



Legislation Text

File #: 20-0481, **Version:** 1

Planning and Building Department, Economic Development Division, recommending the Board select up to three opportunity areas identified in the Economic Development Opportunity Areas Market Assessment for further analysis.

FUNDING: Transient Occupancy Tax. (General Fund)

DISCUSSION / BACKGROUND

The Economic Development Element of the County's Strategic Plan includes efforts to bolster economic development activities in the County, including investing in infrastructure needs to improve and maintain competitiveness.

Accordingly, the Economic Development Division has contracted with Economic and Planning Systems, Inc. (EPS) to identify areas in the County that could accommodate future nonresidential development, determine the extent of market demand for nonresidential uses, and determine what barriers may preclude future development, including the need for additional infrastructure improvements and funding.

EPS evaluated six potential opportunity areas based on proximity to a major arterial, existing commercial development, and proximity to retail amenities. The six areas analyzed were:

1. El Dorado Hills (El Dorado Hills Business Park and adjacent parcels)
2. Cameron Park/Shingle Springs (Barnett Business Park and adjacent parcels)
3. Diamond Springs (parcels adjacent to the Missouri Flat project area and Park West Business Center)
4. Meyers
5. Cool
6. Camino

These six areas are further described in the memo included as Attachment A.

After further analysis, the six original opportunity areas were narrowed to the three areas identified below, and were then ranked based on the mapping criteria, findings from real estate broker interviews, and County staff input:

1. El Dorado Hills (El Dorado Hills Business Park and adjacent parcels)
2. Cameron Park/Shingle Springs (Barnett Business Park and adjacent parcels)
3. Diamond Springs (parcels adjacent to the Missouri Flat project area and Park West Business Center)

Staff is requesting the Board provide direction on whether to pursue further real estate market opportunity analysis to support targeted economic development efforts in one or more of the three identified opportunity areas. The market analysis will establish assumptions regarding nonresidential demand over the next 20 years, which will serve as inputs for potential future fiscal and financing plan analyses. Funding for the market analysis for up to three areas is included in the existing contract.

Depending on the results of the real estate market analysis, a Fiscal Impact Analysis (which evaluates the impact of future development on the County's operating budget), and a Financing Plan (which documents public infrastructure costs and funding sources) may be conducted for each selected project. These efforts would require additional funding and an amendment to the consultant agreement.

ALTERNATIVES

The Board could choose to direct staff to perform further analysis on one or more of the opportunity areas proposed to be eliminated from the study, or choose different areas for additional study.

PRIOR BOARD ACTION

On July 23, 2019 (Legistar Item No. 19-1012), the Board approved the Economic Development Work Plan and Project Prioritization Matrix for Fiscal Year (FY) 2019-20, which included an agreement with EPS to perform a Market Area Economic Impact Study.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office

FINANCIAL IMPACT

Funding in the amount of \$100,000 is included in the FY 2019-20 budget for the EPS Agreement for the Opportunity Areas Assessment and Market Analysis (Phase I) for up to three areas. \$25,000 is also included in the FY 2020-21 Budget request to complete Phase I. Funding in the amount of \$100,000 has also been requested in the FY 2020-21 budget for development of Fiscal Impact Analysis or a Public Facilities Financing Plan (Phase II), however, staff would need to return to the Board with an amendment to the scope of the current contract to complete Phase II. Additional funding may be needed should the Board decide to complete more than one Fiscal Impact Analysis or a Public Facilities Financing Plan.

CAO RECOMMENDATION

It is recommended that the Board provide direction on the three opportunity areas.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Economic Development - This project furthers the Strategic Plan goals of retaining, developing and attracting businesses that provide economic sustainability and quality job creation and investing in infrastructure needs to improve and maintain competitiveness.

CONTACT

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