave direction to staff to continue to pursue the eight (8) TIM Fee zones and to explore a 20 year Benefit Cost Analysis.

February 11, 2020 (Item 23) the Board gave direction to staff to:

- 1) Set 10% as the level of Grant Funding for the non-residential offset that staff should assume in the TIM Fee Update;
- 2) Provide the Board an analysis of both the current percentage (62%) and the previous percentage (65%) as the basis for shifting non-residential equivalent dwelling units to residential uses;
- 3) Direct staff to review the employment data in conjunction with each future major update to the TIM Fee program;
- 4) Direct staff to analyze both the current methodology and the methodology to only shift retail /commercial and office uses; and

5) Return to the Board with historical numbers for the different non-residential categories of use for TIM Fees.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Planning and Building Department

CAO

Auditor Controller

County Counsel

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

There is no change to Net County Cost associated with this agenda item.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

TIM Fee funding is a major funding source for the CIP, which is a vital part of the Infrastructure component of the County Strategic Plan. Adequate infrastructure is necessary for the Economic Development component and is a requirement of the County General Plan. Safe roads are a crucial factor in the Public Safety component of the County Strategic Plan.

CONTACT

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