



## Legislation Text

---

**File #:** 22-1107, **Version:** 1

---

Department of Transportation recommending the Board approve and authorize the Chair to sign the Traffic Impact Fee Credit Transfer Agreement for the Silver Springs Development 21-54992 between the County, Silver Springs El Dorado County, Inc., and Silver Springs, LLC.

**FUNDING:** Developer Funded, Traffic Impact Fees.

**DISCUSSION / BACKGROUND**

on December 15, 1998, the Board approved the Tentative Map for the Silver Springs Development, TM 97-1330 Project (Project), as submitted by Silver Springs, LLC (Owner). The Project's Conditions of Approval made provisions for Owner to construct several improvements in the Capital Improvement Program (CIP), including CIP Project #66106: Green Valley Road / Silver Springs Parkway Intersection and Signalization; CIP Project #66114: Green Valley Road / Deer Valley Road Turn Lanes; and CIP Project #66107/76107: Silver Springs Parkway from Green Valley Road to the Southern Boundary of the Silver Springs Development. In addition, Owner elected to construct CIP Project #66108/76108: Silver Springs Parkway from the Southern Boundary of the Silver Springs Development to Existing Bass Lake Road.

These improvements were constructed under Road Improvement Agreements ("RIAs") #06-1111 and #12-53452 (see Prior Board Actions section below). Per the Conditions of Approval, the cost of constructing these improvements was eligible for reimbursement under the Traffic Impact Mitigation (TIM) Fee Program, which was later renamed the Traffic Impact Fee (TIF) Program.

On September 26, 2006 (Item 15, Legistar 12-1213 v1), the Board approved the Reimbursement Agreement for the Onsite and Offsite Road Improvements for the Silver Springs Development, Agreement #07-1468 (Reimbursement Agreement), which outlined the terms and conditions under which Owner would be reimbursed for the construction of said CIP Project improvements. Under Section 1.03(A) of the Reimbursement Agreement, the Owner was allowed the option to utilize TIM Fee credits as a component of the reimbursements allowed for CIP Projects #66107/76107 and #66108/76108. Fee credits were to be applicable to the TIM Fee local component only, and the Owner would be obligated to pay the Highway 50 portion of the TIM Fee at the time of issuance of each building permit.

Subsequent to the execution of the Reimbursement Agreement, the original Owner (hereinafter referred to as Prior Owner) sold Unit 1 of the Project to Silver Springs El Dorado County, Inc. (New Owner). New Owner continued to construct the various improvements required on the Project, and has paid the full TIM Fee or TIF due on each building permit issued after the ownership transfer. Prior Owner desires to transfer the available fee credits to New Owner. Per the Reimbursement Agreement, Prior Owner may not assign its rights or obligations hereunder without the prior written consent of the County.

To that end, the Department of Transportation (Transportation) and County Counsel have worked with both Prior Owner and New Owner to draft the proposed Traffic Impact Fee Credit Transfer

Agreement for the Silver Springs Development, Agreement #21-54992 (Credit Transfer Agreement). Under the terms of the Credit Transfer Agreement, Prior Owner relinquishes their rights to claim fee credits for Unit 1 of the Project once transferred to New Owner. New Owner will be eligible to claim the available fee credits in the form of two reimbursement payments:

- After approval of the Credit Transfer Agreement, New Owner shall be eligible for reimbursement of any fee credits applicable to building permits already issued as a single reimbursement payment.
- Upon issuance of the final building permit on the Project, New Owner shall be eligible for a second reimbursement payment of any fee credits applicable to building permits issued after the initial reimbursement.

Transportation will review accounting reports submitted by New Owner to confirm that the fee credits requested are allowable and the reimbursement amounts are accurate. The combined total of the two reimbursement payments shall not exceed \$1,269,820.67, as calculated in Section 3 of the Credit Transfer Agreement.

This Credit Transfer Agreement only applies to Unit 1 of the Project. Prior Owner still owns Unit 2, Unit 3, and Unit 4 of the same project. Should any additional unit(s) be sold to New Owner or any other party, a separate Credit Transfer Agreement will be required before any fee credits, or reimbursement eligibility may be transferred.

## **ALTERNATIVES**

The Board may choose not to approve this Credit Transfer Agreement, in which case the New Owner would not be eligible to receive fee credits or reimbursement payments for TIF paid on this Project.

## **PRIOR BOARD ACTION**

On October 31, 2006 (Item 15, Legistar 06-1717), the Board approved RIA #06-1111 for the Green Valley Road/Silver Springs Parkway intersection and Green Valley Road/Deer Valley Road intersection public road improvements (CIP Projects #66106 and #66114). On July 17, 2007 (Item 20, Legistar 07-1126), the Board approved the First Amendment to the RIA. On September 26, 2006 (Item 15, Legistar 12-1213 v1), the Board approved the Second Amendment to the RIA. The Board accepted the improvements as complete on August 26, 2014 (Item 17, Legistar 12-1282 v3).

On September 26, 2006 (Item 15, Legistar 12-1213 v1), the Board approved RIA #12-53452 for the Silver Springs Parkway Off-site Phase 2 project (CIP Project #66108/76108). The project was later transferred to the County via Assignment and Assumption Agreement #4533, as approved by the Board on March 17, 2020 (Item 14, Legistar #19-1832), as was required by the Reimbursement Agreement.

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel

Chief Administrative Office, Community Development Finance & Administration Division

## **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

## **FINANCIAL IMPACT**

There is no fiscal impact or change to Net County Cost associated with this Board action.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will obtain the Chair's signature on the three (3) originals of the Traffic Impact Fee Credit Transfer Agreement.
- 2) The Clerk of the Board will return two (2) signed original Agreements to Department of Transportation, attention Lindsay Tallman, for further processing.

**STRATEGIC PLAN COMPONENT**

Infrastructure

**CONTACT**

Rafael Martinez, Director  
Department of Transportation