



Legislation Text

File #: 19-0003, **Version:** 1

Planning and Building Department recommending the Board approve and authorize the Chair to sign the attached budget transfer form adjusting the budget for Fiscal Year 2018-19 in the amount of \$285,000 to accommodate projected expenditures for the peer review of Fiscal Impact Analyses and Public Facility Financing Plans associated with non-County Applicant-initiated projects submitted to the Planning and Building Department and allow the corresponding Project Applicant time and materials funding to be transferred to the Planning and Building Department index. (4/5 vote required)

FUNDING: Project Applicant Time and Materials Funding.

DISCUSSION / BACKGROUND

A Fiscal Impact Analysis (FIA) is prepared for development projects to estimate the ongoing revenues that would be generated by it and the ongoing costs that will be incurred in order to determine the fiscal impacts that will result to the County General Fund as a result of the project. The FIA includes a projection of property tax and sales tax revenues, transient occupancy taxes, property tax in-lieu of vehicle license fees, gas taxes, and other revenues that would result from new development within the Project. These revenues are compared to the total cost of providing police, fire, street maintenance, park maintenance, County administration, and other services that may be funded by the General Fund. To the extent service costs exceed estimated revenues, a mechanism should be proposed in the FIA to mitigate the projected deficit.

A Public Facilities Financing Plan (PFFP) for a project sets forth a proposed funding strategy for public infrastructure and community facilities that are needed to serve the project. Funding capacity from land-secured financing, such as Mello-Roos or assessment districts, are estimated and applied to assist in funding facilities in a timely manner. The PFFP also provides an estimate of the total infrastructure burden for each land use, and determines whether these burdens are viable based on the competitive marketplace and industry-standard tests of feasibility.

In November 2017, at the request of the Department, the Procurement and Contracts Division of the Chief Administrative Office issued a Request for Proposal (RFP) for on-call services for peer review or preparation of FIA and PFFP documents. On May 8, 2018, the Board approved Agreements to be awarded to three successful proposers, Goodwin Consulting Group, Willdan, and David Taussig & Associates, Inc., each in the amount of \$65,000 for a term of three years.

The item was inadvertently included in the FY 2018-19 budget in the amount of \$15,000, rather than \$195,000. In addition, the Department has subsequently realized that more FIA and PFFP peer reviews than anticipated will be needed in FY 2018-19, requiring a total of \$300,000 between the three Agreements. The approximate cost of a peer review for an FIA and PFFP is \$30,000. Budgeted appropriations for the Department need to be increased in Professional Services by \$285,000. This is offset by an increase in Miscellaneous Reimbursements in the amount of \$285,000. The additional funds will come from Project Applicant time and materials billings. No costs are to be incurred by the County.

ALTERNATIVES

The Board may elect not to approve the budget transfer as proposed. However, as staff does not have the capacity or expertise to perform the FIA and PFFP analyses or corresponding peer review, these studies would continue to be submitted by the Project Applicants, but would not undergo a professional peer review to ensure the adequacy of the analyses on the County's behalf.

PRIOR BOARD ACTION

On May 8, 2018, the Board approved the following:

- 1) Award RFP 18-918-018 for the provision of services for On-Call FIA and PFFP peer review and preparation to three successful proposers:
 - a) Goodwin Consulting Group, of Sacramento, California;
 - b) Willdan, of Oakland, California; and
 - c) David Taussig & Associates, Inc., of San Jose, California;
- 2) Authorize the Planning and Building Department to negotiate Agreements for Service with the three aforementioned businesses, each with a term of three years and a not-to-exceed amount of \$65,000; and
- 3) Authorize the Purchasing Agent to execute said Agreements, contingent upon County Counsel and Risk Management's review and approval, including minor revisions as required.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Auditor and CAO

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 item. The consultants will be paid by the County from monies paid to the County from the Project Applicants. No costs are to be incurred by the County.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will obtain the Chair's signature on the original budget transfer and will forward the budget transfer to the Auditor/Controller for processing.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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