

DEVELOPMENT SERVICES DEPARTMENT

COUNTY OF EL DORADO

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TO: Planning Commission Agenda of: October 25, 2012

FROM: Roger Trout, Development Services Director Item No.: 10

DATE: October 8, 2012

**RE: Development Agreement DA11-0003/Diamond Dorado Retail Center
APNs: 051-250-12, -46, -51, -54**

The Diamond Dorado Retail Center (DDRC) is a 241,515-square foot commercial retail center approved by the Board of Supervisors on September 11, 2012. It was approved on a 27-acre industrial yard in Diamond Springs along State Route 49. Its construction relies upon the future construction of the Diamond Springs Parkway and other significant road improvements.

The financing and construction of the road improvements are estimated to take many years and would cost approximately 30 million dollars. The County has a Capital Improvement Plan and the Missouri Flat Master Circulation and Financing Plan (MCFP) that include most of the required road improvements. The DDRC developer will need to fund or construct the remaining road improvements.

Normal development project approvals expire within a few years. The DDRC project will need additional time to align the financing programs, potential tenants, development plans, and limitations of the transportation infrastructure in the future. The Development Agreement process (Section 17.85 of the County Code) allows the County to extend the approval to a longer period, up to 20 years.

The DDRC developer (GGV Missouri Flat, LLC) filed an application for a Development Agreement on June 14, 2011. The Board directed that a negotiating team develop the draft Development Agreement. Staff from County Counsel, Chief Administration Office, Department of Transportation, and Development Services Department, were designated to be on the negotiating team and met with the developer's team frequently.

The draft Development Agreement will authorize the following:

1. The DDRC project approval will extend for 20 years from the "effective date" which is the date the executed Development Agreement is recorded.

2. Developer and Landowners will extend the irrevocable offers to dedicate certain rights-of-way needed for the Diamond Springs Parkway for the term of the Development Agreement.
3. Developer and Landowners will provide excess fill material from the site for the construction of the Diamond Springs Parkway at no cost to County.

The Development Agreement provides a range of options for road improvement financing, phasing, and construction. Due to the cost and timing of the road improvement requirements and the 20-year timeframe of the Development Agreement, this section of the Development Agreement is complex and detailed. This memo does not attempt to summarize those details in order to avoid any confusion or misunderstandings. The Development Agreement is attached as Attachment D.

CEQA

The Board action on September 11, 2012 included the certification of the Environmental Impact Report (EIR) (SCH No. 2008012004) for the project. This Development Agreement is fully consistent with that approval and the Environmental analysis and conclusions in the EIR. All road improvements, easements, and grading contemplated in this Development Agreement were fully analyzed in the EIR. Mitigation measures adopted for the project will be implemented at the appropriate phases of development.

RECOMMENDATION

Staff recommends that the Planning Commission forward a recommendation to the Board to execute the Development Agreement.

ATTACHMENTS

- Attachment A DDRC Location Map
- Attachment B..... DDRC Project Parcels
- Attachment C..... Approved DDRC Preliminary Site Plan
- Attachment D DDRC Development Agreement