



Legislation Text

File #: 21-1763, **Version:** 1

Department of Transportation recommending the Board approve the attached amendment to the Funding, Credit, and Reimbursement Agreement between West Valley, LLC and the County of El Dorado, amending payment terms to allow for quarterly rather than annual reimbursement payments.

FUNDING: Traffic Impact Fee Program (Silva Valley Set Aside).

DISCUSSION / BACKGROUND

The Department of Transportation (Transportation) and West Valley LLC (Developer), entered into a Funding, Credit, and Reimbursement Agreement, as approved by the Board of Supervisors on November 8, 2005 (Item 21). Under this agreement, the Developer advanced funding to construct portions of the Silva Valley Interchange project as conditioned by the West Valley residential development project. Those funds were advanced by the Developer, and the County constructed the interchange improvements. The reimbursement agreement stipulated that the Developer would be reimbursed certain costs for the project on an annual basis as Traffic Impact Fees accumulate in the Silva Valley Set Aside account. These funds are to be distributed annually, no later than March 1st of each year, based on available funding as of December 31st of the previous year, until full reimbursement has been made, per section 6 of the agreement.

Transportation takes no exception to advanced reimbursement, provided sufficient funds are reserved to complete the remaining elements of the project. As of October 1, 2021, there is approximately \$1,325,000 available for reimbursement to the Developer while retaining sufficient funds for remaining project requirements. The attached amendment will allow for quarterly reimbursement payments vs. annual payments.

For reference, the Developer is currently owed approximately \$3.5 million in reimbursement. If approved, this payment of \$1.325 million will reduce the remaining reimbursement to approximately \$2.175 million. The Silva Valley Set Aside accrued approximately \$1.8 million and \$2.1 million in fiscal years 2019-20 and 2020-21 respectively. Should current revenue levels remain stable, the full amount owed will be available by March 1, 2023.

ALTERNATIVES

Should the Board choose not to approve this item, a reimbursement will be made to the Developer, after December 31, 2021, but no later than March 1, 2022, as prescribed by the current reimbursement agreement.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel / CAO

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

Funds are limited to the Silva Valley Interchange Set Aside account and there is no financial impact as these funds were already budgeted to be dispersed in FY 2021-22. If the Board approved this action, funds will be released in November vs. January.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Infrastructure/Economic Development/Public Safety - Infrastructure improvements are a vital component in the County's ability to stimulate economic growth and provide safe roads for the residents of El Dorado County and the traveling public.

CONTACT

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