

**MISSOURI FLAT
MASTER CIRCULATION &
FINANCING PLAN PHASE II:
PUBLIC MEETING
FEBRUARY 20, 2020**

Project Background,
Environmental Documentation,
Fiscal Impact Analysis,
Draft Financing Strategy, and
Cash Flow Analysis



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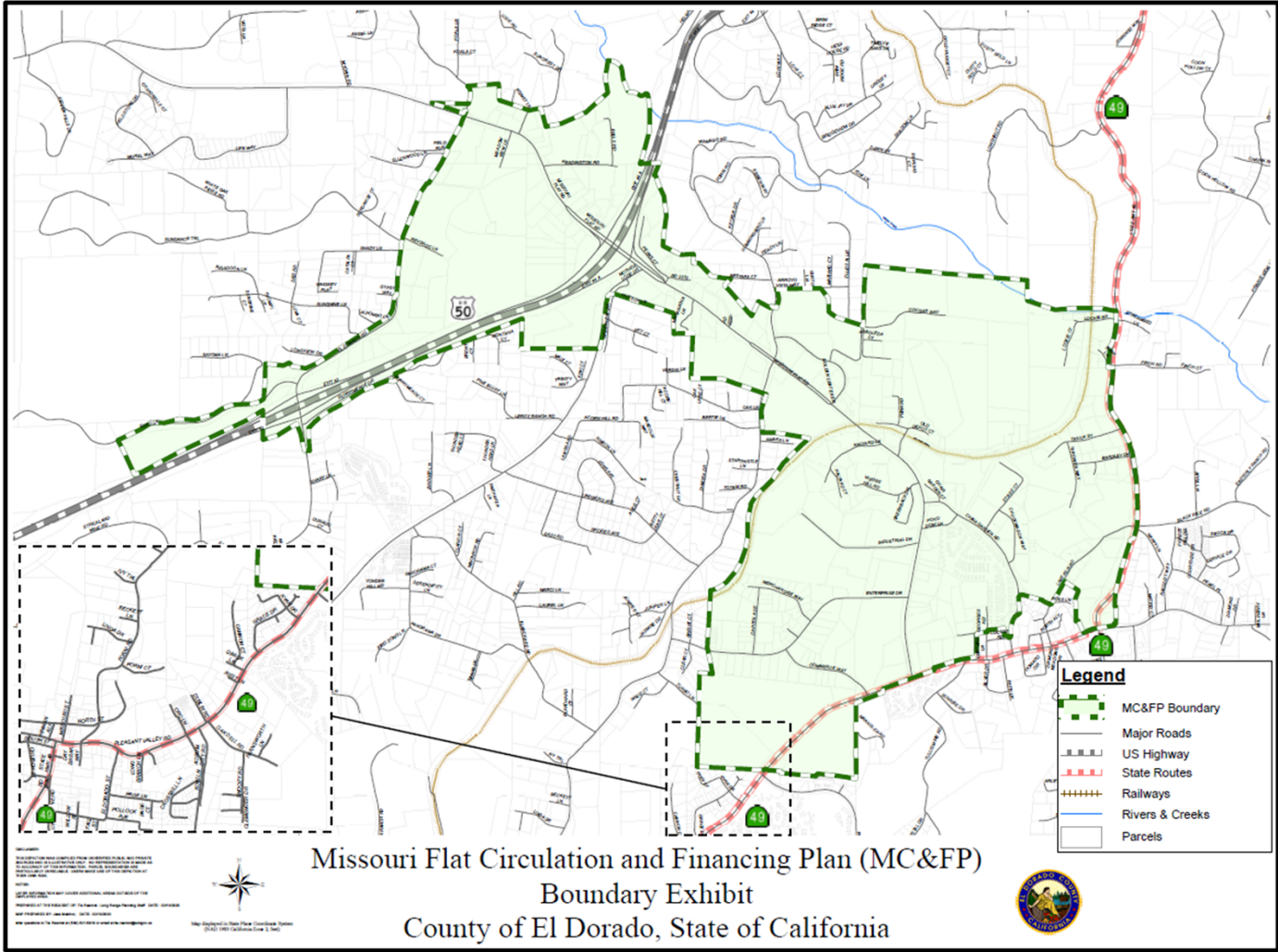
PRESENTATION OVERVIEW

- Phase I Overview (County)
- Phase II Overview (EPS)
- Environmental Documentation (Ascent)
- Fiscal Impact Analysis (EPS)
- Financing Strategy (EPS)
- Next Steps (EPS)

PHASE I PROJECT OVERVIEW

BACKGROUND

- In the late 1990's, County was processing applications for new retail in Missouri Flat corridor: Walmart, El Dorado Villages (Safeway center) & Sundance Plaza (now Crossings, not yet constructed)
- Due to existing traffic congestion, road capacity was insufficient to meet Level of Service (LOS) standards; County unable to approve new commercial
- County adopted urgency ordinances limiting new commercial development in the area for two years between April 16, 1996 and April 15, 1998 (Ordinance Nos: 4417, 4420, & 4446)
- MC&FP created to provide funding mechanisms to address existing road deficiencies within corridor & facilitate new commercial



PHASE I PROJECT OVERVIEW

PHASE 1 GOALS AND OBJECTIVES

- In approving Phase I of the MC&FP, the Board acted upon the following goals and objectives:
 - Alleviate existing traffic congestion
 - Establish a vital commercial center in El Dorado County
 - Improve the County’s fiscal well-being
 - Establish the framework for revenue collection that will fund specific improvements identified in the Missouri Flat area
 - Allow for discretionary approvals of commercial development in the Missouri Flat area

PHASE I PROJECT OVERVIEW

PHASED APPROACH

- MC&FP was developed anticipating two phases of development; because of Measure Y (approved Nov. 3, 1998), only Phase I of MC&FP approved (Dec. 15, 1998)
- Phase I anticipated transportation improvements to address existing LOS deficiencies and allow for approximately 732,278 square feet of additional commercial development
- Phase II to determine funding for the improvements that were recognized but stricken from MC&FP Study (i.e. SPUI & Headington Road)
- Phase II allowed for an additional 767,722 square feet, for a total of 1,500,000 square feet with both Phases

PHASE I PROJECT OVERVIEW

PHASE I FUNDING SOURCES

- The MC&FP planned to use a range of funding sources for needed transportation improvements, including:
 - Private Financing (developer constructed facilities)
 - Traffic Impact Mitigation (TIM) Fees
 - MC&FP incremental sales and property taxes (85% of new property and sales tax), approved in 1998 (estimated implementation in 2001)
 - Mello–Roos Communities Facility District (CFD) established in 2002; however, no special tax has been levied and no bonding incurred
 - State and federal transportation grants; County received substantial state funding for interchange improvements

PHASE II PROJECT OVERVIEW

- In 2014, the County BOS approved the EPS-led consulting team's (EPS Team) technical analysis scope of work, which included the following analyses:
 - retail market and initial financial feasibility analysis;
 - traffic analysis, determination of required infrastructure, and cost estimates;
 - California Environmental Quality Act (CEQA) review;
 - a fiscal impact analysis; and
 - a public facilities financing plan (Financing Plan).
- Scope of work also included public outreach to key stakeholder groups and study sessions with the BOS.
- The EPS Team's contract was extended in 2018, following a lengthy hiatus, primarily stemming from the County's priority to adopt an updated Traffic Impact Mitigation (TIM) Fee and the passage of voter initiative, Measure E.

PHASE II PROJECT OVERVIEW

SUMMARY OF ANALYSES PREPARED TO DATE

Analysis	Date Prepared
Retail Market and Initial Feasibility Analysis Memorandum	October 2015
Traffic Analysis Locations, Methodology & Assumptions Memorandum	April 2016
Existing Traffic Analysis Results and Findings for the MC&FP Phase II Study Area Memorandum	May 2016 (Revised August 2018)
Missouri Flat Road Interchange Capacity Threshold Phasing Analysis and Alternative Screening Evaluation Memorandum	January 2018
Draft Fiscal Impact Analysis Technical Analysis Table Set	May 2018
Future Traffic Analysis Results Memorandum	June 2018
MC&FP Screencheck Checklist Memorandum	July 2019
Fiscal Impact Analysis Memorandum	September 2019
Draft Public Facilities Financing Plan	January 2020

PHASE II PROJECT OVERVIEW

SUMMARY OF PUBLIC MEETINGS TO DATE

Public Meeting	Date
El Dorado County Board Study Session: Retail Market Study	December 2015
Mini Workshops: Project Introduction	August 2017
Mini Workshops: Traffic Analysis/Alternative Screening Evaluation	November 2017
Public Workshop: Traffic Analysis/Alternative Screening Evaluation	November 2017
El Dorado County Board Study Session: Traffic Analysis/Alt. Screening Evaluation	February 2018
El Dorado County Board Study Session: Fiscal Impact Analysis and Environmental Findings	November 2019
El Dorado County Board Study Session: Financing Strategy and Cash Flow Analysis	February 2020
Mini Workshops: Fiscal Impact Analysis, Env. Findings, and Financing Strategy	February 2020
Public Workshop: Fiscal Impact Analysis, Env. Findings, and Financing Strategy	February 2020

MISSOURI FLAT APPROVED AND PROPOSED LAND USES

SUMMARY OF RETAIL PROJECTS IN MISSOURI FLAT PROJECT AREA

- Constructed Retail Projects (as of Dec. 2019) – Approx. 331,000 sq. ft.
- Approved Retail Projects (527,000 sq. ft.):
 - The Crossings at El Dorado (Sundance) Phase 1 – 120,000 sq. ft.
 - The Crossings at El Dorado (Sundance) Remaining Phases – 376,000 sq. ft.
 - Creekside Plaza – 30,560 sq. ft.
- Other Proposed Retail Projects (242,000 sq. ft.):
 - Diamond Dorado Retail – 241, 515 sq. ft. (conceptually approved on 9/11/12, an approval of the final PD is needed for project)
 - El Mirage Plaza – in process (sq. ft. TBD)
- The Sheriff Safety Facility and the El Dorado Community Health Center are not included as they are **not** Commercial Projects.

MISSOURI FLAT APPROVED AND PROPOSED LAND USES

REMAINING PHASE I CAPACITY IN MISSOURI FLAT PROJECT AREA

Item	MC&FP Phase I (Building Sq. Ft.)	
	Existing/Planned Development <i>(Retail Only)</i>	Remaining Phase I Capacity <i>(732,278 sq. ft. Limit)</i>
Total Existing MC&FP Phase I Development	330,871	401,407
Total MC&FP Existing + Approved Development	857,693	(125,415)
Total MC&FP Existing + All Planned Development	1,099,208	(366,930)

MISSOURI FLAT PROJECTED LAND USES THROUGH 2040

SUMMARY OF CUMULATIVE EXISTING AND PROJECTED MISSOURI FLAT LAND USES ABSORBED THROUGH 2040

Item	Existing	Land Use Projections		
	Land Uses 2017	2020	2035	2040
Residential Uses				
		Units		
Single-Family	257	258	263	265
Multifamily	217	237	366	423
Total Residential	474	495	628	687
Nonresidential Uses [2]				
		Building Square Feet		
Retail	766,980	808,114	1,049,335	1,144,796
Office [3]	161,708	168,872	209,746	225,461
Industrial	1,411,480	1,424,867	1,493,731	1,517,418
Total Nonresidential	2,340,168	2,401,853	2,752,812	2,887,675

Source: El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

MISSOURI FLAT PROJECTED LAND USES THROUGH 2040

SUMMARY OF INCREMENTAL, NEW PROJECTED MISSOURI FLAT LAND USES ABSORBED THROUGH 2040

Land Use	New Dwelling Units/Building Square Feet		
	Through 2020	2021-2030	2031-2040
Residential Land Uses	<i>Dwelling Units</i>		
Owner Occupied Residential	1	4	8
Renter Occupied Residential	20	100	206
Total All Residential	21	104	214
Nonresidential Land Uses	<i>Building Square Feet</i>		
Retail	41,000	195,000	378,000
Office	7,000	33,000	63,000
Industrial	13,000	59,000	106,000
Total Nonresidential Land Uses (Rounded)	61,000	287,000	547,000

Source: El Dorado County Assessor Data, Dated April 2, 2018; El Dorado County General Plan projections, amended June 2015, El Dorado County; Kittelson Associates, Inc.; EPS.

PHASE II ENVIRONMENTAL DOCUMENTATION

CALIFORNIA ENVIRONMENTAL QUALITY ACT BACKGROUND

- 1998 MC&FP Environmental Impact Report (EIR) analyzed
 - MC&FP Area (Program-level CEQA analysis)
 - Sundance Plaza (Project-level CEQA analysis)
 - El Dorado Villages Shopping Center (Project-level CEQA analysis)
- EIR included mitigation measures for significant impacts
- The Crossings at El Dorado (formerly Sundance Plaza) and El Dorado Villages Shopping Center projects approved
- Programmatic EIR serves as “first-tier” EIR for MC&FP

PHASE II ENVIRONMENTAL DOCUMENTATION

PHASE II CEQA DOCUMENTATION

- Phase II CEQA Documentation analyzes changes to the MC&FP Project
 - Updated buildout estimates and study period to 2040
 - Revised transportation improvement projects
- Phase II CEQA addresses additional changes
 - Change to existing conditions
 - CEQA Guidelines changes
- CEQA Environmental Checklist
 - Checklist addresses 17 topic areas
 - Identifies and explains 1998 EIR analysis and significance conclusions
 - Addresses CEQA topics added since 1998
 - Updates CEQA significance conclusions
 - Identifies topics requiring additional analysis

PHASE II ENVIRONMENTAL DOCUMENTATION

PHASE II CEQA DOCUMENTATION CONCLUSIONS AND NEXT STEPS

- It was determined that Phase II would result in the same or similar CEQA conclusions as identified in the certified EIR
- Updated traffic analysis concluded that the Phase II transportation improvements would improve operations at the 8 intersections projected to operate at unacceptable levels (level of service F) by 2040 without improvements
- CEQA Addendum to the MC&FP EIR under preparation
- Complete CEQA documentation
 - CEQA Addendum completion estimated by Spring 2020

PHASE II FISCAL IMPACT ANALYSIS

The Fiscal Impact Analysis estimates the overall fiscal impacts to the County's General Fund and Road Fund, based on projected new development in the Project through 2040.

ANALYSIS OBJECTIVES

1. Determine whether the Project will generate adequate revenues to meet the cost of providing new development with County municipal services (e.g., general government, public protection).
2. Quantify the net fiscal impacts to the County's General Fund net of a maximum percentage of property tax and sales tax revenues generated by retail/commercial uses. These revenues may be used to help fund requisite capital improvements to support new development.

PHASE II FISCAL IMPACT ANALYSIS

ESTIMATED ANNUAL NET FISCAL IMPACTS (2017\$)

Item	Annual Net Fiscal Impacts (2017\$)		
	Through 2020	2021-2030	2031-2040
County General Fund			
Annual Revenues	\$209,000	\$994,000	\$1,939,000
Annual Expenditures	\$70,000	\$345,000	\$683,000
Annual County General Fund Surplus/(Deficit)	\$139,000	\$649,000	\$1,256,000
County Road Fund			
Annual Revenues	\$11,000	\$53,000	\$104,000
Annual Expenditures	\$9,000	\$46,000	\$90,000
Annual County Road Fund Surplus/(Deficit)	\$2,000	\$7,000	\$14,000

FISCAL IMPACT ANALYSIS

ESTIMATED DETAILED ANNUAL NET FISCAL IMPACTS (2017\$)

Item	Annual Net Fiscal Impacts (2017\$)		
	Through 2020	2021-2030	2031-2040
County Annual General Fund Revenues			
Property Tax	\$39,000	\$188,000	\$370,000
Property Tax in Lieu of VLF	\$12,000	\$57,000	\$113,000
Property Transfer Tax	\$1,000	\$5,000	\$10,000
Sales and Use Tax	\$103,000	\$488,000	\$947,000
Prop. 172 Public Safety Sales Tax	\$48,000	\$226,000	\$439,000
Licenses, Permits & Franchises	\$1,000	\$6,000	\$12,000
Fines, Forfeitures, & Penalties	\$0	\$1,000	\$2,000
Charges for Services	\$5,000	\$23,000	\$46,000
Total County Annual General Fund Revenues	\$209,000	\$994,000	\$1,939,000
County Annual General Fund Expenditures			
General Government	\$21,000	\$99,000	\$196,000
Public Protection (Serving Countywide Res/Emp)	\$31,000	\$150,000	\$296,000
Public Protection (Serving Countywide Residents)	\$1,000	\$7,000	\$14,000
Public Protection (Sheriff Patrol - Unincorp. Only)	\$15,000	\$71,000	\$139,000
Health and Sanitation	\$0	\$0	\$0
Public Assistance	\$1,000	\$6,000	\$12,000
Education	\$0	\$2,000	\$4,000
Subtotal County Annual General Fund Expenditures	\$69,000	\$335,000	\$661,000
Annual Non-Departmental Expenditures			
General Fund Contingency	\$1,000	\$7,000	\$15,000
Human Services - Area Agency on Aging Problems	\$0	\$2,000	\$5,000
El Dorado Water & Power Authority (EDWPA)	\$0	\$1,000	\$2,000
Road Fund (General Fund Contribution)	\$0	\$0	\$0
Subtotal Annual Non-Departmental Expenditures	\$1,000	\$10,000	\$22,000
Total Annual County General Fund Expenditures	\$70,000	\$345,000	\$683,000
Annual County General Fund Surplus/(Deficit)	\$139,000	\$649,000	\$1,256,000

FISCAL IMPACT ANALYSIS

ESTIMATED NET FISCAL IMPACTS INCL. MAX ALLOCATION TO MC&FP FUND (2017\$)

Item	Annual Net Fiscal Impacts (2017\$)		
	Through 2020	2021-2030	2031-2040
County General Fund			
Annual Revenues	\$209,000	\$994,000	\$1,939,000
Annual Expenditures	\$70,000	\$345,000	\$683,000
Annual County General Fund Surplus/(Deficit)	\$139,000	\$649,000	\$1,256,000
County General Fund Revenues Alloc. to MC&FP Fund [3]			
Annual Property Tax	\$27,000	\$125,000	\$240,000
Annual Sales Tax	\$102,000	\$481,000	\$933,000
Total Property and Sales Tax Revenues	\$129,000	\$606,000	\$1,173,000
Max. Percentage Allocated to MC&FP	100%	100%	100%
Revenues Used for MC&FP	\$129,000	\$606,000	\$1,173,000
Annual County General Fund Surplus/(Deficit) Incl. Revenues Used for MC&FP	\$10,000	\$43,000	\$83,000

PHASE II PROPOSED IMPROVEMENTS

SUMMARY OF PROPOSED ROADWAYS AND ESTIMATED COSTS

Item	Total Cost [1]
Roadway Improvements	
1 U.S. 50/Missouri Flat Road Interchange - Phase 1C [2]	\$345,000
2 U.S. 50/Missouri Flat Road Interchange - Phase 1B.2 [2]	\$3,000
3 Missouri Flat Road/Industrial Drive Intersection [3]	\$2,195,000
4 Missouri Flat Road/Enterprise Drive Intersection [3]	\$2,812,000
5 Diamond Springs Parkway Phase IA [2]	\$10,554,000
6 Diamond Springs Parkway Phase IB [2]	\$23,605,000
7 SR-49/Forni Road	\$3,500,000
8 SR-49/Pleasant Valley Road	\$700,000
9 U.S. 50/Missouri Flat Road Interchange (Ultimate Solution)	\$17,515,000
10 U.S. 50/El Dorado Road Interchange Phase 1 [2]	\$5,491,000
11 U.S. 50/El Dorado Road Interchange Phase 2	\$11,555,000
12 Headington Road Extension/Missouri Flat Widening [2] [3]	\$6,254,000
Total Roadway Improvements	\$84,529,000

Source: El Dorado County; Quincy; Kittelson & Associates, Inc.; EPS.

[1] Excludes administrative costs and consultant expenses.

[2] Originally in Phase 1 and moved to Phase 2 because they either were not begun or not completed during Phase I.

[3] Includes signalization improvements.

PHASE II PROPOSED FINANCING STRATEGY

SUMMARY OF FUNDING SOURCES

Funding Source	Funding Amount	% of Total
County TIM Fee	\$28.3 Million	33%
County, State, and Federal	\$18.1 Million	21%
Other Identified Sources	\$3.9 Million	5%
MC&FP Project Funding	\$34.2 Million	40%
Total	\$84.5 Million	100%

Source: El Dorado County; Quincy; Kittelson & Associates, Inc.; EPS.

PHASE II PROPOSED FINANCING STRATEGY

DETAILED SOURCES AND USES AT BUILDOUT (2040)

Item	Total Cost	Funding Sources				Total
		MC&FP Project Funding [1]	County TIM Fee	County, State, and Federal [2]	Other [3]	
Roadway Improvements						
U.S. 50/Missouri Flat Road Interchange - Phase 1C [4]	\$345,000	\$345,000	-	-	-	\$345,000
U.S. 50/Missouri Flat Road Interchange - Phase 1B.2 [4]	\$3,000	\$2,000	-	\$1,000	-	\$3,000
Missouri Flat Road/Industrial Drive Intersection [5]	\$2,195,000	\$1,000,000	-	\$1,195,000	-	\$2,195,000
Missouri Flat Road/Enterprise Drive Intersection [5]	\$2,812,000	\$1,000,000	\$317,000	\$1,495,000	-	\$2,812,000
Diamond Springs Parkway Phase IA [4]	\$10,554,000	\$300,000	-	\$10,161,000	\$93,000	\$10,554,000
Diamond Springs Parkway Phase IB [4]	\$23,605,000	\$7,796,000	\$6,789,000	\$5,219,000	\$3,800,000	\$23,604,000
SR-49/Forni Road	\$3,500,000	\$3,500,000	-	-	-	\$3,500,000
SR-49/Pleasant Valley Road	\$700,000	\$700,000	-	-	-	\$700,000
U.S. 50/Missouri Flat Road Interchange (Ultimate Solution)	\$17,515,000	\$17,515,000	-	-	-	\$17,515,000
U.S. 50/EI Dorado Road Interchange Phase 1 [4]	\$5,491,000	-	\$5,491,000	-	-	\$5,491,000
U.S. 50/EI Dorado Road Interchange Phase 2	\$11,555,000	-	\$11,555,000	-	-	\$11,555,000
Headington Road Extension/Missouri Flat Widening [4] [5]	\$6,254,000	\$2,070,000	\$4,184,000	-	-	\$6,254,000
Total Roadway Improvements	\$84,529,000	\$34,228,000	\$28,338,000	\$18,071,000	\$3,893,000	\$84,529,000

Source: El Dorado County; Quincy; Kittelson & Associates, Inc.; EPS.

[1] MC&FP funding sources may include: property and sales tax increment from existing development, sales tax increment from new development, current fund balance, one or more bond issuances, possible private capital, state/local/federal funding, and other sources.

See Appendix A for detailed cashflow analysis.

[2] Currently projected funding is from County General Fund, County Road Fund, and local tribes.

[3] Currently projected funding is from utility agencies (PG&E, AT&T and Comcast).

[4] Originally in Phase 1 and moved to Phase 2 because they either were not begun or not completed during Phase I.

[5] Includes signalization improvements.

PHASE II CASH FLOW SUMMARY

SUMMARY OF MC&FP PHASE II COSTS AND FUNDING

Item	Alternative 1: Continuation of MC&FP Phase 1 [1]		Alternative 2: Minimum MC&FP Fund Surplus [1]	
	2019 \$	Inflated \$	2019 \$	Inflated \$
MC&FP Funded Costs				
Infrastructure	\$34,228,000	\$46,760,000	\$34,228,000	\$46,760,000
County Administration	\$172,000	\$242,000	\$172,000	\$242,000
MC&FP Phase II Administration	\$268,000	\$276,000	\$268,000	\$276,000
Consultant Expense	\$125,000	\$129,000	\$125,000	\$129,000
Subtotal	\$34,793,000	\$47,407,000	\$34,793,000	\$47,407,000
MC&FP Funding Sources				
Existing Fund Balance	\$7,290,000	\$7,290,000	\$7,290,000	\$7,290,000
Annual Property Tax Increment	\$1,941,000	\$2,431,000	\$1,751,000	\$2,153,000
Annual Sales Tax	\$30,556,000	\$44,255,000	\$26,896,000	\$37,822,000
Interest Earnings	N/A	\$307,000	N/A	\$243,000
Other	N/A	\$88,000	N/A	\$88,000
Subtotal	\$39,787,000	\$54,371,000	\$35,937,000	\$47,596,000
Surplus/Deficit	\$4,994,000	\$6,964,000	\$1,144,000	\$189,000

Source: El Dorado County; Quincy; Kittelson & Associates, Inc.; EPS.

[1] Represents a summation of the cash flow analysis from 2020-2040 in 2019 and inflated dollars.

PHASE II FEASIBILITY ANALYSIS

SUMMARY OF FINANCIAL FEASIBILITY METRICS

Feasibility Method	Feasibility Finding
Total Infrastructure Cost Burden of Major Infrastructure	Feasible
Total Taxes and Assessments as a Percentage of Sales Price	Feasible

Note: This Financing Plan does not propose any new infrastructure fees and special taxes or assessments to fund Project improvements. This information serves to document the existing infrastructure burden (i.e., existing fees imposed on new development) and the existing tax and assessment burden (i.e., annual ad valorem and special taxes and assessments levied on existing and new development) in the event a new financing mechanism is necessary to supplement the proposed financing strategy outlined in this report.

NEXT STEPS

PROJECT SCHEDULE AND DELIVERABLES

