

Missouri Flat Master Circulation & Financing Plan (MC&FP) Phase II  
Focus Group Notes  
February 20, 2020  
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Sign-in sheet showed 15 attendees; approximately 18 people were in attendance. Two El Dorado County (County) Board Supervisors were present for a portion of the meeting (District One John Hidahl and District Three Brian Veerkamp). The following are key points of discussion during the meeting.

1. Resident participant was concerned about access in the Missouri Flat (Project) area during peak travel times, including driveway ingress and egress. There is some frustration that there does not seem to be improvement over the last several years. Further development should be reconsidered until current and proposed projects have alleviated impacts.
2. A community facilities district (CFD) was established in 2002 for the Project area, although, to date, no bonds have been issued and no special taxes have been levied on property owners. There were mixed opinions on whether a bond sale should be pursued. County staff informed the group that they are coordinating with County Counsel and the Auditor to determine the administrative steps necessary to issue a bond through the existing CFD. There was interest in what other type of funding has been applied to completed projects. Staff and the Project Consultant answered that other funding has been primarily County Traffic Impact Mitigation (TIM) Fee revenue and State Transportation Improvement Plan (STIP) grant funding.
3. There was recognition that the pace of development has not been what was originally envisioned. Phase I was to go through 2025 but will likely be further out. Phase II was initiated in 2013 to streamline approval of additional transportation improvements.
4. Historical background was provided: one participant indicated that the Project originated in 1998 as a funding plan and the passage of Measure Y split the project into two phases. The opinion of the participant was that these were political decisions accomplished through initiatives and ballot measures.
5. An opinion was expressed that there were existing conditions and impacts that should be paid for by existing residents. There was further recognition that Phase I and Phase II improvements were both included in the existing CEQA document, with a recognition that a portion of Phase I impacts were attributable to existing development.
6. Some participants favored moving forward, that existing conditions are not as important as preparing the project area to attract new residents and new commercial development. The project should focus on issues currently facing the Missouri Flat project area. Staff and the Project Consultant indicated that Phase I improvements to

address existing conditions are still ongoing and Phase II improvements will address the impacts of future Phase II development only.

7. Opinion expressed that Measure Y & E should require new development in Phase II to pay its way, as opposed to using tax increment to partially fund existing deficiencies as was done in Phase I. An additional measure could move forward at Board's discretion for new projects. Policy decisions will have to be made by current or future Board of Supervisors. Opinion was also expressed that a countywide vote may be required to use existing structure of 85% of property and sales tax revenues. County staff indicated that Counsel had made a determination that the County was within its legal right to continue the existing tax increment mechanism for Phase II.
8. The Project Consultant explained that even at 100% diversion of funds that it would "not harm" the county – diversion would not create a deficit for the general fund. These assumptions were reviewed by other county departments and the CAO's office. The assumptions followed county's fiscal impact guidelines by Goodwin consulting and were intensely scrutinized. The analysis as presented erred on the side of using conservative assumptions.
9. Questions arose as to whether numbers presented were consistent with previous documents. Staff and the Project Consultant explained that numbers reflect new proposed projects from today and are in addition to previous projects (unfinished Phase I projects and Phase II projects). Staff and the Project Consultant indicated that the full financing plan (dated January 2020) is available on-line with BOS packets for review.

Some participants favored a separation between Phase I and Phase II projects. Remaining capacity in Phase I and remaining Phase I improvements to be constructed should be distinguished from Phase II development and requisite improvements. Staff and the Project Consultant have presented Phase I and Phase II in combination as a method for conveying remaining development and improvements from this point in time through the projected end of Phase II (2040). Phase I projects will continue to have construction priority.

10. There was further discussion to look at remaining Phase I improvements separately from proposed Phase II improvements even with overlap in the CIPs. If not, the project is not addressing the issue of existing Phase I impacts. The Project Consultant explained that Phase II projects will not commence until remaining development capacity in Phase I occurs and required Phase I improvements are constructed.
11. Questions arose concerning existing contracts and development agreements (20-year agreements) that addressed Phase I improvements only. It was postulated that Phase II is not included in those agreements. It was discussed that there was an obligation to pay special taxes if bonds are issued, but most of these agreements are now expired. County staff is working with County Counsel to make a determination.

12. Some participants expressed frustration that this is going to have no immediate impact and no near-term projects to alleviate current traffic impacts.
13. There was much discussion of the interchange at Missouri Flat. Staff/consultant reminded participants that the Board considered several options but chose what is presented today. Project has had some review by BOS, but could change at the discretion of the Board. Action has been taken on the previous alternatives analysis.
14. There was continued discussion of the project list. Questions arose on the appropriateness of including Diamond Springs Parkway as the project should have been done by the developer. Headington Road is in TIM Fee program. If not built to County standards, not eligible for this program or TIM fee program.
15. Questions of County Staff and the Project Consultant as to why four of the projects do include admin and consultant fees, but not all? The Project Consultant indicated that all consulting and administrative costs are included in the cash flow analysis that evaluates revenues and expenditures related to the Project Fund.
16. Staff and the Project Consultant reminded participants that the analysis is proposing to fund Phase II similar to Phase I (without bonds). One-third of project costs will be funded through the TIM Fee; about 20% of costs will be from other County funding sources (County General and Road Fund revenue and tribal contributions); about 5% of costs will be funded through other identified sources (Utilities revenue); and 40% of costs will be derived through project-based funding.
17. The group discussed whether the future reconstruction of the Target complex would result in additional revenue for future impacts should the project substantially increase sales volume. County staff will work with County Counsel to make a determination.
18. Opinion was expressed by some participants that projections indicate that issuing a bond would be a good idea because of cost escalation and current cost of money. Many in the group would like to see improvements done now. County staff and the Project Consultant again indicated they are coordinating with County Counsel and the Auditor to determine the administrative steps necessary to issue a bond through the existing CFD.
19. Another reason to accelerate projects through bonding is consideration for environmental analysis. If funding and project completion are protracted, environmental requirements could change or need to be updated.
20. Opinion expressed by the group that plan and some improvements need to be completed before Target opens. Staff/Consultant reminded the group that under the current schedule, Phase II does not start until at least 2025.