



Legislation Text

File #: 15-0048, **Version:** 5

Community Development Agency, Long Range Planning Division, recommending the Board authorize Master Circulation and Funding Plan (MC&FP) revenue for the completion of the MC&FP Phase II Study as originally directed by the Board on May 22, 2012 and as authorized on March 30, 2015. (Est. Time: 1 Hr.)

FUNDING: Missouri Flat Area Master Circulation and Funding Plan. (100% - Local)

DEPARTMENT RECOMMENDATION

Community Development Agency (CDA), Long Range Planning Division, recommends directing Missouri Flat Area Master Circulation and Funding Plan (MC&FP) revenue for the completion of the MC&FP Phase II Study (Phase II Study), as originally directed by the Board on May 22, 2012 (Item 43), and as authorized on March 30, 2015 (Item 2).

DISCUSSION / BACKGROUND

The Missouri Flat Area has historically experienced high levels of traffic congestion due to its central location and existing commercial development. Phase I of the MC&FP was established in 1998 to provide a funding mechanism, through a sales and property tax increment, to address existing road deficiencies within the Missouri Flat Road corridor. The ultimate goal of the MC&FP was to encourage economic development in the commercial area surrounding the Missouri Flat Road and U.S. Highway 50 Interchange (Project Area). MC&FP Phase I has been an effective program that enabled the development of +/- 500,000 square feet of retail businesses, through focused roadway infrastructure improvement, that generates approximately \$1,000,000 in sales tax per year. For a complete history of the MC&FP, refer to Attachment 3B.

The Board directed CDA staff to create an MC&FP Phase II based on the Board's objective to encourage economic development in the commercial area surrounding the Project Area, as well as to address ongoing concerns regarding estimated annual sales tax leakage and annual operating revenues.

On March 30, 2015 (Item 2), the County retained Economic and Planning Systems, Inc. (EPS), to conduct a retail market analysis as part of the Phase II Study, to determine the extent of additional demand for retail development in the Project Area, as well as to determine the necessary roadway infrastructure to support economic growth in the area. For the history leading up to the initiation of the contract with EPS, see Attachment 5A.

The work on the Phase II Study was put on hold after the passing of Measure E, which became effective July 29, 2016. The Board discussed options for the use of MC&FP funding on September 20, 2016 (Item 3). On December 6, 2016 (Item 46), the Board adopted the Major Capital Improvement Program which reflected the removal of MC&FP funding from both the Diamond Springs Parkway and the Phase II Study. The amount spent to date on the EPS contract for the Phase II Study is \$134,297, leaving \$315,703 in the existing contract budget.

In a more recent presentation held on January 24, 2017 (Item 30), by the Chief Administrative Office, CDA Transportation Division, and County Counsel, County Counsel informed the Board that Measure J, a previous voter initiative passed in November 2000, allows the Board the discretion to continue using MC&FP funding as previously designated. County Counsel informed the Board that under Measure J, the County could continue with the Phase II Study.

In order to proceed with the Phase II Study, the Board must reauthorize MC&FP funding or identify an alternate funding source.

ALTERNATIVES

If the Board determines not to use MC&FP funds to complete the Phase II Study, one of the following alternatives should be implemented:

- 1) Identify an alternate funding source for the completion of the Phase II Study;
- 2) Do not continue with the Phase II Study, but continue with required traffic analysis of the U.S. 50 Interchange at Missouri Flat Road and other high priority areas (i.e., Prospector's Plaza/Missouri Flat Road intersection) using MC&FP funds; or
- 3) Do not continue with the MC&FP Phase II, but continue with required traffic analysis of the U.S. 50 Interchange at Missouri Flat Road and other high priority areas (i.e., Prospector's Plaza/Missouri Flat Road intersection) using an alternate funding source.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

The following Departments/Agencies are involved:

- Community Development Agency
- Long Range Planning Division
- Transportation Division
- Development Services Division
- Administration & Finance Division
- Chief Administrative Office
- Economic Development
- Treasurer/Tax Collector
- Auditor-Controller's Office

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

There is no change to Net County Cost associated with this agenda item. Sufficient appropriations exist in the adopted Fiscal Year 2016/17 budget to proceed with the MC&FP Phase II Study as recommended.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Infrastructure and Economic Development - The Phase II Study will determine the extent of additional demand for retail development in the Project Area and the necessary roadway infrastructure to support economic growth.

CONTACT

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