



Legislation Text

File #: 14-0522, **Version:** 1

Community Development Agency, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign Annexation Agreement AGMT 14-53907 with WRI Golden State, LLC to provide for the future annexation of the Prospector's Plaza expansion into the Missouri Flat Area Community Facilities District No. 2002-01.

Fiscal Impact/Change to Net County Cost

Execution and recording of this Agreement will provide additional Community Facilities District (CFD) bond financing capacity and security to supplement the funding, if required, for the Missouri Flat Master Circulation and Funding Plan (MC&FP) projects. Based on approximately 15,501 square feet of new retail space in the project, and a taxable sales target of \$220 per square foot, it is anticipated this development would generate approximately \$3,410,220 annually toward the CFD. This would finance approximately \$68,204,400 in a 20-year bond. There is no net cost to the County's General Fund.

Background

The Missouri Flat Master Circulation and Funding Plan was adopted by the Board of Supervisors on December 15, 1998, and updated in December 2000. The MC&FP was developed to provide a policy and action framework for El Dorado County to fund major improvements to the Highway 50/Missouri Flat Road Interchange and adjacent arterial and collector roads. Under the MC&FP, which was developed in a cooperative effort with major property owners and developers, funds for the roadway improvements would come from a combination of Traffic Impact Mitigation (TIM) Fees and the sales and property taxes generated from new development within the MC&FP area. The TIM fees would cover the development's share of the project costs, and the new tax revenues would pay the cost of the roadway projects associated with existing deficiencies.

The Missouri Flat Area CFD No. 2002-01 was formed on March 19, 2002, per resolution 074-2002. The CFD was formed to effectively capitalize the sales and property tax revenue generated by new development in the MC&FP Area. The CFD would then sell bonds; with the debt paid from the incremental tax revenue, but secured by the private properties (through the CFD special tax) should the incremental tax revenue not cover the debt payments. The Development Agreements entered into with the initial developers require the County to annex new retail developments to the CFD, although there is a provision to exempt small projects. Staff has developed the attached annexation decision tree to aide in conditioning projects so that the requirement is applied uniformly.

Reason for Recommendation

9,500 square feet of existing multi-tenant shop space was demolished to allow for construction of a new 25,001 square foot single tenant retail space; the net 15,501 new retail space located at the west side of Missouri Flat Road immediately north of the intersection with U.S. Highway 50, in the unincorporated area of Placerville in El Dorado County, was conditioned to join the CFD. This is being accomplished by entering into an agreement that binds the property owner to agree to be annexed to the CFD during the next annexation process. This pre-agreement to join the CFD provides the Department with the option of collectively processing annexations for all affected parcels

at one time, instead of processing them individually at more time and expense.

By signing this agreement the developer satisfies the Transportation Division condition of approval, to annex into the CFD, placed on the development during the discretionary review process.

Action to be taken following Board approval

1. The Clerk of the Board will obtain the Chair's signature and have notarized two (2) originals of Annexation Agreement # 14-53907 with WRI Golden State, LLC.
2. The Clerk of the Board will forward the Agreement for recording to the County Recorder's office no later than ten (10) days following execution of this Agreement by the County.
3. The Clerk of the Board will forward one (1) original of the executed and recorded Agreement to the CDA Administration and Finance Division for further processing.

Contact

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Concurrences

County Counsel