

# Visalia City Council Agenda

For the regular meeting of: MONDAY, November 17, 2008

Location: City Hall Council Chambers, 707 W. Acequia, Visalia CA 93291

Mayor: Jesus J. Gamboa  
Vice Mayor: Bob Link  
Council Member: Greg Collins  
Council Member: Donald K. Landers  
Council Member: Amy Shuklian

---

All items listed under the Consent Calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion on any item on the Consent Calendar, please contact the City Clerk who will then request that Council make the item part of the regular agenda.

---

## **CLOSED SESSION**

4:00 p.m.

Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: one potential case

4:15 p.m.

## **WORK SESSION AND ACTION ITEMS (as described) 4:15 p.m.**

### **Public Comment on Work Session and Closed Session Items –**

4:15 p.m.

1. Update on first full month of Great Lakes Air Service to Ontario International Airport from the Visalia Airport and airport upgrades to accommodate passenger loads.

4:25 p.m.

2. Authorize the Mayor to sign a letter to the California State Parks Planning Division requesting more time to study and comment on the proposed “Central Valley Vision Draft Implementation Plan”.

4:35 p.m.

3. Consideration and adoption of Retiree Health Care contribution rates as of January 2009.

5:05 p.m.

4. Consideration and approval of General Fund Budget Savings for the 2008-10 budget periods recommended by the Parks and Recreation Commission.

*The time listed for each work session item is an estimate of the time the Council will address that portion of the agenda. Members of the public should be aware that the estimated times may vary. Any items not completed prior to Closed Session may be continued to the evening session at the discretion of the Council.*

## **ITEMS OF INTEREST**

## CLOSED SESSION

**6:00 p.m. (Or, immediately following Work Session)**

5. Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: one potential case
6. Public Employee Release, Discipline or Dismissal (G.C. § 54957)
7. Conference with Real Property Negotiators (G.C. § 54956.8)  
Property: Approximately 2,400 square feet of Airport Office Space located at 9500 Airport Drive. APN: 081-080-027 & 028  
Agency Negotiators: Steve Salomon, Mario Cifuentez, Leslie Caviglia  
Under Negotiation: Authority to negotiate price, terms, and conditions of potential lease

## REGULAR SESSION

**7:00 p.m.**

### PLEDGE OF ALLEGIANCE

INVOCATION – Pastor Mark Condie, Savior’s Community Church

### SPECIAL PRESENTATIONS/RECOGNITION

**CITIZENS REQUESTS** - This is the time for members of the public to comment on any matter within the jurisdiction of the Visalia City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item for discussion purposes. Comments related to Regular or Public Hearing Items listed on this agenda will be heard at the time the item is discussed or at the time the Public Hearing is opened for comment. The Council Members ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome. The Council cannot legally discuss or take official action on citizen request items that are introduced tonight. In fairness to all who wish to speak tonight, each speaker from the public will be allowed three minutes (speaker timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your street name and city.

### CHANGES TO THE AGENDA/ITEMS TO BE PULLED FOR DISCUSSION

8. CONSENT CALENDAR - Consent Calendar items are considered routine and will be enacted by a single vote of the Council with no discussion. For a Consent Calendar item to be discussed, or voted upon individually, it must be removed at the request of the Council.
  - a) Authorization to read ordinances by title only.
  - b) Authorization to purchase four (4) 40 foot and three (3) 35 foot low floor compressed natural gas (CNG) replacement fixed route buses from Daimler Buses North America formerly Orion Bus Industries in the amount of \$450,000 each for a total of \$3,150,000.
  - c) Second reading and adoption of Ordinance amending Section 2.16.020 of the Visalia Municipal Code relating to terms of Planning Commissioners. **Ordinance 2008-12 required.**

d) Second reading and adoption Ordinance amending Section 2.12.010 of the Visalia Municipal Code relating to Appointment of Members of the Parks and Recreation Commission. **Ordinance 2008-13 required.**

e) Authorization to expand the scope of the Recreation Park Stadium Right Field Improvements construction agreement with Seals/Biehle General Contractors to include regrading of the playing field. Authorization for the City Manager to enter into an agreement amendment with Seals/Biehle General Contractors in an amount not to exceed \$250,000, to include regrading of the playing field. Funding for the playing field regrading is included in the \$11.6 million dollar budget for the stadium expansion. No additional funding is requested. (Project # 0017-15152-720000-0-8037)

f) Authorize an additional Fire Captain position to serve as the Visalia Airport stand-by personnel and department's training officer.

g) Authorization to be a Gold sponsor (\$10,000) for the Visalia stage of the Amgen Tour of California bicycle race.

h) Ratify the Main Street Economic Stimulus projects, appropriate \$1,050,000 (\$600,000 from General Fund and \$450,000 from Transit Funds) for project design, and authorize the City Manager to execute contract documents for design on projects that could be included in the federal economic stimulus funding package.

9. **PUBLIC HEARING** First reading of Ordinance 2008-14 amending Chapter 16.44 of the Visalia Municipal Code relating to Transportation Impact Fees and review of Resolution implementing new Transportation Impact Fee Rates to be adopted December 1, 2008. **Ordinance 2008-14 and Resolution 2008-58 required.**

10. **PUBLIC HEARING** - Appeal, filed by Donald Nelson, of the Planning Commission's approval of Conditional Use Permit 2008-09: a request by Kornwasser Shopping Center Properties, LLC to construct a 6,490 sq. ft. automated and hand car wash facility located within the Pavilion Shopping Center on the south side of W. Caldwell Ave., between S. Demaree and S. Chinowth St. (APN: 119-730-008) **Resolution 2008-57 required.**

11. Acknowledgment of staff's efforts to develop comprehensive recommendations on water reuse and authorization to allocate \$25,000 for the engineering firm of Atkins to perform a peer review of the Water Conservation Plant Master Plan.

*Convene as joint City Council and Redevelopment Agency*

12. **PUBLIC HEARING** on the Midterm Review of the Five Year Implementation Plan Update (2005-2010) for the Community Redevelopment Agency of the City of Visalia; and adoption of resolutions relating to use of Redevelopment Funds and Loan for Payment of State Take-away funds. **RDA Resolutions 2008-02 and 2008-03 required.**

*Adjourn as joint City Council and Redevelopment Agency and remain seated as Visalia City Council*

## **REPORT ON ACTIONS TAKEN IN CLOSED SESSION**

## **REPORT OF CLOSED SESSION MATTERS FINALIZED BETWEEN COUNCIL MEETINGS**

### **Upcoming Council Meetings**

- Monday, December 1, 2008, Work Session & Regular Session 4:00-6:00 p.m. Council Chambers, 707 W. Acequia, Visalia
- Monday, December 15, 2008, Work Session 4:00 p.m. Regular Session 7:00 p.m. Council Chambers, 707 W. Acequia, Visalia
- Monday, January 5, 2009, Work Session 4:00 p.m. Regular Session 7:00 p.m. – Council Chambers, 707 W. Acequia, Visalia

*Note: Meeting dates/times are subject to change, check posted agenda for correct details.*

*In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing-Impaired - Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.*

*Any written materials relating to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the Office of the City Clerk, 425 E. Oak Street, Visalia, CA 93291, during normal business hours.*



## City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 1

**Agenda Item Wording:** Update on first full month of Great Lakes Air Service to Ontario International Airport from the Visalia Airport and airport upgrades to accommodate passenger loads.

**Deadline for Action:**

**Submitting Department:** Administration

**Contact Name and Phone Number:** Mario Cifuentez, II  
713-4480

### Department Recommendation

Staff recommends that City Council receive the update on the first full month of air service by Great Lakes Air Service. A total of 553 passengers flew on Great Lakes from Visalia to Ontario in October, 2008 surpassing the first month figures of the last carrier, U.S. Airways, where 513 passengers flew from Visalia to Las Vegas during the initial month of service in 2006.

### Summary/Background

On September 8, 2008, Great Lakes Airlines began operating twice daily service from Visalia to Ontario International Airport. Under contract with the Department of Transportation (DOT), Great Lakes Airlines provides the essential air service for Visalia operating the pressurized 19-passenger Beechcraft 1900 aircraft to and from Ontario International Airport. Fares start at \$59 for one-way travel, with a 30-day advanced purchase. Flights can be booked online at [www.flygreatlakes.com](http://www.flygreatlakes.com), by calling 800-554-5111 or by utilizing local travel agents or online booking engines. Great Lakes offers convenient travel times per the following flight schedule:

#### Visalia to Ontario

<i>Frequency</i>	<i>Departs</i>	<i>Arrives</i>	<i>Flight</i>
Daily	6:27a	7:32a	5045
Daily	2:04p	2:49p	5064

#### Ontario to Visalia

<i>Frequency</i>	<i>Departs</i>	<i>Arrives</i>	<i>Flight</i>
Daily	11:30a	12:15p	5065
Daily	5:45p	6:30p	5061

### For action by:

- City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

### For placement on which agenda:

- Work Session  
 Closed Session

### Regular Session:

- Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 10

### Review:

**Dept. Head** \_\_\_\_\_  
**(Initials & date required)**

**Finance** \_\_\_\_\_  
**City Atty** N/A  
**(Initials & date required or N/A)**

**City Mgr** \_\_\_\_\_  
**(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

In just the first full month of service, October, Great Lakes' service to Ontario carried 553 passengers. The airline reports that the afternoon flights are proving very popular on mid-week flights with at least a few flights in October sold out.

The airport has already made improvements to accommodate the increased passenger loads. The secure screening area at the airport terminal was somewhat small and it became necessary to increase the size of the secure area so that all passengers can be pre-screened prior to the arrival of the flights and facilitate a faster boarding of full flights to keep the carrier on schedule.

By comparison, US Airways Express, the previous carrier, carried 513 passengers to Las Vegas in their first full month of operation. They also showed a demonstrated demand for good reliable air service in Visalia as their passenger totals continued to grow steadily until their announcement that they were pulling out of the essential air service markets in Mid 2007.

Ontario International Airport has non-stop flights to up to 30 cities each day thereby providing one stop service from Visalia to up to 30 locations in the United States and Mexico on a daily basis, including the following:

Albuquerque	Atlanta	Boise	Colorado Springs
Denver	Dallas/Ft. Worth	El Paso	Houston - IAH
Kansas City	Las Vegas	Mexico City	Monterey
Nashville	New York – JFK	Oakland	Oklahoma City
Omaha	Phoenix	Portland	Reno
Sacramento	Salt Lake City	San Antonio	San Francisco
San Jose	Seattle	Spokane	Tucson

The Ontario International Airport is served by eight, on-airport (Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National and Thrifty) rental car brands. Additionally, for affordable transportation to most southern California locations, Super Shuttle offers service to:

**Airports**

- Los Angeles Intl Airport (LAX)
- John Wayne, Orange County Airport (SNA)
- Long Beach Airport (LGB)
- Burbank Airport (BUR)

**Areas**

- Desert cities
- Inland Empire
- LA/San Pedro Harbor
- Pasadena area
- Riverside county
- San Bernardino county
- San Gabriel Valley

**Prior Council/Board Actions:**

June 16, 2008 - Council authorized the submission of a letter of support to the DOT for Great Lakes Aviation.

**Committee/Commission Review and Actions:**

**Alternatives:**

**Attachments:**

**Recommended Motion (and Alternative Motions if expected):** Move to accept the update from Staff on Essential Air Service at the Visalia Municipal Airport.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 2

**Agenda Item Wording:** Authorize the Mayor to sign a letter on behalf of the City Council requesting more time to study and comment on the proposed "Central Valley Vision DRAFT Implementation Plan"

**Deadline for Action:** N/A

**Submitting Department:** Parks & Recreation Department

**Contact Name and Phone Number:** Vincent Elizondo, 713-4367

**Department Recommendation:**

That the City Council authorize the Mayor to sign a letter on behalf of the City Council requesting more time to study and comment on the proposed "Central Valley Vision DRAFT Implementation Plan"

**Background:**

In 2003, California State Parks began work on its Central Valley Vision – a strategic plan for State Parks' expansion in the Central Valley. The result was the November 2006 Central Valley Vision report.

As a next step in this strategy's development, and in response to the direction from the Legislature (AB 1426), California State Parks has prepared a DRAFT Central Valley Vision Implementation Plan. The plan describes how the Department's Central Valley strategy could be carried out over the next 20 years.

The draft twenty-year plan focuses on meeting the public's recreation needs in the Central Valley. It outlines planning options to develop new and improved recreation opportunities, acquire new park lands, and build economic and volunteer partnerships for the citizens to consider. The draft plan's recommendations are options about which we are seeking public comment, not mandates the State seeks to impose.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 1

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The document is for long-range planning purposes only and does not imply a land acquisition or development commitment. The maps in the plan and text indicate potential land uses and suggest ways in which the plan may be carried out. Funds to implement most of the plan's recommendations are not yet available. Many proposals, especially those that are not high priorities, may not occur for many years. If lands are to be acquired, they will be purchased only from willing sellers. Development proposals will be subject to full environmental review and regulatory approvals prior to moving forward.

The State is currently conducting a number of November workshops and seeking comments and suggestions on the proposed plan. A public workshop is scheduled for Wednesday, November 19, in Visalia beginning at 4:00 pm at the Marriott Hotel.

**Attachments:**

Public Workshop Notice  
DRAFT Central Valley Vision Implementation Plan  
Sample Letter To Be Signed By The Mayor

**Committee/Commission Review and Actions:** None.

**Recommended Motion (and Alternative Motions if expected):**

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

DATE

Central Valley Vision Implementation Plan Team  
Planning Division  
California State Parks  
P.O. Box 942896  
Sacramento, CA 94296-0001

Central Valley Vision Implementation Plan Team:

On behalf of the Cities and other interested entities in Tulare County, we want to thank you for the tremendous work you have done so far in preparing the Central Valley Vision DRAFT Implementation Plan.

We are fortunate in Tulare County to have wonderful natural resources and vast amounts of natural open spaces.

We appreciate and value the opportunity to provide feedback and comments about the proposed plan during your scheduled November Public Workshops.

We and other Tulare County jurisdictions are interested in having more time to review your report and develop recommendations which would include consideration of our own language planning efforts.

We respectfully request that more time be allowed for Tulare County jurisdictions to formulate recommendations for specific future potential State park sites or State participation for consideration by your planning team.

Sincerely,



# City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 3

**Agenda Item Wording:** Consideration of Retiree Health Care Contribution Rates as of January 2009.

**Deadline for Action:**

**Submitting Department:** Administrative Services

**Contact Name and Phone Number:** Eric Frost, x 4474

**Department Recommendation:** That the City Council adopt retiree health care rates as shown below, incorporating the full increase in costs into the new retiree health care rates, as shown in Table I, Monthly Retiree Health Care Contribution Rates.

Table I

Monthly Retiree Health Care Contribution Rates Calendar Years 2008 and Potential 2009 <i>(2009 contribution rates to be considered at Council's 11/17/08 meeting)</i>			
			<i>Full Cost Increase</i>
<b><u>Under 65</u></b>			
	2008		2009
PPO or EPO	180.45		218.38
New HD*	NA		73.81
<b><u>Over 65</u></b>			
PPO or EPO	144.71		182.64
New HD*	NA		38.07
<b><u>Surviving Spouse</u></b>			
PPO or EPO	237.87		275.80
New HD*	NA		131.23
* The City will be offering a new High Deductible PPO plan for 2009.			
Note: If the retiree has a dependent, they pay either \$57.42 for a dependent under 65 or \$21.68 a month for a dependent over 65.			

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**Summary/background:**

City Administrative policy 301, last revised in January of 1992, states:

“Retirees and their dependents are eligible for medical and vision benefits at a cost determined each year by the City.”

**Retiree Health Care Funding.** The City has committed itself to providing retirees health care access. The City currently provides a contribution for each retiree for health care of approximately \$800 a month which varies depending upon age and dependent coverage. This year, the City will begin to acknowledge on its financial statements the value of this benefit. Although the City set-aside \$700,000 last fiscal year as a down payment towards funding this liability, the City’s actuarial report as of May 2008, provided the following summary information about the City’s financial liability, as shown in Table II, Summary of Results.

Table II

<b>Summary of Results</b>				
<b>City of Visalia, CA GASB 45 Plan Options - As of July 1, 2008</b>				
			(1)	(2)
		<u>Baseline</u>	<u>Retirees pay for all</u>	<u>Retirees pay for all</u>
		<u>Based on 7/1/08 plan</u>	<u>future inflation</u>	<u>Retirees pay for all</u>
		<u>without modification</u>	<u>except \$20 per year</u>	<u>future inflation</u>
City-paid Present Value of Benefits		\$ 98,816,915	\$ 72,012,150	\$ 56,393,687
City-paid Accrued Liability:				
Actives		32,662,908	23,388,353	17,794,856
Retirees		33,142,018	27,451,947	22,975,277
Total City-Paid AL:		65,804,926	50,840,300	40,770,133
Service Cost at 7/1/08		3,236,926	2,240,283	1,684,955
Assets		-	-	-
City-paid Unfunded Accrued Liability ("UAL")		<b>\$ 65,804,926</b>	<b>\$ 50,840,300</b>	<b>\$ 40,770,133</b>
Change from Baseline			<b>\$ 14,964,626</b>	<b>\$ 25,034,793</b>
Percentage Change			<b>22.7%</b>	<b>38.0%</b>
<u>GASB 45 ARC ("Annual Required Contributions")</u>				
Service Cost at Year-end		\$ 3,414,957	\$ 2,363,499	\$ 1,777,628
30-year amortization of City-paid UAL		4,527,733	3,498,086	2,805,205
Total ARC (City's Annual Expense)		<b>\$ 7,942,690</b>	<b>\$ 5,861,585</b>	<b>\$ 4,582,832</b>

The line labeled City-paid Unfunded Accrued Liability (UAL) represents the City’s present value commitment to retiree health care. In other words, this line represents how much money the City should have put aside as of 6/30/08 in order to meet its retiree health care commitment.

The City Council has not formally adopted a policy of how much they will contribute to retiree health care. In practice, the City now provides \$800 a month, but the amount of the City’s contributions will provide different UAL. As a result, several alternative amounts are shown on Table II.

- 1) City pays ½ of health care increases – Unfunded Accrued Liability is \$65.8 million.
- 2) City pays an additional \$20 a month each year – City’s UAL is \$50.8 million
- 3) Retirees pay all future health care increases – City’s UAL is \$40.8 million

It is important to note that this liability was accrued over many years. As a result, it will not nor can it be paid off immediately. Rather, the City needs to take positive steps towards funding this

liability, setting aside resources that will earn interest and reduce the cost of retiree health care. This prefunding program offers the promise that when a retiree access his or her benefit, 70% of the funds will come from interest earnings rather than retiree or City contributions.

**City's Health Plan Increases for 2009.** The City's 2009 health plan will experience a \$38.14 per month rate increase as of January 1, 2009. Council needs to set the contribution rate for retirees for this next fiscal year. Retirees pay varying contribution rates based upon age and plan choice. Nevertheless, the City's contribution for retirees averages over \$700 a month for health insurance.

The City has slightly less than 200 retirees on the City's health plan. Therefore, for each \$10 of additional City contribution, the City will need to fund another \$24,000 annually. The full cost increase for retirees is \$91,500 a year.

**Current Fiscal Health of the City.** The City Council has frozen positions as part of this year's budget as well. In fiscal year 2007/08, the City made began the important process of fully funding retiree health care, making a \$700,000 contribution above that year's pay as you go costs. However, the City's fiscal situation deteriorated this fiscal year such, that the General Fund contribution of \$500,000 was suspended for this fiscal year.

The actuarial liability for the City's plan will begin to be recognized on the City's books. Each year, for the next 30 years, the City will recognize a portion of this cost. If the City were to fully fund this liability, the City would pay annually to a trustee a payment called the ARC, Annually Required Contribution. If the City were to pay the ARC for this next fiscal year, Visalia would deposit over \$7 million into a retiree health care fund. Instead, the City will pay the retiree health care costs that come due this year, about \$2.6 million, plus make a small payment towards retiree health care from all the non-General Fund operating departments, about \$200,000.

As the nation's fiscal situation has worsened, Department Heads met on October 14, 2008 to discuss what actions should be taken now. From that meeting, the following agreements were made:

- All training and travel will be reviewed by department heads in order to reduce costs as appropriate
- Current vacancies will be reviewed and discussed to determine if there is a way to save money in the General Fund
- Some major purchases should be put on hold until the mid-year report (March) unless some special need exists
- Overtime will be more closely reviewed, particularly among administrative personnel with an eye toward reducing costs
- Projects now in the planning stages may continue forward; however, projects may need to move slower or be put on hold depending upon what occurs with the City's overall financial situation

**Given the challenging financial times, staff cannot recommend an increase to the City's contribution towards retiree health care this year.** Better fiscal times might allow the City to make an additional contribution towards retiree health care.

At the same time, retirees are also facing increased costs from food price increases. As a result, **staff does not recommend any other potential health plan management changes.** This is in contrast to February of this year. At that time, Council considered a number of potential actions

which are outlined on Attachment #1, Proposed Retiree Health Coverage. The report outlines other potential alternatives besides a change in contribution rates.

**Health Plan Management.** The City's Employee Health Benefits Committee has worked hard this last year to develop some alternatives for employees and retirees. The plans which will go into effect as of January 1, 2009 all have increased lifetime benefit caps, moving from \$1 million to \$2 million. This change benefits the individual who has a catastrophic illness or accident by providing another \$1 million worth of coverage.

In addition, the following changes were made to the City's health plan:

***Health plan members will be required to use one of Anthem's (Previously Blue Cross) California Centers of Excellence when having a stomach bypass surgery.***

The City's health plans cover stomach bypass or bariatric surgery. The proposal is to direct employees to specific hospitals which specialize in this surgery to improve results and maintain or lower costs. In our area, Clovis Community, Fresno Surgical Center and St. Agnes, are Center of Excellence hospitals. Other hospitals are periodically added if they meet certain performance criteria.

***For the City's PPO plan, change the \$300 a year preventative health care benefit to a \$20 per visit Co-pay for those 5 and under, reducing out-of-pocket well-baby costs.***

The current PPO benefit provides a \$300 a year benefit for preventative health treatment. A typical well-baby care routine may require 4 or 5 visits the first year at \$200 a visit, or \$1,000 in cost. \$300 does not nearly cover the cost of this type of preventative treatment. The underwriter did not rate this change as a cost increase because preventative baby care tends to lower other health care cost complications. For those age 6 and older, the \$300 preventative health benefit remains unchanged.

In addition, the City has adopted a low-contribution, high deductible health plan. Retirees will have three choices during open enrollment: the traditional Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) Plan and a High-deductible (HD), low contribution plan. The HD plan has higher deductibles but also cost much less in monthly contributions. In some cases, the difference between the contributions will be more than enough to pay deductibles and still save the individual money. For example, a retiree over the age of 65 would pay \$21.68 a month for themselves under the HD plan, much less than the 2008 PPO rate of \$144.71 a month. The choice to enroll in any of the plans can be exercised in November and will remain in effect for Calendar Year 2009. The enclosed summary plan comparison will help you compare these several plans.

To help retirees and employees better understand the new High Deductible plan, a special presentation was given at this year's Health Fair for those interested in this plan. A number of retirees and employees attended the meeting to consider the alternatives.

Health care is an important benefit for employees and retirees. The increase in the lifetime benefit greatly increases the benefit for those suffering a catastrophic illness or accident. The alternative High Deductible plan may offer an attractive alternative for individuals who do not typically have many medical expenses. Although staff recommendation is an increase in cost, the contribution cost still is relatively modest and the High-deductible plan offers a smaller health plan contribution alternative best suited for those that infrequently use the plan.

**Prior Council/Board Actions:** On February 19, 2008 the Council increased retiree premiums by ½ of the 2008 year premium increase.

**Committee/Commission Review and Actions:**

**Alternatives:** The City Council could provide some increased contribution level. The cost, however, is approximately \$24,000 a year for each \$10 per month increased contribution, such as:

1. **A 75% Retiree/25% City share of the increase** would cost the City approximately \$1,900 a month or about \$23,000 a year, decreasing the proposed premium \$9.53 a month per retiree.
2. **A 50%/50% splitting of the increase** would cost the City approximately an additional \$3,800 a month or \$46,000 a year. This increase would be in addition to the City's current approximately \$800 a month per retiree contribution which totals approximately or \$2 million annually that the City pays in retiree bills, almost \$10,000 per retiree per year.

**Attachments:** #1, Council Staff Report, Potential Retiree Health Care Plan Changes, 2/19/08  
#2, Staff Memo To Retirees Inviting them to City Council Meeting on 11/17/08 to where Retiree Health Contributions would be discussed, page 15.

**Recommended Motion (and Alternative Motions if expected):** After taking public comment, Council could move:

"I move to adopt the retiree contribution rates for 2009 as outlined in Table I."

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** February 19, 2008

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** Health Benefits for Current Retirees

**Deadline for Action:** None

**Submitting Department:** Administrative Services

**Contact Name and Phone Number:** Eric Frost, x4474

**Department Recommendation:** That the City Council:

- Receive this report;
- Consider public input; and,
- Adopt or modify the following retiree health care recommendation:

That annual contribution increases for retiree health be officially approved by City Council according to Administrative Policy 301. City policy 301 provides the following:

“Retirees and their dependents are eligible for medical and vision benefits at a cost determined each year by the City.”

Health care costs increased by \$46.06 a month in January.

Management recommends that retiree health contributions increase by ½ that amount this year or \$23.03 a month, effective May 1, 2008 to allow time for notice. This increase is the same amount that employees will be paying as of March 2008.

- Further, that the City Council reviews the following potential policies and consider them for adoption at a future date after full comment and consideration has been given. Staff recommends that these items be considered at their March 17, 2008 meeting.
  1. That the City Council reaffirms the City’s policy that the retiree health plan becomes secondary to Medicare at Medicare eligible age. For those individuals who have worked for the City for more than 20 years and are not eligible for free Part A Medicare insurance, the City would pay ½ of the premium. Few, if any, individuals

**For action by:**  
 City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**  
 Work Session  
 Closed Session

**Regular Session:**  
 Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
 (Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
 (Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

should fall in this category because all employees hired since April 1, 1986 have been included in Medicare.

2. That the City Council direct staff to explore the value of providing a Medicare supplement for Medicare eligible retirees instead of the City's health plan in order to preserve benefits and save money.
3. That as of January 1, 2009, an actively at work retiree who is eligible for health benefits from their employer would be required to take medical coverage as well as paying the City's retiree premium. The City's insurance would be secondary during the retiree's employment. At the time the retiree separated from their employment, the City's insurance would then become primary.
4. That as of January 1, 2009, a self-employed retiree or an actively at work retiree without health coverage who earns over \$40,000 in the prior calendar year would pay a progressively higher share of their medical premium as outlined on page 6 of this document.
5. That if the City varies current retiree contributions based upon length of service, contribution would vary as follows:
  - Retirees having served 20 years or more receive the highest City contribution to their health insurance;
  - Retirees having served at least 15 years but less than 20 years pay an additional \$50 a month;
  - Retirees having served at least 10 years but less than 15 years pay an additional \$100 a month;
  - Retirees having served less than 10 years would pay an additional \$150 a month.
6. For retirees that retired on an industrial disability retirement, an additional 10 year credit be given to length of service calculations, assuring that industrial disability retirees receive some additional level of City contribution. Thus, an individual who worked 10 years and then had an industrial disability retirement would receive the same contribution as an individual who worked 20 years with a service retirement.

## Discussion

The City of Visalia provides a health plan to attract, retain and promote the well-being of employees. This health plan is a significant part of the City's compensation package. The City has also extended access to its health plan to City retirees. The City's currently adopted policy on retiree health care only states that retirees may participate in the plan at a rate determined by the City. The City has allowed retirees access to the plan and has provided a contribution on behalf of retirees.

The City's Retiree Health Plan contributions at one time were minimal. However, today they are significant with the City contributing \$2 million a year for currently retired employees. New accounting rules require that the City disclose to potential lenders what the City's retiree health commitment is. An adopted, written policy is needed to clarify what the retiree benefit is and to assist the City in best funding that adopted policy.

This paper's purpose is to discuss a proposal that the Council will consider in adopting a Retiree Health Plan Policy. ***The proposal DOES NOT eliminate retiree health care or reduce the***

**annual \$2 million contribution the City makes on behalf of retirees each year.** Rather, the City wants to assure both its retirees and its citizens that it can and will meet its commitment to allow retirees access to the City's health plan. As a result, the proposed Retiree Health Plan Policy options are designed to assure that the City can meet its financial commitments. **A summary of the proposed policy points are outlined on the last page.**

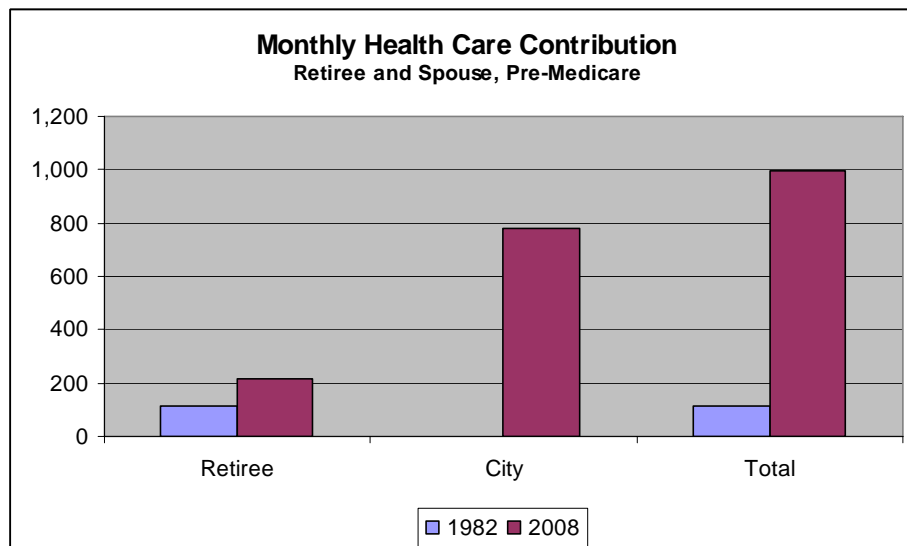
On February 12, 2008, the City staff conducted a retiree meeting at the City's Convention Center to outline the health plan's potential proposals. Comments from that meeting are included in the staff report. Several other meetings have been held with smaller groups of retirees and one large group meeting has been held as this item has been worked on extensively for the last several years. It should be noted that retirees understand that cost increases will occur. At the same time they feel most vulnerable because their income tends to be fixed and they have few ways to alter their financial circumstances.

### **Background**

The City has a self-funded health insurance plan. The City's plan is funded from both City and plan participant contributions. The City provides retirees access to the City's health plan. This calendar year each participants average cost to the City is about \$1,000 a month. City will collect an employee and a retiree contribution to the health care cost. The City also provides a substantial health plan contribution on behalf of each employee or retiree in addition to the contribution the employee or retiree makes.

Originally, the City agreed to provide retirees access to the City's health plan in 1982. At that time, retirees paid the full cost of their health plan: no City contribution. Over time, the health plan's costs increased, but the retiree's contributions did not until 5 years ago. In the last 5 years, retiree's health plan contributions have increased, but the City makes a very substantial greater contribution on behalf of retirees as shown in Chart I, Monthly Health Care Contributions.

Chart I



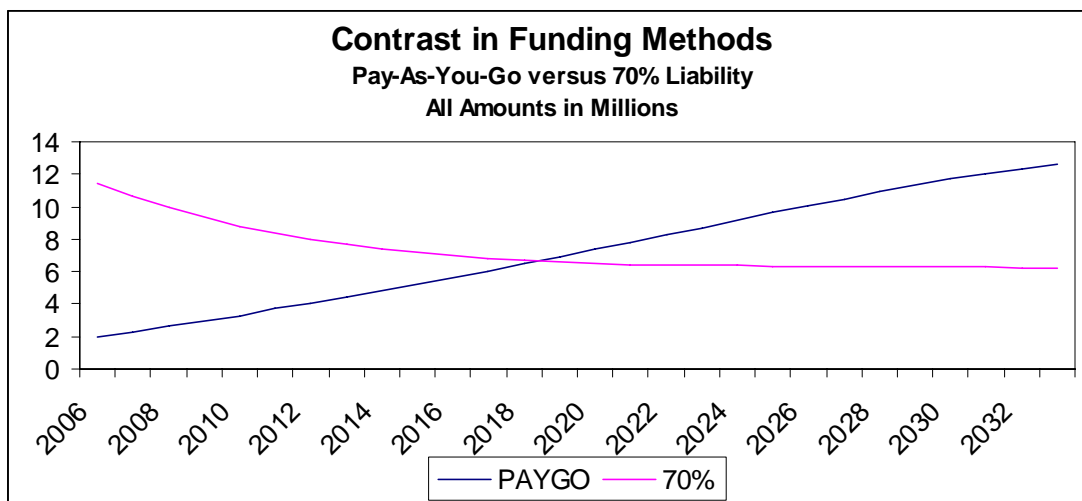
Retiree pay-as-you-go health benefits cost the City over \$2 million annually. If the City wishes to fully fund the current year, pay-as-you-go cost and the future cost of employees and retirees, the City would need to contribute another \$4 - \$7 million annually to retiree health care. In other



words, the City would need to continue to pay the \$2 million plus each year for actual health costs and begin setting aside another \$4 to \$7 million annually to fully fund the current and future cost of retiree health care.

Although prefunding retiree health contributions appear daunting, the consequence of staying with the pay-as-you-go system is potentially worse. After a relatively short period of time, the pay-as-you-go system will actually cost the City more than paying for the benefit more like a pension. Chart II, Contrast in Funding Methods, contrasts two funding approaches to retiree health care from a report prepared by an actuary in September of 2006. The first method is our current Pay-As-You-Go (PAYGO) method compared to funding more like a pension at 70% of the annual pension liability. This contrast shows that funding the plan costs more at first, but saves money in the long run. Within 10 years, the PAYGO system would cost as much as the pension like funding method. So developing funding policies will assist the City in assuring the fiscal stability of the retiree health plan.

Chart II



The Council balances its desire to provide employee benefits against the resources provided by taxpayers. As a result, the City has compared what it offers to the City’s retirees to other local agencies. The benefits offered by other entities in the area are less than what Visalia offers as shown on Chart III, Comparison of Retiree Health Benefits - 2005. The Chart illustrates that the City’s benefits for retirees are more generous than other local governments it uses for salary surveys. Only the Visalia Unified School District approaches the City’s benefit level. However, a school district employee must work for the district at least 15 years to receive comparable benefits and the school district benefit ends at Medicare Eligible Age. Further, the average VUSD retiree is older when they retire than the average City retiree.

In constructing a Retiree Health Plan Policy, five main policy points need to be considered, namely:

- What level of **contribution** shall the City provide on behalf of retirees?
- What level of **participation in Medicare** should the City expect from retirees?
- What coverage **supplemental to Medicare**, if any, should the City provide after an individual reaches Medicare age?
- What level of coverage should the City provide to retirees who are **actively at work**?
- What **length of service** should an employee provide in order to qualify for retiree health contributions from the City?

Chart III  
 Comparison of Retiree Health Benefits - 2005  
 Comparison of Retiree Health Benefits  
 Surrounding Agencies

	Agency	1. Agency provides Retiree Health	2. Agency contributes to Retiree Health.	3. Monthly contribution @ 20 years of service	Note
1	Clovis	Yes	No	-	
2	Fresno	Yes	No	-	
3	Kings Co.	Yes	No	-	
4	Porterville	Yes	No	-	
5	Tulare	Yes	No	-	Except for pre-1984
6	Tulare Co.	Yes	No	-	
7	Kern Co.	Yes	Some	446	By bargaining unit
8	Bakersfield	Yes	Yes	140	
9	Fresno Co.	Yes	Yes	160	
10	Hanford	Yes	Yes	56	
<b>11</b>	<b>Visalia</b>	<b>Yes</b>	<b>Yes</b>	<b>715</b>	<b>Requires PERS Retirement.</b>
					Requires 15 years of service.
12	VUSD	Yes	Some	775	VUSD contribution ends at Medicare Age
13	KDHCD	No	-	-	

**Contribution**

The City currently makes a substantial contribution on behalf of all retirees to the health plan. The contribution varies based upon Medicare eligibility and number of dependents but averages almost \$800 a month. The City **DOES NOT** propose to discontinue this level of contribution. It is important to note, however, that the City's health contribution for retirees is high compared to other agencies as outlined in Chart III.

Annually, the City sets its health plan coverage and cost. Although the City is self-insured, it participates in a multi-jurisdiction health pool which sets its member contributions annually. Pool members' costs are revised each January. The City's plan cost increase for 2008 is \$46.06 per month per participant. The City fully paid for this cost increase for January and February but has not taken action for future months.

The proposal is to have the Council annually set the retiree health plan contributions based upon the City's ability to pay. For this year, City employees increased their health care contribution by \$23.03 a month, effective March 1, 2008. Staff is recommending to the City Council that retiree health contributions increase by \$23.03 a month also. This change would be effective as of May 1, 2008 in order to give sufficient notice to retirees. In the future, retiree contribution rates would be set early to allow for implementation by January 1 of each year, the beginning of the City's health plan year.

**Participation in Medicare**

The City's health plan document states that the City's plan will always be secondary to Medicare after the employee retires and the retiree is of Medicare age. All US Citizens are eligible for Medicare. However, the cost of Medicare Part A is approximately \$400 a month for those who have not contributed into the Medicare system for at least 40 quarters.

As of April, 1986, all newly hired employees participate in Medicare in which both the employee and the employer contribute 1.45% of wages into the Medicare system. Some individuals who were hired by the City prior to 1986 may have not achieved sufficient Medicare quarters to qualify for the Medicare Part A. The City believes that few people will be in these categories.

For those individuals that for whatever reason do not qualify for free Medicare Part A coverage, the City would contribute ½ of the monthly premium cost. By offering this coverage, the City is assuring that all retirees have access to Medicare coverage.

As an alternative, the City could agree to pay a higher share of the Medicare Part A, say ¾, because when retirees reach Medicare age, they will have to pay Medicare Part B premiums. These premiums vary based upon income but are around \$100 a month. Thus, the retiree at Medicare age without sufficient Medicare quarters will pay Part B premiums and potentially Part A premiums if they do not have 40 Medicare quarters.

### ***Supplemental Medicare Coverage***

Currently, the City's health plan is supplemental medical coverage for retirees after the employee is retired and reaches Medicare age. The City also contributes substantially to the cost of that coverage while most other employers do not.

The proposal is to continue to have retirees contribute a premium for supplemental Medicare coverage but to consider replacing the City's current health plan with a commercially available Medicare Supplement. The contribution rate for retirees would be considered annually with whatever cost increases were considered for the plan in general.

### ***Actively At Work with Employer Provided Health Care Coverage***

Some retirees continue on to another career after retirement but remain on the City's health plan. During the time the retiree is actively employed, they are frequently offered some type of health benefit. A retired City employee can often have insurance benefits from their employer be the primary coverage during their active service with the new employer.

The City's retiree health plan policy proposal is that actively at work retirees would be required to receive at least the lowest cost health benefits provided by their employer for the retiree and their dependent, if any. During their employment, they would also continue to pay for the City's retiree health premium, with the City's plan becoming secondary to the employer's plan. (Health reinsurers do not allow a break in service.) At the end of their employment, the City's plan would then again become primary.

Staff recommends that this provision become effective as of January 1, 2009 to allow current working retirees to enroll in their health plan during the next open enrollment.

### ***Actively At Work without Employer Provided Health Coverage***

If a retiree earned in wages (not PERS nor interest income) over \$40,000 in the prior calendar year and was not offered health coverage by their employer or were self-employed, the Visalia City retiree health contribution would increase. Those earning (not unearned income such as interest or stock gains) less than \$40,000 a year would pay the standard retiree premium. Those earning over \$80,000 a year would pay the full City health premium cost. Any earnings between \$40,000 and \$80,000 would pay proportionally larger premiums as shown on the Chart II, Additional Share of Health Premium Based on Earned Income below:

Chart II  
Additional Share of Health Premium Based on Earned Income

Previous year's earned income as reported on a 1040	Additional Share of Total Health Premium
40,000	0.0%
45,000	12.5%
50,000	25.0%
55,000	37.5%
60,000	50.0%
65,000	62.5%
70,000	75.0%
75,000	87.5%
80,000	100.0%

To implement any of the actively at work provisions, the City will need to annually send out a questionnaire asking if the retiree had access to health coverage from their employer or what their earned income was for the prior year. Under penalty of perjury, the retiree would declare their status. False statements may disqualify a retiree from continued health coverage. Additionally, the City may request a copy of an individual's 1040 Tax Form to verify information.

Both actively at work provisions will need to provide a transition period in order to allow currently uncovered retirees at work time to enroll for coverage. Staff recommends that these provisions become effective as of January 1, 2009.

***Retiree Health Plan Access and Length of Service***

Currently, the City provides access and contributes a substantial contribution on behalf of the retiree to its employee health plan for all retirees who retire from PERS. The proposal would be that all retirees would continue to have access to the health plan, but to qualify for a City contribution the employee would be required to work for the City for at least 20 years.

If council desires to implement varying rates based upon years of service, Staff recommends that as of January 1, 2009, the following structure be applied:

- Retirees having served 20 years or more receive the highest City contribution to their health insurance;
- Retirees having served at least 15 years but less than 20 years pay an additional \$50 a month;

- Retirees having served at least 10 years but less than 15 years pay an additional \$100 a month;
- Retirees having served less than 10 years would pay an additional \$150 a month.

If length of service is considered when setting retiree health insurance rates, staff recommends that those individuals who retired with an industrial disability be granted a 10 year service credit in addition to actual services years. This will assure that industrial disability retirees receive a higher level of contribution to offset their disability shortened career.

The City Council may decide to have a lower threshold for department and assistant department head level positions because those employees are typically nearing the end of their career and would not be expected to work for 20 years in that position. For those types of positions, prior public service should be included in their health care contribution threshold.

### ***Retiree Meeting***

On February 12, 2008, staff met with retirees at the convention center to discuss the proposal. Prior to that meeting, a retiree proposal was made that the current retirees should not have their health plan contributions changed because current retirees:

- Have little ability to change their income;
- Retired with a tacit understanding that they would keep their health insurance for the remainder of their life; and,
- Are not able to negotiate with the City Council like employees.

At the February 12, 2008 meeting held at the Convention Center. The following points were raised:

a) ***How will you treat double retirees, where both the spouses retired from the City?***

It seems appropriate that a double retiree couple would pay no more than a retiree with a dependent. This issue should be sorted out with City staff.

b) ***If length of service criterion are established, how will you treat industrial disability retirements?***

Staff recommends that industrial disability retirements be given an additional service credit of 10 years in recognition that their career was cut short by a work injury.

c) ***Can retirees participate on the City's Employee Health Benefit Committee?***

The Employee Health Benefit Committee was created and agreed upon by the bargaining groups during the last round of negotiations to address employee issues about health plan costs. The health plan was established as a benefit for current employees. The committee is still developing how it will work together and staff does not recommend introducing another party to the committee, at least until the committee is well established. Even then, the purpose of the health committee is to implement employee MOUs. Retirees are not part of those MOUs. To introduce another party into the mix would need to be agreed to by all the parties involved.

d) ***How can you legally change what you are charging retirees who have no voice? How can the City change past practice?***

The City's policy states that retirees and their dependents have access to the City's health plan at a cost determined by the City. The items being considered addressed mainly consider contribution cost to be assessed the retiree. The proposals follow policy. Further, for the past five years, the City has increased retiree health care rates.

- e) ***Some retirees are working to accumulate Medicare units in order to qualify for free Part A Medicare. If the actively at work provisions are implemented, a retiree will be asked to potentially pay more for health care while they try to accumulate the Medicare quarters. Is that fair?***

The actively at work proposals are designed to have individuals who are eligible for health care receive that health care benefit. While the retiree is working and earning a substantial income, the City's retiree health cost will be less. When the retiree no longer has that benefit offered by their employer, the City will provide a substantial health benefit. The fairness in the proposal is that those not earning substantial monies in retirement are not asked to make additional contributions.

- f) ***New retirees are retiring under an enhanced retirement plan, substantially greater than past employees. Shouldn't there be a difference in the health plan contribution?***

In 2001, employee retirement benefits were increased. Employees retiring since that time have substantially better benefits. As a result, some may argue that recent retirees should pay a larger share of the health cost than older retirees. In fact, current employees who will retire may bear more of these costs than current retirees. As a result, employee groups need time to discuss these proposals.

Employee groups have been briefed on the outline of this proposal but staff still must meet with these groups, if they so desire. The eventual outcome of these meetings has yet to be seen and needs to be processed through the bargaining process.

- g) ***The City is asking for increased contributions but has not given anything back. Why won't the City offer dental coverage as the City asks for increased premiums?***

The reason the City has asked for increased premiums is because costs for the set health plan have increased. Offering additional benefits will further increase the cost of the plan. If retirees were willing to pay for the full cost increase, staff would recommend that Council offer that additional benefit. However, in the past when that cost increase was discussed with retirees, it was not considered a benefit.

- h) ***How can we be sure that you have properly conveyed to Council this group's sentiment?***

Staff makes every effort to convey the results of meetings. However, the Council work session is designed to allow interested parties the opportunity to directly approach Council and state their views.

- i) ***Does the City have to take action on all these items next Tuesday?***

No. The Council can consider all these items and decide to postpone action. The one item staff believes should be acted upon is the proposed increase for this year of \$23.03 a month.

In addition, the following comments reflect some of the sentiment at the meeting:

- It seems that the proposals should be phased in over time, leaving the current retirees alone.
- The increase we will get in our PERS pension COLA will not cover the proposed \$23.03 health cost increase for many retirees.
- Because I receive a government pension, my social security check is greatly reduced.
- We do not believe that a Medicare Supplement can be even close to what the City's health plan offers current retirees.
- Many people in this group, due to their age, will not understand these proposals. Please keep that in mind as proposals are made and actions are considered.

### **Next Steps**

The purpose of this paper is to outline policy choices the City Council might consider in providing greater detail to the City's Retiree Health Care Policy. City policy 301 states that the City Council will provide access to the City's health plan to retirees at a cost determined by the City each year. These proposals expand upon the policy established in 1992 stating how contributions will be assessed. This document is needed to guide the City's budgetary actions to assure the proper funding of retiree health benefits. The proposed actions DO NOT eliminate retiree health benefits. Rather, the proposed actions will assure that the City continues to provide a retiree health care plan, an increasingly valuable benefit.

Staff recommends that Council:

- act upon the basic rate increase now; and,
- consider the other proposals at their March 17, 2008 meeting in order to allow a full discussion of the impacts of these policy directions.

**Recommended Motion (and Alternative Motions if expected):** Approve (or amend as appropriate) staff's recommendation.

## MEMORANDUM

---

DATE: 11/04/2008

TO: City of Visalia Health Care Retirees

FROM: Eric Frost, Administrative Services Director

SUBJECT: Council to Consider Retiree Healthcare Rates for 2009 at 4 pm, November 17, 2008 at the City Council Chambers

---

City Administrative policy 301, last revised in January of 1992, states:

“Retirees and their dependents are eligible for medical and vision benefits at a cost determined each year by the City.”

The City’s 2009 health plan will experience a \$37.92 per month rate increase as of January 1, 2009. On November 17, 2008, the City Council will set retiree health care contribution rates for the next calendar year.

During the last Council discussion on rates, a number of optional plan costing alternatives were considered such as years of service pricing. In contrast, this year’s recommendation deals solely with contribution rates. Several pricing alternatives will be presented to City Council. The Council will consider public comments before taking action at the meeting. **Given the challenging financial times, however, management will recommend that this year’s cost increase, \$37.92 per month, be paid for from retiree health contributions.**

Recently, I sent out a memo discussing the health care options open to Visalia’s retirees. The plans available as of January 1, 2009 have increased lifetime benefit caps, moving from \$1 million to \$2 million. This change benefits the individual who has a catastrophic illness or accident by providing another \$1 million worth of coverage.

In addition, the following changes were made to the City’s health plan:

**Health plan members will be required to use one of Anthem’s (Previously Blue Cross) California Centers of Expertise when having stomach bypass surgery.**

**The City’s PPO plan will change the \$300 a year preventative health care benefit to a \$20 per visit Co-pay for those 5 and under, reducing out-of-pocket well-baby costs.**

In addition, the City has adopted a low-contribution, high deductible health plan. Retirees will have three choices during open enrollment: the traditional Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) Plan and a High-deductible Preferred Provider Organization (HD PPO), low contribution plan. The HD PPO plan has higher deductibles but also cost much less in monthly contributions.

Since the Council has not determined 2009 retiree health care contribution rates, we can not give retirees finalized rates until after the Nov. 17, 2008 Council meeting. To provide an indication of



what the 2009 rates will be, however, the table below lists the 2008 rates and two potential 2009 rates scenarios: a 50/50 cost sharing and a full cost increase.

Monthly Retiree Health Care Contribution Rates				
Calendar Years 2008 and Potential 2009				
<i>(2009 contribution rates are to be considered by Council at the 11/17/08 meeting)</i>				
			Two Alternatives	
			<i>Shared Cost inc. 50/50</i>	<i>Full Cost Increase</i>
<u>Under 65</u>		<u>2008</u>	<u>2009</u>	<u>2009</u>
PPO or EPO		180.45	199.42	218.38
New HD*		NA	73.81	73.81
<u>Over 65</u>				
PPO or EPO		144.71	163.68	182.64
New HD*		NA	38.07	38.07
<u>Surviving Spouse</u>				
PPO or EPO		237.87	256.84	275.80
New HD*		NA	131.23	131.23
* The City will be offering a new High Deductible PPO plan for 2009.				
Note: If the retiree has a dependent, they pay either \$57.42 for a dependent under 65 or \$21.68 a month for a dependent over 65.				

Health care is an important retiree benefit. The increase in the lifetime benefit greatly increases the benefit for those suffering a catastrophic illness or accident. The alternative High Deductible plan offers an attractive alternative for individuals who do not typically have many medical expenses. In any case, the Council will consider rate increases at their November 17, 2008 meeting. No other recommendations are being proposed by staff at this meeting, only a review of contribution rates.

# City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 4

**Agenda Item Wording:** Proposed General Fund Budget Savings Recommendations for 2008-10 Budget Period.

**Deadline for Action:** N/A

**Submitting Department:** Parks & Recreation

**Contact Name and Phone Number:** Jeannie Greenwood,  
Recreation Manager, 559.713.4042

## Recommendation:

The Parks and Recreation Commission recommends that the City contract services for the Senior Meal Program rather than preparing meals internally.

The Commission also recommends that the City relinquish responsibilities and funding associated with the Retired Senior Volunteer Program (RSVP) and that the City not apply for future grant funding.

The Commission further recommends that the Recreation Division continue to produce three (3) brochure publications per year and develop a three year strategy to transition to an electronic marketing medium.

## Background Information:

As the City began working on the 2008-2010 budget, we were asked by the Finance Division to look at our operations and make recommendations of ways to save costs and work more efficiently. The Recreation Division generated three ideas where staff felt changes could produce a cost savings to the City. These three ideas were presented to the City Council as part of the Bi-Annual Budget process. Council then asked the Parks and Recreation Commission to look at these three program areas and make recommendations for Council consideration. The three identified areas are: the senior lunch program, the Retired Senior Volunteer Program (RSVP) and the department brochure.

These three programs represent areas within the Recreation Division requiring a large general fund subsidy. Recreation Division Staff has been tasked to look into ways to reduce the general fund subsidy in these program areas and report back to the Parks and Recreation Commission. This report represents staff findings and recommendations of the Parks and Recreation Commission.

## For action by:

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

## For placement on which agenda:

Work Session  
 Closed Session

## Regular Session:

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 20

## Review:

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required  
or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

## **Senior Meal Program:**

Parks and Recreation Department Staff met with the Senior Advisor Committee on the specific topic of the meal program from May through September, 2008 to solicit ideas and recommendations related to cutting costs of the Senior Meal Program. The Senior Advisory Committee is a group of representatives from the various user groups who utilize the Senior Center for programs and services. This group meets once a month and works with department staff on program ideas, center policies and other items of concern.

The current meal program operates weekdays, year round. The meal price is \$3.50 for seniors (ages 55 and over) and \$4.00 for non-seniors. The cost of meal production is estimated at \$10 per meal, thus a subsidy of \$6.50 per senior meal.

The number of meals served at the Visalia Senior Center has increased. In fiscal year 2006-2007, 31,936 meals were served. The total meal cost (not including utilities, allocated costs and other indirect costs) was \$279,050.32; this required a general fund subsidy of \$178,162. In fiscal year 2007-2008 the number of meals increased to 37,710. The total meal cost (not including utilities, allocated costs and other indirect costs) was \$325,292 with a general fund subsidy of \$212,678. The increase of 5,774 meals amounted to an additional general fund subsidy of \$34,516.

There are several factors contributing to the increase in the number of meals being served. More programs and activities are being offered to attract more users into the facility. We have also seen other meal programs in assisted living facilities discontinue a lunchtime meal. This has resulted in additional seniors taking advantage of the City of Visalia lunch program. In 2007-08, the Senior Center served an average of 150 meals per day.

Although more attendance is a positive reflection of the quality of programs and services offered at the Visalia Senior Center, it also increases the costs associated with additional meal service. Several cost saving ideas were discussed and investigated. Based on our findings, department staff recommends that food preparation for the senior meal program be contracted to a private vendor. When looking at the costs associated with the meal program, the area of the most potential for cost savings is staffing costs. By contracting meals, two three-quarter employee positions could be eliminated producing an estimated cost savings of over \$95,000 per year. The cost for meals from an outside source is anticipated to be \$3.50-\$4.00 per meal, consistent with the current food costs. The Recreation Division has been in contact with possible vendors to gain informal cost estimates, we have not approached specific vendors at this time to gauge interest in a future contract. If Council chooses to outsource meals, a formal request for bid will be published by the City's Purchasing Division.

The loss of staff would require more volunteers from within the center to assist in serving meals that have been delivered by the vendor and cleanup after meal service. The members of the Senior Advisory Committee have stated the desire of center participants to volunteer in this capacity. Department staff recommends that one three-quarter employee remain on staff to oversee food service, supervise volunteers, procure operational supplies as needed and manage the food service contract.

In these tough budget times, Senior Meal programs throughout the valley are being eliminated or reduced in funding and service. Several agencies in our area contract with Kings Tulare Area Agency on Aging (KTAAA) for Senior Meals. Earlier this year, KTAAA announced the closing of lunch services in the communities of Hanford, Armona, Springville, Ivanhoe, Farmersville, Three Rivers, Dinuba and Lemoore. Other KTAAA sites such as Tulare and Porterville are concerned about continuing funding.

## **Retired Senior Volunteer Program (RSVP):**

RSVP is a federally funded program administered by the Corporation for National and Community Services to provide volunteer opportunities for seniors ages 55 and over. This program involves the recruitment of volunteers and jobsites, contracting with organizations for volunteer placement, processing time logs and mileage reimbursements for volunteers and required grant reporting.

The City of Visalia receives a grant from the Corporation for National and Community Service to operate the Retired Senior Volunteer Program (RSVP). The City of Visalia receives \$55,435 from the State to operate this program and requires a 30% match (\$16,630.50) from the City.

In Fiscal Year 2007-2008, this program required a match of over 53% to operate:

Grant Amount:	\$ 54,435
Total Program Cost:	\$117,300
General Fund Subsidy:	\$ 62,865

Under the terms of this grant, the City must dedicate a full time program director and an hourly program assistant to work solely on the Retired Senior Volunteer Program. The cost of this program for wages alone is \$54,568. It is not possible to meet the terms of the grant and stay within the 30% match. In past years, the RSVP Director worked in other program areas in addition to the volunteer program and was used to assist in special events and a community wide volunteer program. In recent years, the Corporation for National and Community Services has become strict in the role of the RSVP director mandating that he/she work solely on the grant funded volunteer program. This has led to a loss of flexibility for this full time staff member to assist in other recreational programs and services.

By eliminating the grant, the City will see a general fund savings of \$117,300, the entire City cost of this program. This full time position will be moved to a vacant coordinator position in the Recreation Division.

Tulare County operates RSVP for Tulare and Kings Counties. Department staff met with representatives of Tulare-Kings County RSVP to discuss the option of the County bidding on the City of Visalia grant. At the time, County staff was agreeable and stated that they would be interested in transitioning the City RSVP program to the County if this were an option. The City of Visalia submitted a notice to relinquish to the Corporation for National and Community Service. In the interim, Tulare County also submitted a notice to relinquish the Tulare/Kings County RSVP. The Corporation for National and Community Services is working to publish a "Request for Proposal" to find another agency to operate RSVP in our area. Once a new agency is identified, the Recreation Division will work with this new agency to transition the existing program without an interruption of service. As always, volunteers are welcome to contact the Parks and Recreation Department to assist with programs and events.

The Parks and Recreation Department is still awaiting a final response from the state as to the ability to relinquish prior to the grant expiration on March 30, 2009.

## **Department Brochure Publication:**

The Parks and Recreation Department currently publishes three marketing brochures per year, a spring, a summer and a fall/winter issue. Over 47,000 copies of each issue are produced and booklets are direct mailed to 46,000 Visalia residents. The remaining copies are distributed throughout the community. The production and mailing of this booklet cost the City \$49,841 in fiscal year 2007-2008, which includes the printing and mailing of the brochure only (does not include staff costs of production).

Department staff has been asked to look at the cost effectiveness of this publication and make recommendations. In an effort to study the effectiveness of the program brochure, the Recreation Division printed 15,000 copies of the 2008/2009 Fall/Winter issue and made them available at locations throughout the community. We also mailed a postcard to 6,000 recreation users in our registration data base system letting them know that the brochure was available on-line or at our office. The balance will be distributed as inserts in the Valley Voice later this month.

Standard brochure costs for this issue (printing & mailing to \$46,000 residents) would have been \$17,462. To print, address & mail 46,000 post cards only, the cost would have been \$10,055. We opted to try the post cards to registered users for \$2,590, a cost savings of \$8,107.

Although we were able to save money on printing and postage, registration numbers suffered for new program areas. Traditional or well established programs such as youth and adult sports did not see a significant impact. New programs and specialty classes saw very low numbers resulting in the cancellation of classes and programs. Bottom line, the cost savings at this point does not offset loss of revenue from programs and classes.

Department staff recommends that we continue with three publications at this time. We are proposing a three year transition from the printed brochure to electronic marketing modes. This three year period will give us more time to develop our email lists and test our on-line and email marketing programs for effectiveness prior to eliminating today's best source of marketing.

### **Recommendations:**

It is the recommendation of the Parks and Recreation Commission that staff be directed to begin the process to contract meal services for the Senior Lunch Program. This transition should take place by July 1, 2009.

The Parks and Recreation Commission further recommends that the City follow through with its plan to relinquish the Retired Senior Volunteer Program, that the City not re-apply for said funding and that department staff work with the successful agency in the transition of the existing program.

Finally, the Parks and Recreation Commission recommend that the Recreation Division continue to publish the seasonal brochure while developing a plan to phase out one to three issues of this publication. The Recreation Department should continue to develop its website and email list as an alternative marketing means. This should be re-evaluated during the next two year budget cycle.

### **Prior Council/Board Actions:**

June 16, 2008

June 23, 2008

This document last revised: 11/14/08 2:54:00 PM

File location and name: H:\(1) AGENDAS for Council - DO NOT REMOVE\2008\111708\Item 4 Recreation Budget Savings.doc

**Committee/Commission Review and Actions:**

October 21, 2008 – Recommendation from the Parks & Recreation Commission was adopted.

**Alternatives:**

**Attachments:**

**Recommended Motion (and Alternative Motions if expected):**

Motion: City Staff begin the process to contract meal services for the Senior Lunch Program with this transition taking place July 1, 2009.

Motion: The City shall follow through with the plan to relinquish the Retired Senior Volunteer Program, that the City shall not re-apply for said funding and direct City staff work with the successful agency in the transition of the existing program.

Motion: that the Recreation Division continue to publish the seasonal brochure while developing a plan to phase out one to three issues of this publication and this shall be reevaluated during the next two year budget cycle.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8b

**Agenda Item Wording:** Authorization to purchase four (4) 40 foot and three (3) 35 foot low floor compressed natural gas (CNG) replacement fixed route buses from Daimler Buses North America formerly Orion Bus Industries in the amount of \$450,000 each for a total of \$3,150,000.

**Deadline for Action:** November 3, 2008

**Submitting Department:** Administration Department – Transit Division

**Contact Name and Phone Number:** Monty Cox, X4591

**Department Recommendation**

Authorization to purchase four (4) 40 foot and three (3) 35 foot low floor compressed natural gas (CNG) replacement fixed route buses from Daimler Buses North America formerly Orion Bus Industries in the amount of \$450,000 each for a total of \$3,150,000.

**Summary**

In 2007, Council approved the request for City transit staff to purchase four (4) buses by taking advantage of purchasing options that Washington Metropolitan Area Transit Authority (WMATA) had in place with Daimler Buses North America formerly Orion Bus Industries. If Council approves this request, an additional seven (7) buses will be delivered in about one year. To purchase these buses, staff recommends taking advantage of purchasing options that WMATA has in place with Daimler Buses North America (commonly known as piggybacking). The price is based on a competitive bidding process conducted by WMATA.

**Discussion:**

These purchases are major steps toward making the City transit bus fleet 100% alternative fuel. With this purchase the City transit department will have an alternative fuel fleet of twenty-four (24) fixed route buses, eleven (11) Dial-A-Ride buses, three (3) CNG trolleys, and three (3) hybrid electric trolleys or a total of 41 out of 42 transit vehicles. This is consistent with current City policy to utilize alternative fuel wherever possible. Fueling the buses is now performed via the new CNG fueling facility, located on Cain Street between the Corporation Yard and the new bus operations facility, at a savings of over 30% compared with the cost of diesel fuel. By 2016

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head LBC 91007  
(Initials & date required)**

**Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required  
or N/A)**

**City Mgr \_\_\_\_\_  
(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

the City transit department plans on having a bus fleet comprised 100% of alternative fuel vehicles, although staff will look for opportunities to accelerate this effort wherever possible.

Funding for these seven (7) buses has been accelerated by the Tulare County Association of Governments (TCAG) and comes from two sources. Approximately eighty eight percent (88.53%) comes from federal Congestion Mitigation Air Quality (CMAQ) funds and approximately twelve percent (11.47%) from the Local Transportation Fund (LTF), which is state funding derived from sales tax revenues and can only be used for transportation purposes.

Current FTA guidelines require City transit staff to keep federally funded buses for a minimum of 12 years.

**Prior Council/Board Actions:** Council authorized the purchase of our first seven (7) Orion buses on December 5, 2005, an additional six (6) on September 17, 2007, and an additional four (4) on November 19, 2007.

**Committee/Commission Review and Actions:** None

**Alternatives:** None recommended

**Attachments:** None

**Recommended Motion (and Alternative Motions if expected):**

I move that the City Council approve the purchase of four (4) 40 foot and three (3) 35 foot low floor fixed route compressed natural gas (CNG) replacement buses from Daimler Buses North America in the amount of \$\_\_\_\_\_ each for a total of \$\_\_\_\_\_

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

***Financial Impact***

**Funding Source:**

Account Number: 4511-00000-720000-0-9223

**Budget Recap:**

Total Estimated cost: \$ 0	New Revenue: \$ 0
Amount Budgeted: \$ 0	*Lost Revenue: \$
New funding required: \$ 0	New Personnel: \$
Council Policy Change: Yes _____ No <u>X</u>	



**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

# City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8c

**Agenda Item Wording:** Second reading of Ordinance 2008-12 amending Section 2.16.020 of the Visalia Municipal Code relating to terms of Planning Commissioners.

**Deadline for Action:** N/A

**Submitting Department:** Administration

**Contact Name and Phone Number:** Leslie Caviglia, 713-4317;  
Donjia Huffmon, 713-4512

### Department Recommendation

It is recommended that the Visalia City Council hold a second reading of Ordinance 2008-12 amending Visalia Municipal Code Section 2.16.020 relating to Planning Commissioner terms.

### Department Discussion

At the recent Council work session, Council reviewed a number of recommendations from the Citizen's Advisory Committee and staff relating to the City's Committees and Commissions. Among the changes authorized by Council was a change in terms for all Committees and Commissions, and a procedure for alternates. It was recommended, and Council concurred, that as a matter of policy, the terms be two years each, and that each Commissioner be eligible to serve up to four consecutive terms or a total of eight consecutive years.

In addition, it was recommended that a process for alternates be devised. Staff is recommending that the Council have the option of appointing up to two Planning Commission alternates. Council would have the option of considering the alternate(s) for appointment at the time a vacancy occurs, or designating that if a vacancy occurs, the alternate would automatically advance to serve the unexpired term.

On Oct. 27, staff met with the Planning Commission to further discuss these potential changes. The Commission indicated that they would prefer that if someone resigns mid-term, that instead of being appointed to fill the unexpired term, the new Commissioner would be appointed for the remainder of the year, and then at the beginning of the new year, would be appointed to a two-year term, regardless of whether the unexpired term would have ended in the year of appointment, or the following year.

After reviewing their recommendation, and consulting with the City Attorney, staff is not recommending incorporating the Planning Commission recommendation into the new policy for

### For action by:

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

### For placement on which agenda:

- Work Session
- Closed Session

### Regular Session:

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

### Review:

**Dept. Head LBC 11508**

**Finance**

**City Atty**

**City Mgr**

several reasons. First, the Maddy Act specifically calls for the City to post and publish information relating to terms of office, when terms are going to be up, etc. It would be difficult to fulfill the requirements of this Act if the terms were flexible. In addition, it would alter the term rotation system, since every time there was a mid-term vacancy virtually a new term would be created. It would also be much more difficult to track and ensure term limit compliance, especially since it would probably need to be implemented for both the Parks and Recreation and the Planning Commission, making it another exception to the Committees processes and another complication in an already complex tracking system.

While the Council approved these changes in concept at the last meeting, the terms of office for the Planning Commission are part of the Municipal Code and an ordinance is required to officially change the Code.

This ordinance will be implemented 30 days after this adoption.

**Prior Council/Board Actions:**

November 3, 2008 – First reading was help by the City Council.

October 6, 2008 – Council considered these changes as part of a comprehensive set of recommendations from the Citizens Advisory Committee and staff.

**Committee/Commission Review and Actions:**

These recommendations were reviewed by the Citizens Advisory Committee and the Planning Commission.

**Attachments:** Ordinance 2008-12

**Recommended Motion (and Alternative Motions if expected):**

I move to approve the second reading and adoption of Ordinance 2008-12.

ORDINANCE 2008-12

AMENDING ORDINANCE CODE SECTION 2.16.020,  
TERM OF OFFICE OF PLANNING COMMISSIONERS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA:

Section 1: Section 2.16.020, of the Visalia Ordinance Code is hereby repealed and replaced with the following new section 2.16.020 to read as follows.

SEC. 2.16.020 Term of Office.

The term of office of the commissioners shall be for two years. Appointments shall be prior to the conclusion of each term, with the appointees taking office at the first Planning Commission meeting in January following their appointment. Each Commissioner shall, nevertheless, continue in office until the successor is duly appointed and qualified; provided that any Commissioner may be removed from office at any time by four-fifths (4/5) vote of the members of the Council. The Council has the option of appointing up to two Planning Commission alternates should a mid-term vacancy occur. At the time of alternate appointment, the Council has the option of designating either to consider appointing an alternate if and when a vacancy occurs, or designating that an alternate may automatically become a Commissioner if and when a mid-term vacancy occurs. The term of an alternate cannot exceed two years, and may be less. Vacancies from any cause whatever on the Planning Commission shall be filled by the Council, and all such vacancies shall be filled for the unexpired term only. Each Commissioner shall qualify by taking the oath of office before taking the office of Planning Commissioner.

Section 2: Construction. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section 3: Effective Date. This Ordinance shall take effect thirty days after its adoption.

Section 4: Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

# City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8d

**Agenda Item Wording:** Second Reading of Ordinance 2008-13 amending Section 2.12.010 of the Visalia Municipal Code relating to Appointment of Members of the Parks and Recreation Commission.

**Deadline for Action:** N/A

**Submitting Department:** Administration

**Contact Name and Phone Number:** Leslie Caviglia, 713-4317;  
Donjia Huffmon, 713-4512

### Department Recommendation

It is recommended that the Visalia City Council hold a second reading of Ordinance 2008-13 amending Visalia Municipal Code Section 2.12.010 relating to Park and Recreation Commissioner appointment and terms.

### Department Discussion

At the recent Council work session, Council reviewed a number of recommendations from the Citizen's Advisory Committee and staff relating to the City's Committees and Commissions. Among the changes authorized by Council was a change in terms for all Committees and Commissions, and a procedure for alternates. It was recommended, and Council concurred, that as a matter of policy, the terms be two years each, and that each Commissioner be eligible to serve up to four consecutive terms or a total of eight consecutive years.

In addition, it was recommended that a process for alternates be devised. Staff is recommending that the Council have the option of appointing up to two Park and Recreation Commission alternates. Council would have the option of considering the alternate(s) for appointment at the time a vacancy occurs, or designating that if a vacancy occurs, the alternate would automatically advance to serve the unexpired term.

While the Council approved these changes in concept at the last meeting, the terms of office for the Planning Commission are part of the Municipal Code and an ordinance is required to officially change the Code.

This ordinance will be implemented 30 days after this final adoption.

### For action by:

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

### For placement on which agenda:

Work Session  
 Closed Session

### Regular Session:

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

### Review:

**Dept. Head LBC 11508**

**Finance**

**City Atty**

**City Mgr**

**Prior Council/Board Actions:**

November 3, 2008 – Council held a first reading of the ordinance.

October 6, 2008 – Council considered these changes as part of a comprehensive set of recommendations from the Citizens Advisory Committee and staff.

**Committee/Commission Review and Actions:**

These recommendations were reviewed by the Citizens Advisory Committee.

**Attachments:** Ordinance 2008-13

**Recommended Motion (and Alternative Motions if expected):**

I move to approve the second and final reading of Ordinance 2008-13.

ORDINANCE 2008-13

AMENDING ORDINANCE CODE SECTION 2.12.010,  
APPOINTMENT OF MEMBERS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA:

Section 1: Section 2.12.010, Appointment of members, of the Visalia Municipal Ordinance Code is repealed and replaced with the following new section as follows:

SEC.2.12.010. Appointment of members. The Park and Recreation Commission shall consist of five members who shall be appointed by the city council to serve without compensation. Each member shall be a qualified elector of the city at the time of his appointment and during his incumbency, and the term of office shall be two years and/or until his successor shall be appointed and qualified. The Council has the option of appointing up to two Park and Recreation Commission alternates should a mid-term vacancy occur. At the time of the alternate appointment, the Council has the option of designating either to consider appointing an alternate if and when a mid-term vacancy occurs, or designating that the alternate may automatically become a Commissioner if and when a mid-term vacancy occurs. The term of an alternate cannot exceed two years, and may be less. Vacancies from any cause whatever on the Parks and Recreation Commission shall be filled by the Council, and all such vacancies shall be filled for the unexpired term only. Whenever, in the discretion of the city council, the best interests of the city shall be subserved thereby, any member of the commission may be removed from office by a majority vote of the council. Each Commissioner shall qualify by taking the oath of office before taking the office of Park and Recreation Commissioner.

Section 2: Construction. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section 3: Effective Date. This Ordinance shall take effect thirty days after its adoption.

Section 4: Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8e

**Agenda Item Wording:** Authorization to expand the scope of the Recreation Park Stadium Right Field Improvements construction agreement with Seals/Biehle General Contractors to include regrading of the playing field. Authorization for the City Manager to enter into an agreement amendment with Seals/Biehle General Contractors in an amount not to exceed \$250,000, to include regrading of the playing field. Funding for the playing field regrading is included in the \$11.6 million dollar budget for the stadium expansion. No additional funding is requested. (Project # 0017-15152-720000-0-8037)

**Deadline for Action:** November 17, 2008

**Submitting Department:** Community Development

**Contact Name and Phone Number:**

Adam Ennis – 713-4323  
Greg Dais – 713-4164

**Department Recommendation:**

Staff recommends that City Council authorize a change in the scope of the Recreation Park Right Field Improvements agreement with Seals/Biehle General Contractors to include regrading of the playing field. Further, that City Council authorize the City Manager to enter into amendments to the existing construction agreement with Seals/Biehle, in an amount not to exceed \$250,000, to accommodate the cost of the expanded scope of work. Regrading of the playing field was an item considered as a possible additional minor improvement to the stadium project previously approved by City Council and funding for this part of the overall project is included in the \$11.6 million dollar budget. No additional funding is requested.

**Summary/background:**

Regrading of the playing field to meet Baseball Minor League Facility Standards was considered one of the possible additional minor improvements included as a part of the overall Right Field Improvements Project and \$11.6 million dollar budget approved by City Council on February 19, 2008. Regrading of the field has been requested by the Arizona Diamondbacks due to concerns for player safety. Currently, the field has many areas with an uneven surface and

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.



poor drainage. The poor drainage also contributes to the uneven surface due to soil settlement induced by ponding water. Due to the relocation of an Arizona Diamondbacks affiliate that is currently located close to the major league team, the Arizona Diamondbacks are anticipating sending their players that are in rehabilitation to the Rawhide Club at Recreation Park during their rehabilitation since Visalia is the next closest affiliate. This also contributes to their concerns for player safety at the Recreation Park field. The field regrading was not included in the \$7.74 million dollar Right Field Improvement construction contract that was awarded on February 19, 2008, because it was not clear if there would be sufficient funding remaining in the original budget approved by City Council to cover this expense. However, due to efforts by the design team, the contractor and the City staff to control costs on the construction thus far, there appears to be sufficient funding for this improvement with sufficient contingency available for all of the remaining work.

The field regrading design is near completion and will be ready for construction within the next couple of weeks. Staff recommends that City Council authorize expanding the scope of the current Right Field Improvement construction agreement with Seals/Biehle General Contractors to incorporate the field regrading. This will provide that work can begin in a timely manner which is critical for completing the work prior to the opening of the 2009 Baseball Season. No additional scopes of work are anticipated for this construction contract.

A cost estimate for the field regrading in the amount of \$250,000 has been prepared by Dan Veyna with Sierra Designs, an experienced landscape architect. The construction cost estimate for the field regrading is based on the anticipated scope of work, which is why staff recommendation is to approve a "not to exceed" amount, rather than a firm price. The contractor and City staff is continuing to refine and determine the most cost effective methods for providing the field regrading. If authorized by City Council, staff will work with the contractor to fit the additional work into the remaining available construction time and continue to keep the construction as cost effective as possible. The contractor is not able to provide a final cost figure for the field regrading until the plans and specifications are complete. Upon completion of the plans and specifications, a final cost can be determined and the contract amendment for the work can be issued. It is necessary to begin work on the field regrading as soon as possible in order to complete the project on time. Staff and the construction manager believe the costs are reasonable and appropriate.

Staff believes that it is preferable and necessary to proceed with the work to be performed by the contractor currently on the project, by expanding the scope of work in the agreement, primarily for schedule considerations, since the field regrading has to be complete by opening day 2009. The alternative would be to separate out the field regrading into a separate project and bid process. Staff believes this would jeopardize completing the project during the compressed time line. Unlike the construction that occurred during the playing season this year, that will not be possible for the field regrading since the field will need to be in playing condition by the first home game of the new baseball season. In addition, staff believes it is appropriate to expand the existing agreement for the following variety of reasons:

- Cost savings in General Conditions will be realized by having one site superintendent, construction trailer, temporary utilities, construction bonds, etc.
- Two general contractors on site would necessitate two separate construction yards and complicate the construction site.

- The ballpark is very small and confined and would be very difficult to maintain two completely distinct job sites. This would be necessary for liability and control issues, especially with field and dugout work being directly adjacent and the need for overlapping of workspaces.
- Having two general contractors on site would cloud who is the responsible party for site conditions. For example, one contractor would be cutting into utility lines being installed by the other contractor, before final inspections and city acceptance. Demolition by one contractor would be taking place proximate to new improvements by the other and damage could occur. Heavy equipment brought in by one contractor could disturb the job site operation of the other.
- Coordination issues between the two operations could be used as cause for delay and would be more easily handled by one general contractor.

### **Summary**

Authorization to expand the scope of the existing Right Field Improvements construction agreement will provide for the project to proceed toward completion in time for the 2009 Baseball Season. This action will authorize the City Manager to enter into contract amendments, in an amount not to exceed \$250,000, for the costs of regrading the field. The field regrading cost is within the approved budget. No additional funding is necessary.

### **Prior Council/Board Actions:**

February 19, 2008 - City Council approved the Right Field Improvement Budget of \$11.6 million dollars and the construction agreement with Seals/Biehle in the amount of \$7.74 million dollars. On October 6, 2008, City Council approved issuing a change order to Seals/Biehle in an amount of up to \$715,000 to add the dugout construction to their scope of work.

### **Committee/Commission Review and Actions:**

**Alternatives:** None Recommended

**Attachments:**

### **Recommended Motion (and Alternative Motions if expected):**

I move to expand the scope of the Recreation Park Stadium Right Field Improvements construction agreement with Seals/Biehle General Contractors to include regrading of the field and authorize the City Manager to enter into agreement amendments with Seals/Biehle General Contractors, in an amount not to exceed \$250,000, to include regrading of the field.

### ***Environmental Assessment Status***

**CEQA Review:** Environmental Document 2007- 45- Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15332 (infill project) of the Guidelines for Implementation of the California Environmental Quality Act

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

## Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8f

**Agenda Item Wording:** Approval of recommendation from the Fire Chief to add a Fire Captain for Airport stand - by.

**Submitting Department:** Fire

**Contact Name and Phone Number:** Fire Chief Mark Nelson - 713.4218

**Department Recommendation:** That the City Council authorizes staff to add an additional Fire Captain position to serve as the Visalia Airport stand-by personnel and department's training officer.

**Summary/background:**

Pursuant to FAA regulations, the airport is required to have at least one ARFF responder available to respond to the airport within 15 minutes of being notified of an emergency. This requirement is only during periods of air carrier activity using aircraft with a seating capacity of 10 or more passengers. As it stands today, this means that ARFF personnel must be available to meet that response requirement during all scheduled airline flights, which currently totals 14 weekly flights.

The Fire Department has historically covered the commercial air service with stand-by 15 minutes before a commercial flight arrives and 15 minutes after the flight departs. This coverage has typically been handled by the engine company personnel staffed at Fire Station 53.

In the early part of 2009, the personnel assigned to Station 53 will be relocating to staff the new Fire Station at Shirk and Ferguson (Station 55). This will cause a void in the fire department's ability to provide on-site commercial stand-by service. Additionally, there will be a need to perform the required recording keeping, daily and weekly maintenance as well testing on the two ARFF apparatus. It is important to have a single point of contact for inquires and inspections by the FAA.

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Staff is recommending the addition of one 40 hour Fire Captain position. The job responsibilities would cover the following:

1. Provide airport stand-by for commercial flights
2. Provide all daily, weekly and monthly maintenance and testing for the two ARFF apparatus
3. Maintain all files related to FAA inspections
4. Ensure that fire department personnel are up to date on mandated ARFF training
5. Plan and coordinate all fire department training activities
6. Provide training as needed (including fire academy)
7. Respond to multi-unit incidents as the department safety officer
8. Regular duties of a Fire Captain

The Captain will be able to cover stand-by for the majority of fights; Monday through Friday from 0600 hrs to 1500 hrs. On the evening fights, weekends and holidays the stand-by coverage for commercial flights will be covered by an on-duty fire unit. This fire unit will be committed to the flight from pre-arrival to post departure. In the event that additional early morning or late evening flights are added to the schedule, the on-duty fire units will be able to cover the stand-by service. The statistical data for the Visalia Fire Department show that there is a significantly lower call volume in the early morning hours as well as in the later evening. The commitment of one fire unit used for stand-by coverage at these hours would be a minimal impact to the operational needs of the organization.

#### **Funding for Fire Captain**

The annual cost for the Fire Captain position with salary and benefits ranges from \$105,000.00 to \$132,000. **There will be no additional impact on the General Fund.** Below are the funding sources for the new position. Note: In FY 20012/13 Measure T Funds may be used to displace General Fund and Airport Enterprise Funds that would primarily be funding the position.

Airport Enterprise Fund	70,000.00 (Budgeted in FY 08/09)
Overtime Savings	25,000.00 to \$50,000.00
Operational Budget Savings	15,000.00
Total	114,000.00 to 139,000.00

Historically, the airport operations' positions have been cross-trained in ARFF response requirements. Consequently, Airport Staff has previously submitted a proposal that would include the addition of one (1) full-time operations position, cross-trained in maintenance and fueling, which could provide the airport with needed maintenance support and provide the additional hours needed to cover all flights for required ARFF coverage. Staff understands that Fire Personnel are better trained to handle emergencies, but in the absence of a sensible, cost-efficient solution, airport staff had no alternative but to recommend providing initial ARFF response with airport personnel. Based on further discussions with Fire Management and the decision to create a Training Captain's position and provide ARFF coverage at a more appropriate level, airport staff would support this plan.

The cost, to the airport, of providing a new position would have been approximately \$70,000. In lieu of creating the new airport operations position, the Airport Enterprise Fund will contribute \$70,000 to the general fund to offset a portion of the cost of funding the new Training Captain position. In return, the Fire Department will continue to provide all required ARFF coverage per FAA Regulations.

The Fire Department holds 1 to 2 Fire Academies per year to train new recruits as part of the process to fill vacancies within the organization. Typically, a Fire Captain is taken off line and placed on a 40 hour work week for 10 weeks. In reviewing the previous years, this is approximately a \$25,000 to \$50,000 impact to the overtime budget annually. Having the fulltime training Fire Captain will alleviate the need to backfill a line Captain's position with an overtime position. This year we have partnered with the City of Tulare in running a Fire Academy. It is too early to review the cost savings as the academy will not be completed until late December 2008. However, staff is predicting a \$5,000 savings.

With the new Training Captain's position, there will be additional operational budget savings in not having to hire back off-duty employees at an overtime rate to conduct specific training topics throughout the year. We have also saved money in various budgeted programs through innovation and streamlining the organization which equals approximately \$10,000.

**Prior Council/Board Actions:** None

**Committee/Commission Review and Actions:** None

**Alternatives:**

1. Provide coverage by rotating engines from other stations to Fire Station 53. This would result in a significant negative impact to the fire department's operations.
2. Have the airport personnel accept the responsibility to maintain and respond to aircraft emergencies during Stand-By coverage.

**Attachments:**

Attachment A - Section 315 ARFF Index

**Recommended Motion (and Alternative Motions if expected):**

To approve the addition a one fulltime Fire Captain position in the Fire Department.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

## SECTION 315 -- AIRCRAFT RESCUE & FIREFIGHTING (ARFF) INDEX

***Part 139.315(e) provides for an alternate level of ARFF requirements at Class III airports. Accordingly, the Airport will provide a level of ARFF coverage as detailed collectively in sections 315-319 of this ACM.***

The Airport will provide a level of safety comparable to ARFF Index A, based on current level of small air carrier aircraft service provided by:

- Fourteen (14) flights per week using Beechcraft 1900 aircraft with 19 passenger seats.



---

## SECTION 317 -- AIRCRAFT RESCUE & FIREFIGHTING (ARFF): EQUIPMENT, & AGENTS

*Part 139.315(e) provides for an alternate level of ARFF requirements at Class III airports. Accordingly, the Airport will provide a level of ARFF coverage as detailed collectively in sections 315-319 of this ACM.*

ARFF equipment at the airport consists of the following:

### **A. Primary ARFF Vehicle**

1997 Oshkosh T-1500

- 1500 gallons water
- 210 gallons 3% AFFF
- 450 lbs Purple K Dry Chemical
- 750 gpm roof turret
- 300 gpm bumper turret

### **B. Backup ARFF Vehicle:**

1978 Oshkosh T-6

- 1500 gallons water
- 200 gallons 3% AFFF
- 750 gpm roof turret
- 300 gpm bumper turret

---

## SECTION 319 -- AIRCRAFT RESCUE & FIREFIGHTING OPERATIONS

*Part 139.315(e) provides for an alternate level of ARFF requirements at Class III airports. Accordingly, the Airport will provide a level of ARFF coverage as detailed collectively in sections 315-319 of this ACM.*

### **A. ARFF HOURS OF OPERATIONS**

ARFF operations providing a level of safety comparable to ARFF Index A requirements are provided during all small air carrier operations from 15 minutes prior to scheduled arrivals until 15 minutes after departures.

Accordingly, Airline personnel will notify Public Safety Dispatch if a flight will be arriving earlier or later than scheduled so that the Fire Personnel can have adequate personnel able to meet Index A requirements. The following remark has been published in the Airport Facility Directory (AFD): *“Air carrier operations involving aircraft with more than 9 passenger seats are not authorized in excess of 15 minutes before or after scheduled arrival or departure times without prior coordination with airport management and confirmation that ARFF services are available prior to landing or takeoff.”*

### **B. VEHICLE COMMUNICATIONS**

The ARFF Vehicles are equipped with two-way voice radio communications with each other, the City Fire Department; and the Common Traffic Advisory Frequency (CTAF).

A Discrete Emergency Frequency (DEF) has not been established at the airport at this time.

### **C. VEHICLE MARKING & LIGHTING**

The ARFF vehicles are lime-green in color and are both equipped with flashing red beacons and reflective striping to contrast with the background and optimize nighttime visibility.

### **D. VEHICLE READINESS**

1. ARFF vehicles are housed in a fire station located mid-field adjacent to the T-Hangar area.
2. ARFF vehicles are maintained so as to be operationally capable of performing their intended functions. Operational checks of the ARFF

vehicles and their firefighting systems are conducted daily by the Airport Fire Station Personnel. Scheduled service inspections and routine maintenance is performed by the Fire Personnel. Maintenance or repairs, which cannot be accomplished at the airport, are completed at the City of Visalia Fleet Maintenance Division.

3. If the primary ARFF vehicle becomes inoperative to the extent that it cannot perform its required functions, the backup vehicle shall be used to maintain a level of safety comparable to ARFF Index A. In the unlikely event that both ARFF vehicles become out of service, the Airport Manager will notify the FAA Airports Division. The Airlines shall also be notified in accordance with Section 339 of this manual if ARFF equipment is temporarily not available.

In the event that replacement fire fighting equipment is not available, the Airport Manager, or his designated representative will close the airport to air carrier operations after 48 hours.

#### **E. PERSONNEL**

ARFF operations are provided by the City of Visalia Fire Department. Nine (9) Fire Personnel are designated as ARFF personnel with at least one firefighter on duty at the Airport Fire Station during air carrier operations.

##### **1. Equipment**

ARFF personnel are equipped with aluminized protective clothing, self-contained breathing apparatus (SCBA) and Personnel Safety Alert System (PASS) meeting National Fire Protection Association (NFPA) standards.

##### **2. ARFF Training**

ARFF personnel receive initial and recurrent training (minimum of every 12 months) in the following areas:

- a. Airport familiarization, including airport signs, marking, & lighting.
- b. Aircraft familiarization.
- c. Rescue and firefighting personnel safety.
- d. Emergency communications systems on the airport, including fire alarms.
- e. Use of the fire hoses, nozzles, turrets, and other appliances required.
- f. Application of the types of extinguishing agents required for compliance with this part.
- g. Emergency aircraft evacuation assistance.

- h. Firefighting operations.
- i. Adapting and using structural rescue and firefighting equipment for aircraft rescue and firefighting.
- j. Aircraft cargo hazards, including hazardous materials/dangerous goods incidents.
- k. Familiarization with firefighter's duties under the Airport Emergency Plan.

ARFF personnel are trained in the above subject areas following a site specific training curriculum. The training program includes the use of IFSTA, NFPA, FAA Computer Based ARFF Training Program and airport specific training materials.

3. Basic Emergency Medical Training

All ARFF Personnel are trained and current in basic emergency medical care. The First Responder training includes 40 hours of training covering the following areas:

- 1. Bleeding
- 2. Cardiopulmonary Resuscitation (CPR)
- 3. Shock
- 4. Primary Patient Survey
- 5. Injuries to the Skull, Spine, Chest, and Extremities
- 6. Internal Injuries
- 7. Moving Patients
- 8. Burns
- 9. Triage

ARFF personnel also attend CPR classes annually to maintain currency in CPR.

4. Records

Each Fire Captain assigned to Fire Station #3 is responsible for maintaining records of all training given to each member of their assigned crew. ARFF training records will be maintained for 24 consecutive calendar months. Such records include a description and date of training received.

5. Sufficient Personnel

At least one Fire Fighter is available during all small air carrier operations to operate the ARFF vehicle and meet the minimum discharge rates required.

6. Emergency Alerting System

- a. ARFF personnel are alerted of existing or impending aircraft emergencies by the following alerting system:
  1. Alert Procedures: ARFF personnel on duty are alerted via Emergency 911 or by telephone to the ARFF Station (ARFF Station Phone Number).
  2. Mutual Aid and Airport Operations are alerted through the Emergency Communications Center

**F. HAZARDOUS MATERIALS GUIDANCE**

The ARFF personnel stationed at the Airport Fire Station also serve as the City of Visalia's Hazardous Materials (HazMat) Response Team. Additionally, the HazMat response vehicle is stored at the Airport Fire Station with all necessary equipment and resource materials.

**I. EMERGENCY ACCESS ROADS**

The emergency access road located at the rear of Fire Station #3 is designated as a fire lane and kept free of vehicles and aircraft at all times.

**J. OFF AIRPORT OR OTHER EMERGENCY RESPONSE OF ARFF EQUIPMENT**

In the event of an off-airport response, or other type emergency response where ARFF coverage cannot be provided during an air carrier operation, the Airport Manager or Airport Supervisor shall immediately notify the airlines and issue a NOTAM stating that ARFF equipment is temporarily not available due to off-airport or other emergency response. During non-business hours, the responding firefighter shall issue a NOTAM by radio or phone to the Fresno Tracon or AFSS and request notification to the airlines. During any off-airport or other emergency response, ARFF equipment shall return to service as soon as practical.

**K. RELATED ADVISORY CIRCULARS**

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8g

**Agenda Item Wording:** Authorization to be a Gold sponsor (\$10,000) for the Visalia stage of the Amgen Tour of California bicycle race.

**Deadline for Action:** Dec 31, 2008

**Submitting Department:** Administration

**Contact Name and Phone Number:** Leslie Caviglia, 713-4317

**Department Recommendation:**

It is recommended that the City of Visalia become a Gold sponsor (\$10,000) for the Visalia stage of the Amgen Tour of California bicycle race start in downtown Visalia on Thursday, Feb. 19, 2009.

**Summary/background:**

Earlier this year the Amgen Tour of California released a Request for Proposal to selected cities in California. The Visalia Visitors and Convention Bureau organized a response to the RFP, which included a Council-endorsed letter of support from Mayor Gamboa for Visalia to be part of this international sporting event.

The Tour of California is a nine-day, 16-city event that has become the largest sporting and spectator event in California. World-class athletes from as many as 18 teams will take the roads, streets and highways of California. Many of the racers are the same athletes who participated in the most recent Tour de France and the Olympics.

As one of the stage cities, the Local Organizing Committee (LOC) coordinating event activities in Visalia leading up to and including race day. The Committee is chaired by Greg Kirkpatrick and includes representatives from a number of entities, including the Southern Sierra Cyclists who have organized the Sequoia Cycling Classic. There are a number of costs that the LOC is required to cover, including lodging costs for the advance crew, meals for the crew and teams, logistical and facility costs, safety, waste collection, etc.

In addition, the LOC is organizing a number of special events leading up to the race including the Mayors Race prior to the Christmas Parade, and a Bicycle Rodeo that will be held in January.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** LBC11508  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The LOC is seeking private sponsorships in an effort to raise the \$70,000-\$80,000 anticipated to be needed to fund the event activities. They have currently raised about \$20,000, including a Gold sponsorship from the Yokohl Ranch development, and a Silver sponsorship from AT&T. In a letter dated October 28, 2008, the Committee officially asked the City to become a Gold Sponsor for \$10,000. (Letter attached).

The \$10,000 would come from several funds in the Administration budget including General Community Support.

**Prior Council/Board Actions:**

Aug. 18, 2008 – Council authorized the Mayor to send a letter of support.

**Committee/Commission Review and Actions:**

**Alternatives:**

**Attachments:**

Letter from the Local Organizing Committee.

**Recommended Motion (and Alternative Motions if expected):**

I move to approve \$10,000 to become a Gold Sponsor of the Amgen Tour of California.

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 8h

**Agenda Item Wording:** Ratify the Main Street Economic Stimulus projects, appropriate \$1,050,000 (\$600,000 from General Fund and \$450,000 from Transit Funds) for project design, and authorize the City Manager to execute contract documents for design on projects that could be included in the federal economic stimulus funding package.

**Deadline for Action:** Staff request action on 11/17/08

**Submitting Department:** Administration

**Contact Name and Phone Number:** Chris Tavarez, Management Analyst, 713-4540, Eric Frost, Administrative Services Director, 713-4474, Leslie Caviglia, Deputy City Manager 713-4317

**Recommendation:**

Staff recommends that Council:

- 1) ratify submission and suggest possible additions or deletions from the list of the projects in attachment #1 for potential funding from the "Main Street" economic stimulus package being considered by the President and Congress; and,
- 2) appropriate \$600,000 from the General Fund and up to \$450,000 from the Transit Enterprise Fund for design on projects listed in Table 2 to qualify for the "Main Street" economic stimulus package.
- 3) authorize the City Manager to accelerate the purchasing and design process by entering into design contracts on projects that could be eligible for the economic stimulus funding.

Staff is advising Council to expedite the design on projects listed in Main Street" economic stimulus package to maximize the possibility of receiving grant funding. Projects ready for construction in early 2009 will most likely have a chance of receiving stimulus funding. If Council does not wish for staff to proceed on any listed projects or wishes inclusion of other projects, staff will make the necessary adjustments as authorized by Council.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 5

**Review:**

**Dept. Head** LC 11/13  
(Initials & date required)

**Finance** RN 11/13  
**City Atty** N/A  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.



## Discussion:

In an effort to outline local government needs, the United States Conference of Mayors accumulated a national list, including a list the City submitted on November 7, 2008 that included approximately \$125 million in project funding needs that could potentially provide an estimated 2,454 jobs. The goal of the economic stimulus package will be to inject funding into the economy as soon as possible; all listed projects were estimated to be able to begin construction in 2009. The Conference of Mayors is working to get this stimulus package signed this year (2008). Due to the goal of the tentative stimulus package, staff has taken an aggressive, strategic approach that would enable the City to react quickly to secure project funding.

Staff's submittal (with input from the Visalia Unified School District and Tulare County Housing Authority) of potential projects that may be eligible for the proposed economic stimulus package focused on ten areas of appropriation: Community Development Block Grants for Infrastructure, Energy Block Grant for Infrastructure and Green Jobs, Transit Equipment and Infrastructure, Highway Infrastructure, Airport Technology and Infrastructure, Amtrak Infrastructure, Water and Wastewater Infrastructure, School Modernization, Public Housing Modernization and Public Safety Jobs and Technology.

The projects submitted were only to provide examples of the projects that could be ready for construction in early 2009, and the number of jobs that would be created. Once the funding programs are established, staff will come back to Council for final authorization before proceeding with construction. Based on information provided by the State of California, job figures were determined based on 1 job for every \$45,000 of project cost. The programs as currently drafted will create jobs, improve infrastructure that the private sector needs to succeed, help small businesses with job creation, and have "lasting economic and environmental benefits". The survey that staff submitted for a preliminary look at possible needs is outlined below (Table 1):

**Table 1 - Economic Stimulus Package Project Summary**

<u>Economic Stimulus Sector</u>	<u>Estimated Costs</u>	<u>Projected Jobs</u>
Community Development Block Grants for Infrastructure	\$ 2,540,000	79
Energy Block Grant for Infrastructure and Green Jobs	\$ 33,350,000	341
Transit Equipment and Infrastructure	\$ 12,950,000	281
Highway Infrastructure	\$ 43,100,000	936
Airport Technology and Infrastructure	\$ 9,691,500	211
Amtrak Infrastructure	\$ 3,000,000	60
Water and Wastewater Infrastructure	\$ 5,500,000	118
School Modernization	\$ 5,970,000	158
Public Housing Modernization	\$ 683,315	115
Public Safety Jobs and Technology	\$ 8,254,949	155
Total	<u>\$ 125,039,764</u>	<u>2,454</u>

Since submitting the list, staff has refined the proposal and provided more detail in attachment #1 for Council's consideration and approval.

Staff selected projects based on their ability to be completed in calendar year 2009. Majority of the projects have a budget appropriation for design, or do not require any design funding. Projects that do not have a budget appropriation, that could be eligible, are listed in Table 2 –

Projects Not Budgeted. These projects do not currently have a budget for design. Staff recommends that Council appropriate \$600,000 from the General Fund and \$450,000 from the Transit Enterprise Fund for design to be eligible for the economic stimulus funding. Future funding from a new economic stimulus package could potentially pay for the construction phase of these projects.

**Table 2 – Projects Not Budgeted**

<u>Project</u>	<u>Funding Source</u>	<u>Estimated Design Budget</u>	<u>Estimated Project Costs</u>
Municipal Animal Control Facility	General Fund	\$ 600,000	\$ 6,000,000
Operations Maintenance Facility Expansion	Transit Fund	\$ 450,000	\$ 4,000,000
Total		\$1,050,000	\$ 10,000,000

The estimated design budget for the Animal Control Facility as listed in Table 2 is based on moving forward on design at the current location of the facility. Once a final location is approved by Council, staff will begin design and if another location is approved, a revised estimate and reauthorization of a design budget (if over \$100,000 change) will be brought to Council.

The Transit Maintenance Facility design is contingent upon Council authorizing staff to expedite a contract with Taylor Teter, the local firm that was the successful bidder on the original construction design project. As a result of their familiarity with the facility, they will be able to meet the expedited timelines required to qualify for the anticipated stimulus funding. While the design budget is estimated to be \$351,000 based on preliminary discussions, staff is asking for authorization up to \$450,000, which was the original design budget, to accommodate any additions that may be necessary as the project is refined. It is anticipated that design will generally be about 10% of the total construction budget.

Noted on Table 3 are two projects for which design funding was provided for in the Capital Improvement Program budget.

In an effort to expedite project design on the Multi-Modal Transit Center Expansion, staff recommends that Council authorize the City Manager to execute contract documents with Canby and Associates. This local firm was the successful bidder on the original construction design project, and as a result of their familiarity with the project, staff believes they can meet the necessary expedited project deadlines.

Staff is also working on the possibility of expediting the Sequoia Shuttle Visitors Center, and will return to Council for additional authorization if staff believes it is feasible to proceed with that project to meet funding deadlines.

**Table 3 – Projects**

<u>Project</u>	<u>Approved Design Budget</u>	<u>Estimated Project Costs</u>
Multi-Modal Transit Center Expansion	\$ 450,000	\$ 3,000,000
Sequoia Shuttle Visitor Center	\$ 450,000	\$ 3,000,000
Total	\$ 900,000	\$ 6,000,000

In addition, staff is asking for Council authorization to enter into a contract with Deventec out of San Luis Obispo to develop designs for installing solar on city facilities. This company was the successful bidder on the solar project at the airport. They fulfilled the tenants of that agreement, and have been faithful about follow up and maintenance. Therefore, staff is asking for authorization to enter into a contract and begin initial design, with the understanding that the

project will not proceed unless there is grant funding. The company has agreed to develop the initial plan without any upfront funding with the understanding that proceeding with the project is dependent upon funding.

Planning Staff has been made aware that Federal environmental procedures (NEPA) most likely will be needed in a timely manner to further prepare projects for stimulus eligibility, and Planning Staff has already begun working with project staff to expedite this process.

**Prior Council/Board Actions:**

N/A

**Committee/Commission Review and Actions:**

N/A

**Attachments:**

- #1 - Survey List of Project as submitted to Conference of Mayors – November 7, 2008
- #2 - “Main Street Stimulus” – A Call to Action from The United States Conference of Mayors

**Recommended Motion (and Alternative Motions if expected):**  
I move to approve authorization to advance up to \$600,000 from the General Fund and \$450,000 from Transit Funds for project design. The City Manager is authorized to enter into contracts and sign the appropriate documents to accelerate the purchasing and design processes on projects that could be included in a federal economic stimulus funding package, and ratification of the Main Street Economic Stimulus projects list submitted by Visalia.

Alternative:  
Approve a revised amount of budget authority to the City Manager by inclusion or exclusion of any projects on Table 2.

***Environmental Assessment Status***

**CEQA Review: N/A**

**NEPA Review: All projects may be required to follow Federal Environmental review standards**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

*Staff to propose strategy for expediting contracts for preparation of eligible projects to construction to Council in December 2009*

Copies of this report have been provided to:N/A

## City of Visalia - Project List for Main Street Economic Stimulus

<b>Project Category</b>	<b>Project</b>	<b>Estimated Construction Cost</b>	<b>Potential Jobs</b>
CDBG	Washington School Lighting	\$ 1,200,000	50
CDBG	Recreation Park Renovation	500,000	11
CDBG	Oval Park Renovation	90,000	2
CDBG	Job Incubator Facility Remodal	500,000	11
CDBG	Mill Creek Park Renovation	250,000	5
<b>SUB-TOTAL</b>		<b>2,540,000</b>	<b>79</b>
Energy Block Grant	Incandescent Traffic Signal Lights with energy efficient LED lights	300,000	7
Energy Block Grant	CNG Slow Fill Station at Corporation Yard - Solid Waste Trucks	450,000	10
Energy Block Grant	Water controllers in L&L districts	400,000	9
Energy Block Grant	Municipal energy retrofits	2,000,000	44
Energy Block Grant	Water controllers in parks	200,000	5
Energy Block Grant	Solar on city facilities	20,000,000	44
Energy Block Grant	Low income housing energy retrofits	5,000,000	111
Energy Block Grant	Water efficiency measures	5,000,000	111
<b>SUB-TOTAL</b>		<b>33,350,000</b>	<b>341</b>
Transit	E-85 Fueling Station	200,000	4
Transit	Transit Maintenance Facility Expansion	4,000,000	88
Transit	Transit Center Expansion	3,000,000	66
Transit	Transit Shuttle Center Construction	3,000,000	66
Transit	Transit Buses for shuttle service	2,750,000	57
		<b>12,950,000</b>	<b>281</b>
Highway	Ben Maddox overcrossing of State Route 198	8,500,000	184
Highway	Plaza Drive overcrossing of State Route 198	25,000,000	543
Highway	Houston Avenue widening from Ben Maddox to Santa Fe	3,500,000	76
Highway	Tulare Avenue Extension from Lovers Lane to McAuliff Street	2,000,000	43
Highway	Civic Center Block Infrastructure - Oak and School extensions and Burke Street widening	2,000,000	43
Highway	Major Overlays	1,200,000	26
Highway	Burke Street from Houston to Roosevelt	500,000	11
Highway	Traffic Signal at Court and Whitendale	200,000	5
Highway	Traffic Signal at Demaree and Mill Creek	200,000	5
<b>SUB-TOTAL</b>		<b>43,100,000</b>	<b>936</b>
Airport Improvement	Westside Hangar Development & Infrastructure	5,000,000	111
Airport Improvement	Thermal Imaging cameras (2)	30,000	0
Airport Improvement	Access Road North of Runway	1,500,000	33
Airport Improvement	Airline Terminal Expansion	2,000,000	44
Airport Improvement	Construct 10-unit Nested Tee Hangar - East side	810,000	18
Airport Improvement	Facemasks for SCBA dedicated to the ARFF (5)	3,500	0
Airport Improvement	Bank of chargers for airport radios	1,000	0
Airport Improvement	AFFF (foam for aircraft firefighting) - 200 gal.	6,000	1

<b>Project Category</b>	<b>Project</b>	<b>Estimated Construction Cost</b>	<b>Potential Jobs</b>
Airport Improvement	Personnel Protective Equipment (turn-outs firefighter clothing - 18 sets)	36,000	1
Airport Improvement	Type III Wildland Fire Engine (for ability to mitigate open area wildland fires. Currently, we do not have an off-road fire engine for wildland fires. The airport is surrounded by acres of open areas).	305,000	3
<b>SUB-TOTAL</b>		<b>9,691,500</b>	<b>211</b>
Amtrak	Multi-modal transit center expansion	3,000,000	60
<b>SUB-TOTAL</b>		<b>3,000,000</b>	<b>60</b>
Water & Wastewater	Mineral King Avenue Sewer	1,500,000	33
Water & Wastewater	Sewer Installation in Annexed Areas	3,000,000	65
Water & Wastewater	Computer Control System at each liftstation that provides	1,000,000	20
<b>SUB-TOTAL</b>		<b>5,500,000</b>	<b>118</b>
School Modernization	Mt. Whitney HS electrical infrastructure	500,000	15
School Modernization	Golden West HS electrical infrastructure	500,000	15
School Modernization	Mt. Whitney HS alarms/telephones/network	1,000,000	20
School Modernization	Multiple school site irrigation system modernization	550,000	12
School Modernization	Mineral King Bowl lighting systems	500,000	10
School Modernization	Mt. Whitney HS school library	250,000	25
School Modernization	Redwood HS school/community pool	650,000	30
School Modernization	Quick connection outlets for emergency power (portable generators) for school gyms/multipurpose rooms. These sites would be used for shelters during disasters/emergencies. 40 sites x \$50k	2,000,000	30
School Modernization	Large Knox Box for 40 school sites at \$500 each (secure steel boxes are designed to hold keys for building access as well as emergency site documents; these are used by fire and police personnel during emergency incidents)	20,000	1
<b>SUB-TOTAL</b>		<b>5,970,000</b>	<b>158</b>
Public Housing	Housing Unit Project #30-4	145,035	25
Public Housing	Housing Unit Project #30-15	134,475	40
Public Housing	Housing Unit Project #30-16	264,030	35
Public Housing	Housing Unit Project #30-19	139,775	15
<b>SUB-TOTAL</b>		<b>683,315</b>	<b>115</b>
Public Safety	Municipal Animal Control Facility	6,000,000	133
Public Safety	Financial crimes detectives to address growing problem of identity theft	398,679	3
Public Safety	1 sergeant and 4 officers for Street Crime Unit - focus on violent offenders	812,270	5
Public Safety	Crime View - advance mapping interface to existing CAD and RHS	23,000	0
Public Safety	iBridge software - uncover connections, patterns and relationships hidden in data	9,000	0
Public Safety	Software by 'Systeen' to conduct a forensic analysis on a cell phone	2,000	0

<b>Project Category</b>	<b>Project</b>	<b>Estimated Construction Cost</b>	<b>Potential Jobs</b>
Public Safety	Arson Investigators	250,000	2
Public Safety	Dispatchers - for fire calls	400,000	4
Public Safety	Install Emergency Vehicle Detectors at 50 signalized intersections	360,000	8
SUB-TOTAL		<u>8,254,949</u>	<u>155</u>
TOTAL FOR ALL PROJECTS		<u>\$ 125,039,764</u>	<u>2,454</u>



The United States Conference of Mayors

# MAINSTREETSTIMULUS

[usmayors.org/mainstreetstimulus](http://usmayors.org/mainstreetstimulus)

## A Call to Action

Main Street America is in economic trouble. America has lost nearly 800,000 jobs in the last nine months. Unemployment is now at 6.1 percent, and is projected to rise to over 7.5 percent next year. When under-employment is included, unemployment is projected to reach 9 percent. Families have lost \$2 trillion (20 percent) of their savings. The Commerce Department has just reported that retail sales on Main Street America have dropped 1.2 percent in September, foreshadowing a dismal holiday shopping season – which accounts for approximately 25 percent of annual sales income for most businesses.

Our citizens ask us every single day what this economy will do to their jobs, their long-term savings, their mortgages, and their pension funds. Parents are getting laid off from their jobs, families are struggling to pay bills, the mortgage crisis and foreclosures are forcing families to double-up and move in together, grandparents are struggling with retirement, and young people unable to secure financial aid are being forced to forgo college. In addition, severe state cutbacks are resulting in a loss of needed services on Main Street.

Washington bailed out Wall Street to the tune of \$700 billion. It is now time for Washington to help local governments and the private sector create jobs and economic growth by passing an immediate “MainStreet Stimulus.”

Over the last three months, U.S. Conference of Mayors President Manuel A. (Manny) Diaz of Miami has led a national tour with *Mayors '08 Action Forums* on 1) Crime; 2) Infrastructure; 3) Poverty; 4) Environment and Energy; and 5) Arts and Tourism. At each of these forums, mayors and national experts focused on the weakened economy, the immediate needs of working families, and ways to create jobs.

In today's world, it is Mayors who lead the metro economies that drive the nation. These metro economies now account for 86 percent of national employment, 90 percent of labor income, and 90 percent of gross domestic product (GDP). Therefore, if we are going to reverse the current economic situation and create jobs, the only way to do so is to invest in these Main Street metro economies.

Following are 10 “MainStreet Stimulus” programs that will create jobs now, improve the infrastructure that the private sector needs to succeed, help the small businesses of Main Street America, and have lasting economic and environmental benefits.

We have built on the House-passed \$60 billion stimulus package to calculate our funding recommendations, which total \$89.98 billion of the now estimated \$150 billion stimulus. The methodology for our recommendations is contained on page two of this document.

Cities are ready to go, and jobs can be created now! Therefore, federal agencies and the states must be required to dispense these funds immediately.

We commend the House and the Senate for their efforts to enact a second stimulus last month before the congressional recess. We stand ready to work with Congress during the upcoming emergency session to make sure that a “MainStreet Stimulus” plan is signed into law this year.

**Manuel A. (Manny) Diaz**  
**Mayor of Miami**  
**President**

**Tom Cochran**  
**CEO and Executive Director**

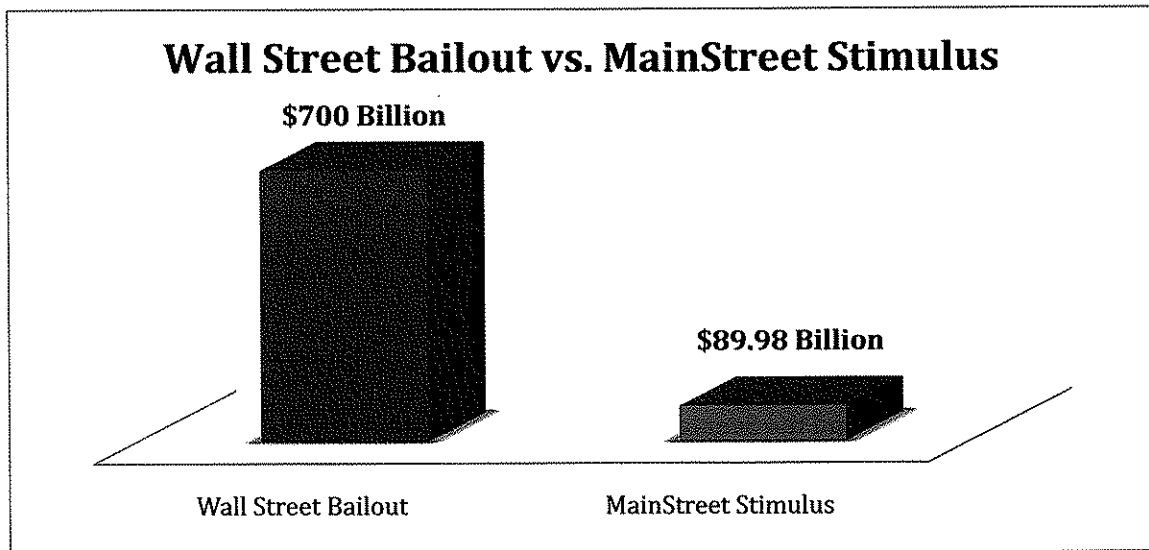
The United States Conference of Mayors  
 1620 Eye Street, Northwest, Washington, D.C. 20006  
 Telephone: (202) 293-2354  
 Email: [tcochran@usmayors.org](mailto:tcochran@usmayors.org)



Project (Dollars in Billions)	H.R. 7110 (Passed House 9/26/08)	Mayors' MainStreet Stimulus Plan
1. Community Development Block Grant for Infrastructure <sup>1</sup>	\$4.00	\$10.00
2. Energy Block Grant for Infrastructure and Green Jobs <sup>2</sup>	\$2.00	\$5.00
3. Transit Equipment and Infrastructure	\$3.60	\$9.00
4. Highway Infrastructure	\$12.80	\$32.00
5. Airport Technology and Infrastructure	\$0.60	\$1.50
6. Amtrak Infrastructure	\$0.50	\$1.25
7. Water and Wastewater Infrastructure	\$7.50	\$18.75
8. School Modernization	\$3.00	\$7.50
9. Public Housing Modernization	\$1.00	\$2.50
10. Public Safety Jobs and Technology <sup>3</sup>	\$0.99	\$2.48
<b>MainStreet Stimulus Total</b>	<b>\$35.990</b>	<b>\$89.98</b>
<b>Congressional Stimulus Bill Total (Estimate)</b>	<b>\$60,000.00</b>	<b>\$150,000.00</b>

**Methodology:** Figures are based upon the original Stimulus Bill proposal (H.R. 7110) that passed the House on September 26, 2008 which totaled \$60 billion. Since then, the Speaker's Office, along with the Senate Majority Leader's Office have indicated through media reports that the Stimulus bill that will be brought to the floor after the November 4th elections will total \$150 billion, thus, the figures were adjusted proportionally (2.5x) in our plan. Other figures, referenced below, were also used.

<sup>1</sup> United States Conference of Mayors Survey. 1993. *Ready to Go*.  
<sup>2</sup> As authorized by the Energy Independence and Security Act of 2007.  
<sup>3</sup> Senators Reid/Byrd proposal in Senate version of Stimulus bill.







## 1. Community Development Block Grants for Infrastructure (\$10 Billion)

CDBG, established in 1974, is a proven and effective program in the city-federal partnership. Through the years, the federal government has adjusted the CDBG delivery system to allow additional flexibility to address national emergencies, and this should be done now to confront the current economic crisis. CDBG assisted New York City following the 9/11 terrorist attack and provided resources to the Gulf States and communities after several hurricane disasters. CDBG is currently being used to address the foreclosure crisis with the \$3.9 billion Neighborhood Stabilization Program (NSP) to communities faced with vacant and abandoned properties.

Today, CDBG can be used to **create jobs through: the construction of public facilities and improvements, water and sewer facilities, streets, and neighborhood centers; the conversion of school buildings for eligible purposes; activities relating to energy conservation and renewable energy resources; and assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.**

FACT: 21,140 small businesses received CDBG funding in Fiscal Year 2007. Sixty-two percent of the business assistance was for existing businesses, and 75 percent of all business assistance resulted in the creation or retention of jobs. ...HUD Performance Report, 2008

## 2. Energy Block Grant for Infrastructure and Green Jobs (\$5 Billion)

It is time to move America toward a greener economy and tap the potential to create millions of green jobs for Main Street businesses and free the U.S. economy from its dependence on foreign oil. Commitments made now will stimulate the development of green jobs for Main Street small businesses. This would help small business weather the current economic downturn and position them for even more significant economic growth. Potential green jobs - 4.2 million nationwide by 2038 - and other important benefits for the nation's economy were described in a recent study, *Current and Potential Green Jobs in the U.S. Economy*, prepared by Global Insight for The U.S. Conference of Mayors.

We have 900 mayors who have signed the United States Conference of Mayors Climate Protection Agreement, and they are ready to go. **Five billion dollars in funding for the Energy Efficiency and Conservation Block Grant (EECBG) program will give cities, counties and states the resources to create thousands of energy efficiency and renewable energy production projects throughout the U.S. Such Main Street-stimulating projects would include the installation of solar panels or wind turbines for the production of electricity on local buildings, deployment of new energy distribution technologies that significantly increase energy efficiency, such as distributed generation or district heating and cooling systems, development of systems to capture and generate power from methane at landfills and energy retrofits of public and private buildings within local areas.**

FACT: A \$100 billion federal investment over two years is estimated to create two million green-collar jobs. ...Center for American Progress, August 2008. Since many of the activities in this report would be supported by Energy Efficiency and Conservation Block Grant (EECBG) resources, the Conference of Mayors estimates that a starting EECBG investment of \$5 billion would result in the creation of more than 100,000 jobs.



### 3. Transit Equipment and Infrastructure (\$9 Billion)

Transit agencies (rail and bus) are being forced to raise fares, cut service, and borrow to address capital and operating needs, while experiencing a dramatic surge in Main Street ridership due to higher gas prices. Congress should fund the **purchase of buses, street cars, rail cars and other rolling stock and equipment needed to create additional capacity; help stabilize fare increases, improve reliability; and restore and maintain facilities and infrastructure** in a state of good repair. This could include improvements to expand station capacity, rail track improvements, and customer information screens, while at the same time creating much-needed high-paying jobs and economic activity on Main Street.

FACT: There has been a surge in the use of buses and other transit systems due to pain at the pump. In 2007, 10.3 billion trips were taken on public transportation - the highest number taken in 50 years. Ridership has continued to climb in 2008. According to a recent survey of the nation's transit providers, 85 percent of transit systems are reporting capacity constraints, with nearly four out of ten transit agencies now turning passengers away from affordable public transportation. ...American Public Transportation Association, 2008

FACT: The Federal Highway Administration estimates that every \$1 billion spent on transportation infrastructure creates 47,000 jobs (or more) and up to \$6 billion in additional gross domestic product. With the housing market in decline, construction employment fell by more than 360,000 jobs since March 2007, leaving a ready labor force to begin new projects. ...Economic Policy Institute, 2008

### 4. Highway Infrastructure (\$32 Billion)

To create Main Street jobs, support the metro economic engines, and ensure that traffic congested areas actually receive funding and critical deferred maintenance is addressed, additional highway stimulus funds must not be distributed based on the current state-based status-quo system.

**Therefore, the Surface Transportation Program (STP) - which was created by Congress in 1991 - must be the mechanism for distributing highway stimulus funding. This will provide maximum flexibility to cities, counties, and states in advancing bridge, bus and rail, and road projects in our nation's metropolitan areas.** This ensures that funds are allocated more evenly within each state so that mayors and other local leaders, who own and operate most of the transportation assets and facilities, are at the table to make decisions on "ready to go" projects. At the same time, this would create thousands of high-paying jobs, aid small businesses, and fuel economic activity on America's main streets.

Using the STP program structure means that, in addition to the guaranteed share of STP funds reserved for the states, local officials and local areas within the states would receive a balance of the funds based on population, as federal law has provided since 1991. However, we are strongly opposed to efforts to eliminate the local area funds, as contained in the House stimulus bill. If unchanged, local officials through their Metropolitan Planning Organization (MPO) would not receive STP formula funds directly for "ready to go" projects.

FACT: The nation's urban areas generate 60 percent of the value of U.S. goods and services. The efficient movement of citizens and goods within these areas is critical to their productivity, and by extension, to the economic productivity of the nation itself. ...National Surface Transportation Policy and Revenue Study Commission, 2007

FACT: Nearly 70 percent of the nation's urban and suburban roads ... are in less than good condition, according to the Federal Highway Administration. While the nation is making progress on fixing the Interstate (freeways and expressways), spending to repair older roads and bridges and reinvest in other community transportation facilities is far short of need. ...Surface Transportation Policy Partnership, 2006



## 5. Airport Technology and Infrastructure (\$1.5 Billion)

The nation's airport infrastructure urgently needs increased funding to begin to address the investment gap in airport capacity, safety, and technology. To create high-paying jobs, assist small businesses and airport retailers, and stimulate economic activity on Main Street, Congress should fund **ready-to-go Airport Improvement Program (AIP) projects. These include runway and taxi rehabilitations, extensions, and widening; obstruction removal; apron construction, expansion and rehabilitation; rescue and firefighting equipment and facilities; airside service or public access roads; and noise mitigation and abatement (Part 150) associated with aircraft operations - including voluntary home buyout, which would fuel the local housing market, and residential and business insulation programs.**

FACT: Total estimates of airports' capital development costs for 2007 through 2011, adjusted for inflation, is \$87.4 billion or \$17.5 billion annualized. This is a 22 percent increase from the 2005 estimates. ...Airports Council International-North America, 2007

FACT: The total cost of domestic air traffic delays to the U.S. economy was as much as \$41 billion for 2007. ...U.S. Congress Joint Economic Committee, 2008

## 6. Amtrak Infrastructure (\$1.25 Billion)

Amtrak is experiencing record ridership across the railroad's entire system for intercity passenger rail service. Amtrak connects rural, suburban, and urban communities in all regions of the nation. With unpredictable and expected higher fuel prices, highway congestion, and an uncertain aviation outlook, Congress should increase federal funding to **make necessary upgrades to tracks, bridges and tunnels, electric traction, interlockings, signals and communications, and stations on the nation's Amtrak system.** In addition, Amtrak will be able to refurbish rail cars that are currently in storage and return them to service. This funding level would help stimulate local economies by creating thousands of high-paying jobs and small business activity.

FACT: Amtrak ridership in Fiscal Year 2008 increased to more than 28 million, marking the sixth straight year of gains and setting a record for the most passengers using Amtrak trains since the National Railroad Passenger Corporation started operations in 1971. ...Amtrak, 2008

FACT: \$4.2 billion is needed just to bring Amtrak engineering infrastructure system to a state-of-good-repair, excluding some major bridge and tunnel work. With the backlog of major bridge and tunnel work, the backlog approaches an estimated \$6 billion. ...Amtrak, 2005



## 7. Water and Wastewater Infrastructure (\$18.75 Billion)

Water and wastewater infrastructure is an integral component of the nation's economic competitiveness, protects public health, and creates jobs.

In 2006 alone, local government spent \$85 billion on water infrastructure. During the same time the Federal government provided only \$1.9 billion through state loans. Through user rates, local bonds, and taxes, local governments contribute 98 percent of the total investment in wastewater and 95 percent of the investment in water infrastructure. Despite the tremendous investment made by local government, the Environmental Protection Agency estimates that there still is a \$500 billion "needs gap" to meet our water and wastewater infrastructure needs and to comply with current unfunded mandates.

Due to leaking pipes, cities can lose anywhere from five to 40 percent of their water and wastewater. Thirty-five percent of cities in a Conference of Mayors survey do not know where their source of water will come from by 2025. Therefore, Congress should allocate an additional \$18.75 billion directly to cities as **grants to assist with rehabilitating aging water and sewer infrastructure, complying with sewer overflow issues, and promoting source water protection and availability.** This additional investment will result in immediate job creation in cities and across the nation, as many local Main Street infrastructure projects are ready to go.

**FACT:** For every dollar of water and sewer infrastructure investment, Gross Domestic Product increases by \$6.35 in the long-term. For each additional dollar spent on operating and maintaining the water and sewer industry, revenue or economic output for all industries is increased by \$2.62 in that year. In addition, every new water and sewer job creates 3.68 jobs in the national economy. ...The Cadmus Group, for The U.S. Conference of Mayors, 2008

## 8. School Modernization (\$7.5 Billion)

America's schools are in dire need of modernization and repair. Every day, many of our children attend school in overcrowded classrooms with faulty electrical systems, broken windows, peeling paint and leaking roofs. Existing schools are bursting at the seams and hold class in "temporary" trailers, converted closets and hallways. New facilities are desperately needed to accommodate this ever-growing student population. In addition, too many students attend schools that lack the basic electrical and telecommunications equipment necessary for connection to the Internet or to implement new education technologies.

The Conference supports a \$7.5 billion federal investment to **repair and modernize school buildings in both large and small city school districts, improve their energy efficiency and equip them with first-class technology.** This investment would create jobs in the construction industry, one of the industries hardest hit by the recent economic downturn - having lost 528,000 jobs since September 2006. In addition, by helping local school districts create schools that are energy efficient and more reliant on renewable sources of energy, this investment could greatly reduce the emissions that contribute to global warming.

**FACT:** The total funding need for public school modernization is \$321.9 billion. Of that total, \$268.2 billion of the need is for school infrastructure, and \$53.7 billion of the need is for education technology. ... National Education Association (NEA): *Modernizing Our Schools: What Will It Cost, 2000*



## 9. Public Housing Modernization (\$2.5 Billion)

Funding can be used for **repair and construction projects, including safety repairs**. Every dollar of Capital Fund expenditures produces \$2.12 in economic return. Many of the vendors used to make repairs and undertake construction projects are small businesses.

**FACT:** The public housing capital fund has a backlog of capital improvement needs estimated at \$20 billion.  
...Center on Budget and Policy Priorities, 2002

## 10. Public Safety Jobs and Technology (\$2.48 Billion)

Unless you have a safe Main Street, you don't have a Main Street. Recent surveys conducted by mayors and police chiefs have found that there is a link between current economic conditions and increasing crime rates, particularly those for burglaries and thefts.

*Additional COPS Funding* – Providing \$1.25 billion to local police departments to hire additional personnel would accomplish several purposes: It would put over **16,000 additional police officers on the streets**, thus beginning the process of getting local police departments to the staffing levels they require; it would improve public safety in the cities which receive funding for officers, and through that improved public safety contribute to further economic development and, possibly, further job creation. Mayors and police chiefs have recommended that COPS funding be made more flexible so that police departments are able to use that funding both for sworn officers and for those professionally trained in DNA analysis and forensics. Current law limits COPS hiring grants to sworn officers and provides a maximum of \$75,000 in federal funding over three years per officer.

*Additional Byrne Justice Assistance Grant Funding* – Providing an additional \$1.23 billion to the Byrne program could help to **keep thousands of police officers in their jobs**, and could make current and newly hired police officers more effective by assuring that they have needed equipment and new technologies.

**FACT:** An additional 92,316 officers are needed in local police, sheriffs' and special jurisdiction departments now. And, 42 percent of cities are seeing increased crime as a result of the current economy. ...U.S. Conference of Mayors:  
*Economic Downturn and Federal Inaction Impact on Crime Survey, August 2008*



## Other Emergency Measures for Main Street America

Mayors strongly support **additional emergency measures** to help individuals and business – especially small businesses:

**Job Training:** The stimulus package should include job training funding for dislocated worker and youth employment activities.

**Small Business Administration Loans:** America's small businesses face an ever-tightening credit market in the wake of struggling financial markets. The stimulus package should provide additional reduced-fee loans to small businesses, delivering needed relief to small businesses on Main Street during Wall Street's financial crisis.

**Extension of Unemployment Benefits:** The stimulus package should extend unemployment benefits by seven weeks in all states and another 13 weeks in high unemployment states.

**Food Assistance:** In order to help low-income families cope with rising food prices, the stimulus package should include increases in Food Stamp benefits, the Women, Infants, and Children (WIC) program, Food Banks, the Commodity Supplemental Food program, and the senior meals program.

**Medicaid (FMAP):** Twenty-nine states are facing a \$52 billion shortfall in revenues in their FY 2009 budgets. As a result, low-income families and children could face cuts or eliminations in health care coverage and services. Therefore, the stimulus package should increase the Federal Medical Assistance Percentage (FMAP) for Medicaid health costs.

In addition to the stimulus measures above, Congress must address the **credit crisis** facing local and state governments:

**Local Government Credit Assistance:** Congress should direct the Federal Reserve and the Treasury Department to work together under the **\$700 billion Emergency Economic Stabilization Act to design a facility to provide a funding backstop to the state and municipal government debt market** similar to the recently announced program for the commercial paper market. Because of the national credit crisis, cities across the country are having difficulty selling bonds and accessing short-term credit. This new facility should be designed to protect taxpayer resources while ensuring state and local governments can continue to provide vital services to their residents.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 9

**Agenda Item Wording:** PUBLIC HEARING: 1) Review the Transportation Impact Fee Program. Hear testimony, but defer approval of the proposed Transportation Impact Fee Schedule per Resolution No. 2008-58 until December 1, 2008. 2) Staff recommends that the Visalia City Council hold a first reading of Ordinance 2008-14 amending Visalia Municipal Code Chapter 16.44 relating to Transportation Impact Fees.

**Deadline for Action:** Not Applicable.

**Submitting Department:** Public Works Department

**Contact Name and Phone Number:** Andrew Benelli, Public Works Director, 713-4340  
Eric Frost, Finance Director, 713-4474

**Recommendation**

PUBLIC HEARING: 1) Review the Transportation Impact Fee Program. Hear testimony, but defer approval of the proposed Transportation Impact Fee Schedule per Resolution No. 2008-58 until December 1, 2008. 2) Staff recommends that the Visalia City Council hold a first reading of Ordinance 2008-14 amending Visalia Municipal Code Chapter 16.44 relating to Transportation Impact Fees.

**Discussion**

City Staff and Willdan Financial Services have completed work on the City's transportation impact fee evaluation. Staff has worked with the development community and with task force members appointed by the Council to determine the following recommendations:

1. The program should be changed from providing full funding of arterial and collector streets to providing partial funding for arterial and collector streets and having developer in-kind improvements used to complete street frontages. The current program reimburses developers for all street improvements on collectors and arterials. The proposed program will reimburse developers for travel lane improvements only. The developers will have to build and pay for parking lanes, curb, gutter and sidewalk. The developers will also be responsible for relocating all utility poles.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 20

**Review:**

Dept. Head \_\_\_\_\_  
Date \_\_\_\_\_

Finance \_\_\_\_\_  
City Atty \_\_\_\_\_

**(Initials & date required or N/A)**

City Mgr \_\_\_\_\_  
**(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

2. Transportation revenues from State and Federal programs (discretionary revenues) should be allocated as an off-set to the industrial, office and hotel fees in order to limit increased fees to a pragmatically acceptable level.
3. Development projects that were started under the current program and have an existing Reimbursement Agreement will continue under the existing program and pay the current fees even after the new fees are in effect. The current fees will be adjusted annually for the inflation.
4. Transportation impact fees for industrial projects should be based on the size of the building. The current program bases the rates on the number of employees.

## **Background**

City staff members have made two recent presentations to the City Council that described the recommended changes to the Transportation Impact Fee (TIF) program. The two previous reports are attached for reference. Some changes have been made to the program to address comments and concerns expressed by the Council and the Task Force members. The recent changes that are now recommended are listed below.

### Density Assumptions

The City Council approved new density ranges for all residential annexations after October 2008. In consideration of the new required density ranges, staff has revised the assumptions for residential land outside of the city limits. It is anticipated that in 18-24 months, the Council will approve a General Plan Focus Update which will require increased densities for all residential development inside the City.

Higher densities affect the fees in two ways:

1. There will be more dwelling units to share the cost of building the circulation element streets, and
2. The 165k Urban Boundary will reach built-out at a later date so more transportation revenues will be received from State and Federal programs.

Staff used GIS software to determine the acreage inside and outside the current city limits to apply approximate density to the projected R-1, R-2, and R-3 undeveloped acreage. The assumptions are based on density ranges as currently required in the city limits and based on Planning staff's analysis of housing trends. By applying the revised housing unit density assumptions an additional year (to 2031) is added to the TIF program planning period. The density assumptions that were used are shown in the table below:



Residential Zone	Existing General Plan Density Range (per acre)	Density used inside City Limits (per acre)	Proposed General Plan Density Range (per acre)	Density used outside City Limits (per acre)
R-1	2 – 7 units	5 units	4.5 – 7 units	5.5 units
R-2	10-15 units	15 units	12.5 – 15 units	13 units
R-3	15-29 units	15 units	22 – 29 units	22 units

### Existing Reimbursement Agreements

Staff has recommended that subdivisions that have executed Reimbursement Agreements continue under the existing program. The Task Force requested that a separate accounting be performed for those projects. Staff determined that 2,544 residential units and 206 multi-family units will continue to be processed under the current fee program. The total revenue that is expected to be generated from the executed agreements is \$17.4 million. The pending reimbursements total is \$25 million. The result is a shortfall of \$7.6 million. Rather than carrying the shortfall forward as part of the new fee program, staff recommends using discretionary revenues to pay the \$7.6 million shortfall.

### Infill Fee Reduction

Staff is recommending that the current infill project criteria be used in the new TIF program. To qualify for a infill fee reduction a project must be built in an area where the street improvements are complete, is seventy-five percent surrounded by existing development, and was in the city limits prior to 1996. Projects that meet these criteria pay fees that are fifteen percent less than the scheduled rate. Continuing this program will reduce the total revenue generated for the new TIF program. Staff reviewed the past infill history and estimates that approximately \$1.0 million in TIF revenue will not be collected. Discretionary funds must be used to fill this gap.

### Discretionary Revenues

The October 6<sup>th</sup> staff report indicated that \$402.7 million was available in transportation revenues. This value has now been revised to \$410.9 million. The value has increased because the horizon year has changed from 2030 to 2031.

<b>Revenue Sources</b>	<b>Estimated Revenue from present to 2031</b>
Motor Vehicle In-lieu Fund	\$17,813,350
Gas Tax Apportionment	\$56,103,600
Street Highway Exchange	\$20,414,400
Federal & State Grants, LTF	\$6,713,200
State Prop 1B	\$3,685,600
Bikeway Grants	\$1,920,000
Measure R Local	\$65,365,858
Measure R Regional & STIP Grants	\$235,421,000
Interest Earnings	<u>\$3,532,500</u>
<b>Total</b>	<b>\$410,969,508</b>

The table lists Measure R Regional & STIP Grants as a revenue source. These funds are a transportation revenue source but are not truly discretionary because they are assigned to specific projects. The Council does not have the discretion to use these funds for any project other than the specific project which was programmed in the passage of Measure R.

Council designated projects (previously listed as deficiencies)

On October 6<sup>th</sup> it was reported that approximately \$23 million was needed to correct existing deficiencies in street system. An existing deficiency would be a street or intersection that was operating at a level of service of D or worse. Several Task Force members asked that staff review that value and provide the locations of the existing deficiencies. After research, it was found that the amount presented was generated using projects currently funded in the 2008/2010 Fiscal Year budget. This value had been carried forward from when staff first started working on revising the impact fee program. None of the projects are existing deficiencies. Some of the projects that were listed in the \$23 million allocation were also in the new TIF program. There were some projects that were in the current budget and not in the TIF program. The amount that needs to be allocated from the discretionary revenues is \$6.2 million, not \$23 million. Current street projects that are budgeted but are not included in the TIF Program are listed below:

<b>Council Authorized Projects</b>	<b>Budgeted Amount</b>
Center Ave Planter Islands	\$220,000
Stevenson/Mill Creek Bridge	\$555,000
Jacob Street Improvement Project	\$15,800
Street Overlays	\$1,158,482
Oak Street Extension, Tipton to Burke	\$1,193,600
Signal Interconnect	\$2,431,966
Preston Street / Mill Creek Bridge	\$300,000
Burke Street Reconstruction	<u>\$41,031</u>
<b>TOTAL</b>	<b>\$6,177,019</b>

Street Maintenance

The October 6<sup>th</sup> staff report indicated that \$73.7 million was needed for street maintenance between now and 2030. The horizon year has now been changed to 2031 so an additional year of street maintenance is required. The cost of the maintenance is now \$77.6 million.

There is \$410.9 million in transportation revenues available between now and 2031. The table below gives the necessary allocations from the total revenue. The Measure R Regional funds are deducted because the Council does not have discretion on how these funds are spent.

<b>Total Transportation Funds Available</b>	<b>\$ 410,969,508</b>
Street Maintenance	- \$ 77,659,457
Measure R Regional & STIP Grants	- \$ 235,421,000
Current Street Projects	- \$ 6,177,019
Funding for Infill Credit	-\$1,000,000
Existing Reimbursement Obligations	<u>-\$7,630,088</u>
<b>Remaining Discretionary Revenue</b>	<b>\$ 83,081,944</b>

City Council determined at the last meeting that half of the discretionary transportation revenue should be used to improve local streets. The remaining discretionary funds could be added to the TIF program to reduce all the fees or to reduce fees for selected categories. The amount available to be added to the TIF program is half of the \$83.0 million shown above, which is equal to \$41,540,972.

#### Warehouse / Distribution Center TIF Rate

Several of the Task Force members commented at the last Council meet that the fee rates for warehouses and distribution centers were unreasonably high. The rates were based on traffic generation statistics shown in the ITE Manual. The Manual projects that a warehouse will generate 6.32 daily trips per one-thousand square feet. Some of the local developers commissioned a traffic study to prove that the type of warehouses that are commonly built in Visalia generate far less trips. Peters Engineering counted trips at five existing warehouses in Visalia. The counts indicated that they generate 1.61 daily trips per one thousand square feet. This resulted in substantially lower fees for warehouse and distribution centers over 100,000 square feet. The October 6<sup>th</sup> report recommended \$1,403 per one thousand square feet. The Nexus Report recommends a rate of \$731 per one-thousand square feet.

#### City Funded Frontage Improvements

City staff is recommending a TIF program where the developers are responsible for building the frontage improvements adjacent to their property. In most cases the frontage improvements are curb, gutter, sidewalk and parking lane. It is assumed that some properties will not develop in a timely manner and the City will have to install these frontage improvements. There are also several projects included the TIF program that widen existing streets in existing developed areas of the City. It's unlikely in these areas that the City will be able to make the land owner responsible for the frontage improvements. City staff has allocated funds in the TIF program to pay for twenty percent of the frontage improvements. The remaining eighty percent will be built and paid for by developers in future undeveloped areas. Several Task Force members have

indicated that they think twenty percent is too high. They have also stated that the landowners that get City installed frontage improvements are getting a “gift of public funds”. This may be the case if the frontage improvements did not previously exist, but this is not the case where the widening of an existing street requires the relocation of the existing frontage improvements to accommodate additional travel lanes. The inclusion of the twenty percent in the TIF program calculations does not mean necessarily that TIF revenue will fund these frontage improvements, but it does increase the construction costs included in the TIF program calculation.

The cost of constructing all of the curbs, gutters, and parking lanes for the project streets in the TIF program is \$129.1 million and twenty percent equals \$25.8 million. This \$25.8 million was included in the total construction costs for the TIF program calculations. The remaining eighty percent will be funded by land owners when they develop their property. In areas where the City installs new frontage improvements, the City can collect back these costs by establishing a system that will track these frontage improvements constructed by the City and then requiring the payback as a condition of approval on new development or higher density development that occurs on these properties. Staff believes that they can collect back about \$9.1 million. With this revenue source as an offset, the TIF program will need to generate \$16.7 million to pay for frontage improvements where the City will not be able to recover the costs from the land owners.

The table below shows how these values were determined.

**Potential Recovery of City Funded Frontage  
Amounts in Millions**

Program Cost for all Frontage Improvements		\$129.1
Allowance for City Initiated Projects at 20% (0.20 X \$129.1)		\$25.8
<u>Potentially Recoverable from Property Owners</u>	<u>Cost</u>	<u>Recoverable</u>
Developed Areas - Street Widening Projects	\$18.1	\$3.6
Growth Areas - Street Widening Projects	<u>\$7.7</u>	<u>\$5.5</u>
TOTAL	\$25.8	\$9.1

Note: Staff has performed an analysis of all in-fill streets in the project list. Fully developed lots represent 80 percent of the project frontage. As a result, only 20 percent of the infill project area has the potential for cost recovery or \$3.6 million. The remaining cost allowance, \$7.7 million of the \$25.8 million, will not all be recovered. In this case, staff recommends an estimate of 70 percent being recoverable or \$5.5 million of the \$7.7 million. These two amounts, \$3.6 and \$5.5 million, represent staff’s best estimate of recoverable amounts from City initiated frontage development, \$9.1 million in total.

Mini-Storage TIF Rate

In the October 6<sup>th</sup> staff report, the rate suggested for mini storage facilities was \$1,629 per one thousand square feet. A local mini-storage developer commissioned a traffic study that indicated that the trip demand that was presented in the ITE Manual was too high. The Manual indicates that the trip demand is 3.19 and the study indicated a trip demand of 1.71. The proposed rate for mini-storage facilities has been reduced to \$776 per one-thousand square feet.

Government Office TIF Rate

On October 6<sup>th</sup>, staff recommended that the category for Government Office buildings be combined with the category for Medical and Dental Office buildings. The ITE Manual sets the trip generation rates for Government Office buildings much higher than all other office buildings. A recent study was done for the new Social Security office that indicated lower trip values closer to the medical / dental trip generation values. The traffic study did not include any other government offices. The Task Force and some members from the development community did not agree that the government rate should be lowered based on a single study. Government Office buildings are now included in the proposed fee schedule as a separate category. The proposed rate for Government Office is now based on the ITE Manual trip rates. The proposed rate is \$22,868 per one thousand square feet. The proposed rate for Medical / Dental Office is \$12,921 per one thousand square feet. City staff is planning to count vehicle trips at some of the other government office buildings in Visalia. If the counts differ substantially from the trip rates shown in the ITE Manual, a traffic study will be commissioned. Staff may return at a later date with a different recommended fee for Government Office.

#### Ordinance Chapter 16.44

Staff recommends that the Council hold a first reading of Ordinance 2008-14 amending Visalia Municipal Code Chapter 16.44 relating to Transportation Impact Fees. The proposed ordinance has been changed to better fit with the changes in the TIF program. Although the new ordinance is not absolutely required to implement the new fees, staff recommends these changes to improve administration of the transportation impact fee. The significant changes that are being recommended are as follows:

1. Several new terms have been added to Section 16.44.050 "Definitions". These terms are all used in the Ordinance and in the Nexus Study and needed to be defined for clarity.
2. Section 16.44.080A1 has been changed so that the fees paid are based on the primary use. The current ordinance requires that two rates are applied to a single building if there is a secondary use. An example would be a large warehouse with an attached office. The new ordinance will base the rate on the warehouse use for all of the building. The current ordinance would charge the office at a separate rate.
3. Section 16.44.080A5b has been changed to simplify the language on Traffic Impact Studies. The proposed Ordinance still allows a developer to have his fees based on an independent traffic study when the land use that they propose is not listed on the fee schedule.
4. Section 16.44.1405B has been changed to allow for a fee deduction for any building that was located on the property in the last twenty years. If a home is destroyed by fire or any other reason, then the new home is not charged a TIF. If the new retail or office building is larger or has a change of use the developer gets a deduction in the amount they have to pay.
5. Section 16.44.150 "Reimbursement Agreements" has been substantially revised. The current Ordinance provides for a credit against all or a portion of the fees if the developer dedicates non-site related right of way or constructs non-site related street improvements. It also requires the city engineer to provide a "letter or certificate setting forth the dollar amount of the credit". The proposed Ordinance requires the City and the

Developer to enter into a Reimbursement Agreement instead of a letter or certificate. The proposed ordinance also allows more flexibility in how the developer is compensated for improvements that exceed the project requirements. The proposed changes will allow each Reimbursement Agreement to be tailored to the specific project instead of following the rigid requirements outlined in the Ordinance. The proposed Ordinance also adds that cash reimbursements will not be paid until thirty days after the improvements are complete and accepted by the City. This time period will help ensure that no claims of nonpayment have been filed by any contractors.

6. New language has been added to Section 16.44.150 to require developers to apply for reimbursement or payment within four years after the project is completed and accepted by the City. This is primarily to avoid old claims from being requested. As time passes it is difficult to determine the details of a specific project. It's important that reimbursement agreements are acted on in a timely manor. Typically, developers are anxious to collect payment but sometimes because of bankruptcies, company ownership or staff changes, or other reasons, reimbursement requests and the supporting documentation are not submitted.
7. Section 16.44.170 "Appeal Process" allowed developers to appeal any determination made by the City Engineer to the City Council. The proposed ordinance still allows an appeal but the states that the appeal is made to the City Manager.

## **Conclusion**

City staff has been working with Willdan, the Task Force Members and a group of interested developers for over a year to iron out the details of the TIF program and the ordinance. What is presented here for Council approval is a substantial improvement over the current program. The proposed program will reduce the City's liabilities and will streamline the process so that developers can complete their projects on a reasonable schedule. The new program will reduce fees for most categories and will not raise the fees for any categories. The new program is similar to other programs in this area and will be more competitive with the surrounding cities.

## **Prior Council/Board Actions:**

Certification of Final Environmental Impact Report (FEIR) for the General Plan Circulation Element Update, Resolution No. 2001-19 – May 2, 2001.  
Adoption of General Plan Amendment No. 2002-22 relating to the Circulation Element of the General Plan, Resolution No. 2001-20 – April 2, 2001  
Increase in the Traffic Impact Fee as recommended by the Circulation Element Update, Resolution No. 2001-23 – April 2, 2001  
Resolution No. 2004-76 – Increase in Transportation Impact Fees – August 2, 2004  
Resolution No. 2004-117 – Adoption of 2004/2004 Transportation Impact Fee  
Resolution No. 2005- -Suspending the 2004/2005 Transportation Impact Fees and Implementing Modified Fees

**Committee/Commission Review and Actions:** City Council reviewed the proposed program on September 2, 2008 and on October 6, 2008. Planning Commission reviewed the proposed program on October 13, 2008.

**Alternatives:** Continue with current TIF program and fee schedule.

## **Attachments:**

This document last revised: 11/14/08 3:07:00 PM  
File location and name: H:\(1) AGENDAS for Council - DO NOT REMOVE\2008\111708\Item 9 TIF.doc

- Attachment A – Resolution 2008 - Adopting Revised Transportation Impact Fees
- Attachment B – Proposed Transportation Impact Fee Schedule
- Attachment C – Proposed Ordinance Chapter 16.44 Transportation Impact Fees
- Attachment D – Traffic Impact Fee Update Nexus Study, Willdan Financial Services
- Attachment E – September 2<sup>nd</sup> Staff Report on Transportation Impact Fees
- Attachment F – October 6<sup>th</sup> Staff Report on Transportation Impact Fees

**Recommended Motion (and Alternative Motions if expected):**

1. Motion to defer approval of the proposed Transportation Impact Fee Schedule per Resolution No. 2008-58 until December 1, 2008.
2. Approve first reading of Ordinance 2008-14 amending Visalia Municipal Code Chapter 16.44 relating to Transportation Impact Fees.

***Financial Impact***

**Funding Source:**

**Budget Recap:**

Total Estimated cost: \$	New Revenue: \$
Amount Budgeted: \$	Lost Revenue: \$
New funding required:\$	New Personnel: \$
Council Policy Change: Yes_____	No <u>XX</u>

***Environmental Assessment Status***

**CEQA Review: No**

**NEPA Review: No**

**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

*None*



## Resolution No. 2008-58

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA ADOPTING REVISED TRANSPORTATION IMPACT FEES

**WHEREAS**, the City Council of Visalia has a Transportation Impact Fee program to fund transportation improvements based on a planned street system described in the Circulation Element of the City of Visalia General Plan; and

**WHEREAS**, the City Council of the City of Visalia adopted Resolution 2004-117 to establish a revised Transportation Impact Fee; and

**WHEREAS**, the City Council of the City of Visalia adopted Resolution 2005-030 to suspend a portion of the fee schedule; and

**WHEREAS**, the City Council desires to change the Transportation Impact Fee program from a fully funded program to a program that includes developer in-kind frontage improvements and impact fee funded travel lane improvements; and

**WHEREAS**, Transportation Impact Fee rates must be changed to better match the new Transportation Impact Fee program and to generate sufficient revenue to improve and construct a safe and efficient traffic circulation system; and

**WHEREAS**, the proposed program, including a description of the facilities that the City plans to build using the funds from the fee program, has been documented in a report titled "Traffic Impact Fee Update Nexus Study", prepared by Willdan Financial Services, dated November 13, 2008; and

**WHEREAS**, the City Council desires to use some dedicated transportation revenues from State and Federal sources as an off-set to the industrial, office and hotel fees in order to encourage economic development in these areas and limit these new fees to pragmatically acceptable levels; and

**WHEREAS**, the City Council desires to change the Transportation Impact Fee schedule to base industrial development fees on building size instead of the number of employees; and

**WHEREAS**, notice pursuant to the Mitigation Fee Act, California Government Code, Sections 66000 et seq. has been given; and

**WHEREAS**, the City Council of the City of Visalia has conducted a public hearing on the proposed Transportation Impact Fee program; and

**WHEREAS**, the evidence shows the City must expand its street system in order to maintain current levels of service if new development is to be accommodated without decreasing current levels of service. This must be done in order to promote and protect the public health, safety and welfare within the City; and

**WHEREAS**, the evidence indicates the imposition of impact fees is one of the preferred methods of ensuring that development bears a proportionate share of the cost of capital

facilities, including traffic improvements, which are necessary to accommodate such development. This must be done in order to promote and protect the public health, safety and welfare within the City; and

**WHEREAS**, the purpose of imposing the proposed Transportation Impact Fee program on development is to defray a portion of the cost of transportation facilities that will be used by completed development projects within the City; and

**WHEREAS**, as shown in the Nexus Study, the development projects on which the fee will be imposed are creating additional traffic burdens which will require the transportation improvement projects funded by the fee; and

**WHEREAS**, as shown in the Nexus Study, there is a reasonable relationship between the need for transportation improvements, the proposed fee, and each type of development project on which the fee would be imposed.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Visalia adopts the schedule of Transportation Impact Fees listed in Exhibit "A". The revised fee schedule shall be effective sixty calendar days after the approval of this resolution.

Resolution No. 2008-58

Exhibit "A"

November 17, 2008

**City of Visalia**  
**TRANSPORTATION IMPACT FEES**

<b>RESIDENTIAL</b>	<b>UNIT</b>	<b>FEE AMOUNT</b>
Single Family	D.U.	\$ 4,803
Multi-family	D.U.	\$ 3,373
Senior / Assisted	D.U.	\$ 1,748
<b>COMMERCIAL</b>		
General Retail (<125,000 sq. ft.)	1,000 sq. ft.	\$ 11,858
General Retail (>125,000 sq. ft.)	1,000 sq. ft.	\$ 7,909
Hotel / Motel	Room	\$ 2,102
Gasoline Service Station	Position	\$ 22,591
Note: Infill commercial projects may be eligible for reduced fee, see Infill Credit Policy		
<b>OFFICE</b>		
General Office	1,000 sq. ft.	\$ 5,305
Medical / Dental Office	1,000 sq. ft.	\$ 12,921
Government Office	1,000 sq. ft.	\$ 22,868
Note: Infill office projects may be eligible for reduced fee, see Infill Credit Policy		
<b>INDUSTRIAL</b>		
Industrial / Service C	1,000 sq. ft.	\$ 1,658
Warehouse / Distribution (0-20 KSF)	1,000 sq. ft.	\$ 1,658
Warehouse / Distribution (20-100 KSF)	1,000 sq. ft.	\$ 1,194
Warehouse / Distribution (100+ KSF)	1,000 sq. ft.	\$ 731
Mini-Storage	1,000 sq. ft.	\$ 776
<b>INSTITUTIONAL</b>		
School	1,000 sq. ft.	\$ 3,618
Church	1,000 sq. ft.	\$ 2,724

**City of Visalia**  
**TRANSPORTATION IMPACT FEES**

**INFILL CREDIT CRITERIA**

A reduction in the amount of Transportation Impact Fees will be provided to all Commercial and Office Projects that meet the following criteria:

1. The project is in a location where the curb, gutter and sidewalk have been installed in the ultimate alignment.
2. The project is seventy-five percent surrounded by existing development that has been in place an average of fifteen years or
3. Any median islands that are planned on adjacent roadways have been i
4. The project was inside of the Visalia city limits prior to December 31, 19

Projects that meet the infill criteria:

1. Receive Transportation Impact Fee reductions not to exceed fifteen percent of the base fee.
2. Are not eligible for reimbursements or credits for any street improvements or repairs that are required by the City as a project
3. The City Manager or his designee is authorized to determine whether a project meets the infill criteria.

## Chapter 16.44

### TRANSPORTATION IMPACT FEES

#### Sections:

- 16.44.010 Legislative findings.
- 16.44.020 Short title, authority and applicability.
- 16.44.030 Intents and purposes.
- 16.44.040 Rules of construction.
- 16.44.050 Definitions.
- 16.44.060 Imposition of transportation impact fee.
- 16.44.070 Fee schedule.
- 16.44.080 Computation of the amount of transportation impact fee.
- 16.44.090 Payment of fee.
- 16.44.100 Timing of fee payment.
- 16.44.110 Transportation impact fee trust fund established.
- 16.44.120 Use of funds.
- 16.44.130 Refund of fees paid.
- 16.44.140 Exemptions and ~~credits~~ *deductions*.
- 16.44.150 *Reimbursement agreements*.
- 16.44.1560 Exceptions.
- 16.44.170 *Appeal process*.
- 16.44.1680 Penalty provisions.
- 16.44.1790 Severability.

#### Section 16.44.010 Legislative findings.

The city council of the city finds, determines and declares that:

A. The city must expand its street system in order to maintain ~~current~~ *acceptable* levels of service if new development is to be accommodated without ~~decreasing~~ *reducing* ~~current~~ *these* levels of service *to unacceptable levels as established in the circulation element of the general plan of the city*.

This must be done in order to promote and protect the public health, safety and welfare;

B. The California Legislature through the enactment of California statutes has sought to encourage the city to enact impact fees;

C. The imposition of impact fees is one of the preferred methods of ensuring that development bears a proportionate share of the cost of capital facilities necessary to accommodate such development. This must be done in order to promote and protect the public health, safety and welfare;

D. Each of the ~~types of land use categories development described shown in the schedule of~~ fees in Section 16.44.070, will generate traffic necessitating the acquisition of rights-of-way, street construction and street improvements;

E. The fees established by Section 16.44.070 are derived from, are based upon, and do not exceed the costs of providing additional rights-of-way, street construction and street improvements necessitated by the new land developments for which the fees are levied;

F. The report entitled "~~City of Visalia Traffic Impact Fee Update Transportation Fee Methodology~~*Nexus Study*," dated ~~July 17, 1989~~*November 6, 2008* and as may be revised from time to time, sets forth a reasonable methodology and analysis for the determination of the impact of new development on the need for and costs for additional rights-of-way, street construction and street improvements in the city. (Prior code § 9465)

#### **Section 16.44.020 Short title, authority and applicability.**

A. This chapter shall be known and may be cited as the "City of Visalia Transportation Impact Fee Ordinance."

B. The city council of the city has the authority to adopt this chapter pursuant to Article XI of Section 7 of the Constitution of the state of California, and pursuant to Government Code Sections 65300 et. seq., 66000 et. seq., and 66470 et. seq. of California statutes.

C. This chapter shall apply in the incorporated area of the city to the extent permitted by Article XI of Section 7 of the Constitution of the state of California. (Prior code § 9470)

#### **Section 16.44.030 Intents and purposes.**

A. This chapter is intended to assist in the implementation of the circulation element of the Visalia General Plan.

B. The purpose of this chapter is to regulate the use and development of land so as to assure that new development bears a proportionate share of the cost of capital expenditures necessary to provide streets in the city. (Prior code § 9475)

#### **Section 16.44.040 Rules of construction.**

A. The provisions of this chapter shall be liberally construed so as to effectively carry out its purpose in the interest of the public health, safety and welfare.

B. For the purpose of administration and enforcement of this chapter, unless otherwise stated in this ordinance, the following rules of construction shall apply to the text of this chapter:

1. In case of any difference of meaning or implication between the text of this chapter and any caption, illustration, summary table, or illustrative table, the text shall control.

2. The word "shall" is always mandatory and not discretionary; the word "may" is permissive.

3. Words used in the present tense shall include the future; and words used in the singular number shall include the plural, and the plural the singular, unless the context clearly indicates the contrary.

4. The phrase "used for" includes "arranged for," "designed for," "maintained for," or "occupied for."

5. The word "person" includes an individual, a corporation, a partnership, an incorporated association, or any other similar entity.

6. Unless the context clearly indicates the contrary, where a regulation involves two or more items, conditions, provisions, or events connected by the conjunction "and," "or" or "either...or," the conjunction shall be interpreted as follows:

a. "And" indicates that all the connected terms, conditions, provisions or events shall apply.

b. "Or" indicates that the connected items, conditions, provisions or events may apply singly or in any combination.

c. "Either...or" indicates that the connected items, conditions, provisions or events shall apply singly but not in combination.

7. The word "includes" shall not limit a term to the specific example but is intended to extend its meaning to all other instances or circumstances of like kind or character.

8. "City engineer" means the city engineer or city officials he/she may designate to carry out the administration of this chapter.

9. A street right-of-way used to define transportation impact fee district boundaries may be considered within any district it bounds. (Prior code § 9480)

#### **Section 16.44.050 Definitions.**

As used in this chapter, the following terms are defined in this section:

*"Accepted by the city" means the process performed by the city to officially accept responsibility for newly constructed public improvements. This process is completed when the city records a Notice of Completion with the County or grants a final approval to the related encroachment permit.*

"Arterial street" shall have the same meaning as set forth in Section 16.08.010 of the city of Visalia Municipal Code.

A "capital improvement" includes transportation planning, preliminary engineering, engineering design studies, land surveys, right-of-way acquisition, engineering, permitting and construction of all the necessary features for any street construction project including, but not limited to:

1. Construction of new through lanes;
2. Construction of new turn lanes;
3. Construction of new bridges or culverts;
4. Construction of new drainage facilities in conjunction with new street construction;

5. Purchase and installation of traffic signalization (including new and upgraded signalization);
6. Construction of curbs, medians, and shoulders; and
7. Relocating utilities to accommodate new street construction.——

*“Cash reimbursement” is a form of reimbursement to a developer that results in a cash payment for the construction of planned transportation facilities as set forth in greater detail in a reimbursement agreement.*

"Collector street" shall have the same meaning as set forth in Section 16.08.010 of the city of Visalia Municipal Code.

*“Developer” means any person commencing a land development project within the city that generates traffic. The developer may or may not be a feepayer.*

"Development permit" means a regulatory approval by the city.

*“Existing use deduction” means a decrease applied to the calculation of the fee determined from existing structures that are or were located on the same property where a land development project is occurring.*

"Expansion" of the capacity of a road applies to all street and intersection capacity enhancements and includes but is not limited to extensions, widening, intersection improvements, upgrading signalization, and expansion of bridges or culverts.

"Feepayer" means ~~any person commencing a land development activity—project within the city which—that~~ generates traffic and ~~which—is required to pay the transportation impact with~~ the issuance of a building permit or permit for mobile home installation. *A feepayer may or may not be a developer.*

"Freeway" shall have the same meaning as set forth in Section 16.08.010 of the Visalia Municipal Code.

~~"Independent fee calculation trip generation study"~~ means the traffic engineering and/or economic documentation prepared by a feepayer to allow the determination of the *appropriate category of trip generation for a type of land development project* ~~impact fee—~~ other than those project types shown ~~only the use of the table-fee schedule~~ referenced in Section 16.44.070(A).

*“Land development project” means a project initiated by a developer that generates traffic and requires the obtaining of development permits from the city and typically includes new building construction, existing building remodeling and the construction of site-related improvements and planned transportation facilities.*

~~——“Land development activity generating traffic” means any change in land use or any construction of buildings or structures or any change in the use of any structure that attracts or produces vehicular trips.~~

*“Land use categories” means the specific list of land uses shown in the fee schedule that generate vehicle trips and were used to project future vehicle trips for the calculation of the transportation*



*impact fee. These specific land use categories are defined in a report titled "Trip Generation" (latest edition) prepared by Institute of Transportation Engineers.*

"Level of service" shall have the same meaning as set forth in the Highway Research Board's Highway Capacity Manual (latest Edition, as amended).

"Major arterial" shall have the same meaning as set forth in Section 16.08.010 of the Visalia Municipal Code.

~~"Mandatory or required right-of-way dedication and/or street improvements" means such noncompensated dedications and/or street improvements required by the city.~~

*"Planned transportation facilities" means the arterial/collector street system that is established in the circulation element of the general plan of the city and included for funding in the calculation of the transportation impact fee.*

*"Programmed costs" means the total amount of improvements eligible for reimbursement as set forth in a reimbursement agreement.*

*"Primary use" means the land use that the city accepts in determining the appropriate zone for that use.*

*"Reimbursement policy manual" means the administrative document prepared under the authority of the city engineer and city manager that sets forth the details of developer reimbursement in conformance with the provisions of this chapter.*

*"Secondary use" means the various uses within the primary land use space that are committed to supporting the primary use.*

"Site-related improvements" means ~~capital-street~~ improvements and right-of-way dedications for direct access improvements to and/or within the *land development project* in question. Direct access improvements include, but are not limited to the following: (1) *the equivalent of a parking lane with curb and gutter along the arterial/collector street frontages of the land development project*; (42) ~~access-local~~ streets leading to the *land development project*; (23) driveways and streets within the *land development project*; (34) acceleration and deceleration lanes, and right and left turn lanes leading to those streets and driveways; and (45) traffic control measures for those streets and driveways.

"Street" shall have the same meaning as set forth in Section 16.08.010 of the Visalia Municipal Code.

"Trip" means a single or one direction vehicle movement with either the origin or destination (exiting or entering) inside the study site.

"Trip ends" means the total of all trips entering plus all trips leaving a designated land use or building type over a period of time. (Prior code § 9485)

## **Section 16.44.060 Imposition of transportation impact fee.**

A. Any person who, after the effective date of this chapter, seeks to *commence a land development project* ~~land~~ within the city by applying for: a building permit; an extension of a building permit issued prior to that date; a permit for mobile home installation; or an extension of a permit for mobile home installation issued prior to that date, to make an improvement to land which will generate additional traffic is required to pay a transportation impact fee in the manner and amount set forth in this chapter.

B. No new building permit or new permit for mobile home installation for any activity requiring payment of an impact fee pursuant to Section 16.44.070 shall be issued unless and until the transportation impact fee required has been paid.

C. No extension of a building permit or permit for mobile home installation issued prior to the effective date of this chapter, for any activity requiring payment of an impact fee pursuant to Section 16.44.070 shall be granted unless and until the transportation impact fee required has been paid. This subsection shall not apply if the applicant applying for an extension of a building permit or permit for mobile home installation can demonstrate that a good faith effort has been applied to begin construction or that substantial completion has occurred in conformance with the approved building permit or permit for mobile home installation. (Prior code § 9490)

#### **Section 16.44.070 Fee schedule.**

A. The council shall establish by resolution, a schedule of transportation impact fees calculated to provide the sum of money necessary to ~~pay-fund~~ the ~~estimated-portion of the~~ total cost of *the planned transportation facilities allocated to new development*, as set forth in the report entitled "*City of Visalia-Traffic Impact Fee Update Transportation-Fee MethodologyNexus Study*." Such schedule shall be conditional and based on the following findings by the council:

1. That the planned transportation facilities are in conformity with the circulation element of the general plan of the city;

2. That the development of property will require construction or acquisition of planned transportation facilities and that the fees are fairly apportioned on the basis of benefits conferred on property developed or to be developed or on the need for planned transportation facilities created by proposed or existing development of property;

3. That transportation facilities ~~planned~~ are in addition to any existing transportation facilities serving the city at the time of adoption of the circulation element of the general plan are necessary to complete the planned transportation facilities.

B. The schedule of fees shall be those amounts as established by Resolution No. ~~97-392008-~~\_\_\_\_\_ of the council and shall remain in effect until July 1, ~~1998~~2009. Effective July 1, ~~1998~~ 2009 and each July 1st thereafter, the schedule of fees shall be adjusted in accordance with the

following criteria:

1. On April 1st of each year the city engineer shall review the current Engineering News Record Construction Cost Index (ENRCCI) for the cities of Los Angeles and San Francisco, CA. When the average of such indices differs from the average of the indices for the preceding April 1st, the factor of increase or decrease shall be applied to the schedule of fees. Such factor shall be computed by dividing the average ENRCCI for the current April 1st by that pertaining to the previous April 1st. The individual transportation impact fee rates may be multiplied by the factor to determine the adjusted schedule of fees. The engineer shall present the new fee schedule for adoption by resolution of council after at least one public hearing.

2. The engineer shall add to the schedule of fees the transportation impact fee rates for the new planned transportation facilities established by the council concurrently with the amendment of the circulation element adding thereto such new planned transportation facilities.

3. If in the determination of the engineer the adjustment of the schedule of fees produced by the procedure in subdivision (1) of this subsection is not representative of the actual change in costs of the planned transportation facilities, the city engineer may, in lieu of the procedures set forth in said paragraph, compute a new schedule of fees for adoption by resolution of the council after at least one public hearing.

4. In the event of the adoption of a new schedule of fees by resolution of the council, such new schedule shall become effective sixty (60) days after the adoption thereof by the council. The adjustment of such schedule provided in subdivision (1) of this subsection shall begin the April 1st next occurring after adoption of the new schedule. (Ord. 9719 § 2, 1997)

#### **Section 16.44.080 Computation of the amount of transportation impact fee.**

A. ~~At the option of the fee payer~~ *the fee payer shall pay*, the amount of the transportation impact fee may be determined from the fee schedule of fees established pursuant to Section 16.44.070.

1. If a building permit is requested for *a structure with clearly identified mixed primary uses*, then the fee shall be determined through using the applicable schedule by apportioning the space committed to uses specified on the applicable schedule. *This does not apply to space committed to secondary uses related to the primary use. Space committed to secondary uses will be charged the same fee rate as the primary use.*

2. *If a building permit is requested for a retail use that includes outdoor space intended for permanent use as retail space, then this outdoor space will be included in the determination of the fee.*

3. *If a shell building permit is requested for a planned retail, office or industrial use tenant, then the fee will be determined at the lowest fee rate for the applicable land use shown in the schedule of fees. If necessary, additional fees will be determined at the time that a tenant improvement permit is*

*requested if the land use is higher than that used for the shell building permit.*

24. For applications for an extension of a building permit or an extension of a permit for mobile home installation, the amount of the fee is the difference between that fee then applicable and any amount already paid pursuant to this chapter.

35. If the ~~type of development activity~~*land use category for a development project* that a building permit is applied for is not *clearly* specified on the applicable fee schedule, the city engineer shall use the fee applicable to the most nearly comparable type of land use *category* on the fee schedule. The city engineer shall be guided in the selection of a comparable type by the report titled "Trip Generation" (latest edition) prepared by Institute of Transportation Engineers. If the city engineer determines that there is no comparable type of land use *category* on the applicable fee schedule, then the city engineer shall determine the fee by:

a. ~~Using~~*Considering comparable* traffic generation statistics *for other types of land use categories* contained in ~~a~~*the* report titled "Trip Generation" (latest edition) prepared by Institute of Transportation Engineers; ~~and/or~~

b. ~~Applying the formula set forth in Section 16.44.070(B).~~*Allowing the feepayer to submit an independent trip generation study prepared in accordance with the requirements of the Institute of Transportation Engineers. The study shall be prepared and presented by professionals qualified in their respective fields. The city engineer shall consider the study, but is not required to accept the study as he/she shall reasonably deem to be inaccurate or not reliable and may, in the alternative, require an amended study for consideration. If an acceptable independent trip generation study is not presented, the feepayer shall pay transportation impact fees based upon the city engineer's determination in subsection (3)(a) of this section.*

46. ~~A.~~*In the case of change of use, redevelopment or expansion or modification of an existing use which requires the issuance of a building permit or permit for mobile home installation, the transportation impact fee shall be based upon the net positive increase in the impact fee for the new use as compared to the previous use. The city engineer shall be guided in this determination by traffic generation statistics contained in a report titled "Trip Generation" (latest edition) prepared by Institute of Transportation Engineers.*

~~B.~~*If a feepayer opts not to have the impact fee determined according to subsection (A) of this section, then the feepayer shall prepare and submit to the city engineer an independent fee calculation study for the land development activity for which a building permit or permit for mobile home installation is sought. The independent fee calculation study shall follow professionally accepted methodologies and formats for a study of this type. The traffic engineering and/or economic documentation submitted shall show the basis upon which the independent fee calculation was made, including but not limited to the following:*

- ~~1. Traffic Engineering Studies.~~
- ~~a. Documentation of trip generation rates appropriate for the proposed land development activity.~~
- ~~b. Documentation of any other trip data appropriate for the proposed land development activity.~~
- ~~2. Economic Documentation Studies.~~
- ~~a. Documentation of credits attributable to the proposed land development activity which can be expected to be available to replace the portion of the service volume used by the traffic generated by the proposed land development activity.~~
- ~~b. Independent fee calculation studies shall be prepared and presented by professionals qualified in their respective fields. The city engineer shall consider the documentation submitted by the feepayer but is not required to accept such documentation as he/she shall reasonably deem to be inaccurate or not reliable and may, in the alternative, require the feepayer to submit additional or different documentation for consideration. If an acceptable independent fee calculation study is not presented, the feepayer shall pay transportation impact fees based upon the schedules referenced in subsection (A) of this section. Determinations made by the city engineer pursuant to this paragraph may be appealed to the city council by filing a written request with the city clerk within ten days of the city engineer's determination.~~
- ~~C. Upon acceptance of an independent fee calculation study, the city engineer shall determine the impact fee per unit of development pursuant to the formula established by resolution of the city council. (Prior code § 9500)~~

**Section 16.44.090 Payment of fee.**

A. The feepayer shall pay the transportation impact fee required by this ordinance to the city engineer or his designee prior to the issuance of a building permit or a permit for mobile home installation.

B. All funds collected shall be properly identified and promptly transferred for deposit in the transportation impact fee fund as determined in Section 16.44.110 and used solely for the purposes specified in this chapter. (Prior code § 9505)

**Section 16.44.100 Timing of fee payment.**

A. Notwithstanding the requirements of Section 16.44.090, the city council may, by resolution, authorize the payment of the fee at a time other than that identified in Section 16.44.090.

B. In adopting the resolution identified in subsection (A) of this section, the city council shall make the following findings:

1. That the state of the economy in the city is such that the deferment of the fee required by

this chapter will stimulate the economy and enhance the provision of jobs; and

2. That the deferment of the fee required by this chapter will not materially affect the ability of the city to deliver its five year capital improvement program.

C. In adopting the resolution identified in subsection (A) of this section, the city council shall:

1. Identify the point in time at which the fee shall be paid; provided, that in no event shall the deferral be extended beyond the time of the final inspection or issuance of the certificate of occupancy, whichever occurs first;

2. Identify to which major land use category (i.e., residential, commercial, office and/or industrial) the resolution applies;

3. Identify whether or not a contract shall be entered into by and between the property owner, or lessee if the lessee's interest appears of record, and the city prior to the issuance of the building permit. If a contract is required to be executed, it shall be processed and recorded in accordance with Government Code Section 66007(c). In lieu of entering into a contract, if one is required, the fee payer may provide such other form of surety instrument guaranteeing payment of the fee as may be acceptable to the city engineer or his/her designee and the city attorney;

4. Impose a penalty, equal to one hundred (100) percent of the amount of the fees deferred, on any party who fails to pay the deferred fee by the point in time specified in such resolution; and

5. Provide that a party who fails to pay such deferred fees by the point in time specified in such resolution shall further forfeit the future right to defer such fees on parcels in which such party has a financial interest.

D. Companies classified within the following Standard Industrial Codes shall be able to pay their development impact fees over five years without interest or administrative fee. The first installment of twenty (20) percent shall be due upon occupancy and the balance shall be paid in five equal annual installments thereafter and shall be collected on the property tax roll. The collection of the balance due on the property tax roll shall not preclude the earlier payment of any outstanding balance.

2000--2099	Food processing
2200--3999	Certain other manufacturers
4200--4299	Trucking and warehousing
4500--4599	Air transportation
4700--5199	Transportation services and warehouse trade

(Ord. 9818 § 5, 1998)

**Section 16.44.110 Transportation impact fee trust fund established.**

A. There is established a separate transportation impact fee *trust* fund.

B. Funds withdrawn from this account must be used in accordance with the provisions of Section 16.44.120. (Prior code § 9510)

**Section 16.44.120 Use of funds.**

A. Funds collected from transportation impact fees shall be used for the purpose of capital improvements to and expansion of *planned* transportation facilities ~~associated with the major arterial, arterial and collector street network~~ as designated by the city and any other transportation projects related to growth that may be determined from time to time by the city council.

B. No funds shall be used for periodic or routine maintenance.

~~C. Funds shall be expended in the order in which they are collected.~~

~~D.C.~~ In the event that bonds or similar debt instruments are issued for advance provision of ~~capital~~ *planned transportation* facilities for which transportation impact fees may be expended, impact fees may be used to pay debt service on such bonds or similar debt instruments to the extent that the facilities provided are of the type described in subsection (A) of this section.

~~E.D.~~ At least once each fiscal year, the city engineer shall present to the city council a proposed capital improvement program for *planned transportation facilities* ~~roads~~, assigning funds, including any accrued interest, from the transportation impact fee to specific road improvement projects and related expenses. Monies, including any accrued interest, not assigned in any fiscal year shall be retained in the transportation impact fee fund until the next fiscal year except as provided by the refund provisions of this chapter.

~~F.E.~~ Funds may be used to provide refunds as described in Section 16.44.130.

~~G.F.~~ The city shall be entitled to retain not more than five percent of the funds collected as compensation for the expense of collecting the fee and administering this chapter. (Prior code § 9515)

**Section 16.44.130 Refund of fees paid.**

~~A.~~ If a building permit or permit for mobile home installation expires without commencement of construction, then the feepayer shall be entitled to a refund, without interest, of the impact fee paid as a condition of its issuance; except, that the city shall retain five percent of the fee to offset a portion of the costs of collection and refund. The feepayer must submit an application for such refund to the city engineer within thirty (30) days of the expiration of the permit.

~~B.~~ Any funds not expended or encumbered by the end of the calendar quarter immediately following six years from the date the transportation impact fee was paid shall, upon application of the then current landowner, be returned to such landowner with any interest incurred thereon; provided, that the landowner submits an application for a refund to the city engineer within one hundred eighty (180) days of the expiration of the six year period. (Prior code § 9520)

**Section 16.44.140 Exemptions and credits deductions.**

A. The following shall be exempted from payment of the impact fee:

1. Alterations or expansion of an existing building where no additional units are created, where the use is not changed, and where no additional vehicular trips will be produced over and above those produced by the existing use.

2. The construction of accessory buildings or structures which will not produce additional vehicular trips over and above those produced by the principal building or use of the land.

3. The replacement of a destroyed or partially destroyed building or structure with a new building or structure of the same size and use provided that no additional trips will be produced over and above those produced by the original use of the land.

4. The installation of a replacement mobile home on a lot or other such site when a transportation impact fee for such mobile home site has previously been paid pursuant to this ordinance or where a mobile home legally existed on such site on or prior to the effective date of this chapter.

5. Any claim of exemption must be made *in writing and agreed to by the city prior to the issuance of the applicable* ~~no later than the time of application for a building permit or permit for mobile home installation.~~ Any claim not so made shall be deemed waived.

B. *The following shall be considered for the calculation of an existing use Creditsdeduction that can be applied towards the payment of the impact fee.. An existing use deduction shall only be applicable for structures located on the same property where a land development project is occurring.*

1. *Existing structures with clearly established uses that will be demolished in conjunction with a land development project.*

2. *Structures previously demolished within twenty (20) years of a land development project and where there is clear documentation of the previous existence and use.*

3. *The feepayer is responsible to submit all documentation required by the city for consideration of an existing use deduction.*

4. *Any request for an existing use deduction must be made in writing and the amount agreed to by the city prior to the issuance of the applicable building permit or permit for mobile home installation.*

#### **Section 16.44.150 Reimbursement Agreements.**

4A. ~~No credit reimbursement is available for land development projects with~~ ~~shall be given for site-related improvements or street improvements and right-of-way dedications that are not planned transportation facilities included in the transportation impact fee program.~~

2B. ~~Land development projects that are~~ ~~All required to construct mandatory or required planned transportation facilities included in the transportation impact fee program, including required right-of-way dedications, and/or street improvements made by a feepayer, subsequent to the effective date of this chapter, except for site-related improvements, shall are entitled to be reimbursement for these facilities. The details of the reimbursement shall be set forth in a reimbursement~~



agreement with the city.

1. Reimbursement agreements shall be prepared by the city engineer in accordance with the provisions of this chapter and in accordance with the city's reimbursement policy manual.

2. ~~Reimbursement agreements will be based on a pro rata basis against transportation impact fees otherwise due or to become due for the development that prompted the city to require such dedications or street improvements. Such credits shall be determined and provided as set forth in Section 16.44.140(B)(3) (a), (b), (c) and (d) on the provisions and costs for construction and right of way used in the calculation of the transportation impact fee in effect at that time. The programmed costs shall be set forth in the reimbursement agreement.~~

C. Reimbursement for the programmed costs will be in the form of cash reimbursement and shall generally be paid in accordance with the follow provisions, unless otherwise agreed to by the city and developer, and set forth in the reimbursement agreement:

1. For a period of two (2) years following the date the public improvements for the land development project are accepted by the city, cash reimbursement will only be made from impact fees collected by the city from building permits issued within the land development project. These cash reimbursements must be requested by the developer and will be processed by the city within thirty (30) days of the request. Requests should be limited to a quarterly basis to reduce the amount of administration time expended by the city.

2. After two (2) years following the date the public improvements for the land development project are accepted by the city, final cash reimbursement by the city will be available for the remainder of the programmed costs not made by the city pursuant to subsection (C)(1) of this section. Final cash reimbursement must be requested by the developer and will be processed by the city within thirty (30) days of the request.

D. Cash reimbursements otherwise due to the developer will not be provided until all of the following requirements are met:

1. Construction of the public improvements, including planned transportation facilities, for the land development project are completed and accepted by the city; and

2. A reimbursement request is submitted to the city per the requirements of the city's reimbursement policy manual; and

3. Thirty (30) days have past since acceptance by the city to ensure that no claims of nonpayment have been filed with the city by any contractor or subcontractor; and

4. Any further requirements of the city's reimbursement policy manual have been met.

E. No interest shall be paid by the city on any outstanding reimbursement amount set forth in a reimbursement agreement.

F. If the city enters into a reimbursement agreement authorized by this section, the

agreement shall provide that:

1. The general fund of the city is not liable for payment of any obligations arising from the agreement;

2. The credit of the city is pledged for the payment of any obligations arising from the agreement solely from dedicated transportation funds;

3. The landowner shall not compel the exercise of the city taxing power or the forfeiture of any of its property to satisfy any obligations arising from the agreement; and

4. The obligation arising from the agreement is a debt of the city, payable from income, receipts, or revenues from the transportation impact fee trust fund and other dedicated transportation funds.

G. The developer shall apply for reimbursement as set forth in this section no later than four (4) years after: (1) the construction of the public improvements, including planned transportation facilities, for a land development project are completed and accepted by the city or (2) the effective date of this ordinance; whichever date is later. The developer shall waive the right of reimbursement for construction costs payable under this section when the reimbursement is not applied for within said four (4) year limitation.

~~3. A feepayer may obtain credit against all or a portion of transportation impact fees otherwise due or to become due by offering to dedicate nonsite related right-of-way improvements. This offer must specifically request or provide for a transportation impact fee credit. Such construction must be in accordance with city, county or state design standards, whichever is applicable. If the city engineer accepts such an offer, whether the acceptance is before or after the effective date of this chapter, the credit shall be determined and provided in the following manner:~~

~~a. Credit for the dedication of nonsite related right-of-way shall be valued at (i) one hundred fifteen (115) percent of the most recent assessed value by the Tulare County Assessor, or (ii) by such other appropriate method as the city council may have accepted prior to the effective date of this chapter for particular right-of-way dedications and/or roadway improvements, or (iii) at the option of the feepayer, by fair market value established by private appraisers acceptable to the city. Credit for the dedication of right-of-way shall be provided when the property has been conveyed at no charge to, and accepted by, the city in a manner satisfactory to the city council.~~

~~b. Applicants for credit for construction of non-site related street improvements shall submit acceptable engineering drawings and specifications, and construction cost estimates to the city engineer. The city engineer shall determine credit for street construction based upon either these cost estimates or upon alternative engineering criteria and construction cost estimates if the city engineer determines that such estimates submitted by the applicant are either unreliable or inaccurate. The city engineer shall provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, and the legal description or other adequate description of the project or development to which~~

~~the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating his agreement to the terms of the letter or certificate and return such signed document to the city engineer before credit will be given. The failure of the applicant to sign, date, and return such document within sixty (60) days shall nullify the credit.~~

~~c. Except as provided in subsection (B)(3)(d) of this section, credit against impact fees otherwise due will not be provided until:~~

~~1. The construction is completed and accepted by the city;~~

~~2. A suitable maintenance and warranty bond is received and approved by the city engineer, when applicable; and~~

~~3. All design, construction, inspection, testing, bonding and acceptance procedures are in strict compliance with the then current city standards.~~

~~d. Credit may be provided before completion of specified roadway improvements if adequate assurances are given by the applicant that the standards set out in subsection (B)(3)(c) of this section will be met and if the feepayer posts security as provided below for the costs of such construction. Security in the form of a performance bond, irrevocable letter of credit or escrow agreement shall be posted with and approved by the city engineer in an amount determined by the city engineer consistent with the then current subdivision ordinance. If the street construction project will not be constructed within one year of the acceptance of the offer by the city engineer, the amount of the security shall be increased by ten percent compounded, for each year of the life of the security. The security shall be reviewed and approved by the city engineer prior to acceptance of the security by the city clerk. If the road construction project is not to be completed within five years of the date of the feepayer's offer, the city council must approve the road construction project and its scheduled completion date prior to the acceptance of the offer by the city engineer.~~

~~4. Any claim for credit must be made no later than the time of application for a building permit or permit for mobile home installation. Any claim not so made shall be deemed waived.~~

~~5. Credits shall not be transferable from one project or development to another without the approval of the city engineer.~~

~~6. In the event fee schedules are subsequently changed to reflect increases or decreases in construction costs or other relevant factors, then a feepayer may request a recalculation of credits to fairly reflect such changed circumstances.~~

~~7. Except in the case of public agencies, in the event the actual cash expenditures, as determined by the city engineer, exceed the total transportation impact fee payable because of the development of any parcel of land, the city shall contract with the feepayer to reimburse such excess credits. Such reimbursement shall be subject to the following conditions and limitations:~~

~~a. Such reimbursements shall be paid to the feepayer from transportation impact fees received pursuant to subsequent development of other parcels of land within the area served by the~~

transportation facilities for which such reimbursement is due.

~~b. In those areas in which more than one reimbursement contract is concurrently in existence, the order of reimbursement shall be based upon the date of receipt by the city of the submittals set forth in subsection (B)(7)(g) of this section. Reimbursement shall not be paid pursuant to a late reimbursement contract within an area until any previous reimbursement contract within said area is fully reimbursed.~~

~~c. The payment of such reimbursement is to be made semi-annually, in amounts determined by the city engineer.~~

~~d. Should there not be sufficient subsequent transportation impact fees available, or should the facilities required to provide the level of service prescribed by the circulation element not be available, by a date fifteen (15) years from the date of receipt by the city of the submittals set forth in subsection (B)(7)(g) of this section, the initial reimbursement period and any remaining obligation of the city to reimburse such excess credit shall expire; provided however, that the expiration of the city's reimbursement obligation shall be extended an additional five years in those cases in which the developer or divider has been reimbursed at least seventy-five (75) percent of the total excess credit during the initial reimbursement period.~~

~~e. The total reimbursement to be paid pursuant to this subsection (B) shall not exceed ninety-five (95) percent of the total excess credit; the city shall retain five percent from each reimbursement as an administrative records and service charge.~~

~~f. Nothing herein shall preclude the more frequent payment of reimbursement or the partial payment of reimbursements when sufficient funds are determined by the city engineer to be available and all other conditions of this subsection (B) of this section have been met.~~

~~g. The developer or divider shall submit to the city, within ninety (90) days of acceptance by the city of those facilities for which credit or excess credit is claimed, the reproducible as-built plans of said facilities, the project accounting reflecting final costs of the eligible items and any balance due of the final transportation impact fee determined pursuant to this chapter. Credits and reimbursement of excess credits shall not be granted pursuant to this section if the submissions required by this paragraph are not made.~~

~~8. Determinations made by the city engineer pursuant to the credit provisions of this section may be appealed to the city council by filing a written request with the city clerk within ten days of the city engineer's determination. (Prior code § 9525)~~

#### **Section 16.44.1560 Exceptions.**

A. The city council may, from time to time, authorize exceptions to the payment of the transportation impact fee required by Section 16.44.090.

B. If the city council determines to authorize exceptions pursuant to subsection (A) of this

section, the city council shall adopt a resolution to that effect which shall:

1. State the findings made to support the decision to authorize exceptions to the payment of the transportation impact fee required by Section 16.44.090;

2. Determine which ~~classification(s) of land development activity generating traffic~~ *land use categories* (residential, commercial, office or industrial) to which they will authorize exceptions to the payment of the transportation impact fee required by Section 16.44.090;

3. Determine the percentage of the transportation impact fee for each *land use category* ~~classification of land development activity generating traffic~~ to which they will authorize exceptions to the payment of the transportation impact fee required by Section 16.44.090;

4. Make a budget appropriation in the general fund, or such other discretionary fund, of a dollar amount equal to the estimated revenues which would have been collected had the city council determined not to authorize exceptions to the payment of the transportation impact fee required by Section 16.44.090;

5. Set a date upon which the resolution expires. In any event, the resolution shall expire at the end of the then current fiscal year.

C. Upon the issuance of a building permit for a *land use category* ~~land development activity generating traffic classification~~ which has been determined to be excepted from *the* payment of the transportation impact fee pursuant to this section, the finance director shall transfer from the general fund, or such other discretionary fund as deemed appropriate by the city council, to the transportation impact fee fund an amount equal to the excepted portion of the transportation impact fee.

D. The city council may, by the adoption of a resolution, amend any exceptions or approvals granted pursuant to any resolution adopted consistent with subsection (B) of this section.

E. It is the intent of this section to provide the city council with a tool to promote the economic development of the city, while at the same time insuring sufficient revenue in the transportation impact fee fund to fund the projects that have been identified as a result of growth and development in the community. It is not the intent of this section to exempt the feepayer from having to construct or pay for site-related improvements. (Prior code § 9530)

**Section 16.44.170 Appeal process.**

*Determinations made by the city engineer pursuant to this chapter may be appealed by filing a written request to the city manager within fourteen (14) days of the city engineer's decision. The city manager will consider the written appeal and issue a final decision.*

**Section 16.44.1680 Penalty provisions.**

A violation of this chapter shall be prosecuted in the same manner as misdemeanors are prosecuted and upon conviction, the violator shall be punishable according to law; however, in addition

to or in lieu of any criminal prosecution the city shall have the power to sue in civil court to enforce the provisions of this chapter. (Prior code § 9535)

**Section 16.44.1790 Severability.**

If any section, phrase, sentence or portion of this chapter is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof. (Prior code § 9540)

# TRAFFIC IMPACT FEE UPDATE NEXUS STUDY

## CITY OF VISALIA



**NOVEMBER 13, 2008**



### *Oakland Office*

1700 Broadway

6<sup>th</sup> Floor

Oakland, California 94612

Tel: (510) 832-0899

Fax: (510) 832-0898

Anaheim, CA

Industry, CA

Jacksonville, FL

Lancaster, CA

Oakland, CA

Phoenix, AZ

Washington, DC

Seattle, WA

Temecula, CA

[www.willdan.com](http://www.willdan.com)

# TABLE OF CONTENTS

---

EXECUTIVE SUMMARY .....	1
Program Costs and Revenues	1
Maximum Justified vs. Proposed Fee Amounts	2
1. INTRODUCTION.....	5
Public Facilities Financing In California	5
Methodology and Approach	5
Organization of this Report	6
2. TRANSPORTATION DEMAND FROM NEW DEVELOPMENT .....	7
Land Use Types	7
Land Use Scenario	8
Trip Demand from New Development	13
3. TRANSPORTATION IMPROVEMENTS TO ACCOMMODATE NEW DEVELOPMENT.....	16
Level of Service and Design Standards	16
Planned Improvements and Costs	16
Improvement Program Adjustments	19
Dedication Requirements	20
Total Estimated Improvement Costs	21
4. ALLOCATION OF IMPROVEMENT COSTS.....	23
Alternative Funding Sources	23
Maximum Justifiable Cost per Trip	24
Maximum Justified Fee Schedule	25
5. PROPOSED FEE SCHEDULE.....	27
Availability of Discretionary Revenues	27
Proposed Fee Reductions	31
6. IMPLEMENTATION .....	34
Impact Fee Program Adoption Process	34
Identify Alternative (non-Fee) Revenue Sources	34
Inflation Adjustment	34
Reporting Requirements	34
Fee Accounting	35
Programming Revenues and Projects with the CIP	35
7. MITIGATION FEE ACT FINDINGS .....	36
Purpose of Fee	36



Use of Fee Revenues	36
Benefit Relationship	37
Burden Relationship	37
Proportionality	37
APPENDIX 1: LEVEL OF SERVICE DATA.....	39
APPENDIX 2: CONSTRUCTION COST SUMMARIES .....	43
APPENDIX 3: DEFERRED AND ADJUSTED PROJECTS.....	55
APPENDIX 4: IN-KIND DEDICATION REQUIREMENTS.....	59
Dedication Assumptions for Parking Lanes and Utility Relocation	60
APPENDIX 4: ALTERNATIVE REVENUE PROJECTIONS .....	61

# EXECUTIVE SUMMARY

---

This report documents the necessary calculations and findings for the City of Visalia to update a citywide fee to fund transportation improvements needed to accommodate the traffic generated by new development. Improvement needs are based on completion of the citywide street system as detailed in the Circulation Element of the City of Visalia General Plan. Improvements are limited to those required to support development of the City's 165,000 population Urban Development Boundary, which coincides with projected development through this study's planning horizon of 2031. Some adjustments to the Circulation Element improvement list have been made to either reflect current planning or exclude areas not expected to develop by 2031. Improvements in those areas, as well as improvements to portions of the City that may develop further in the future, may be added to future updates to this fee program.

## PROGRAM COSTS AND REVENUES

The total estimated cost of the improvements detailed in this report is approximately \$951 million.<sup>1</sup> Project deferments, adjustments, and improvement components that will be constructed and dedicated by developers as a condition of development for adjacent parcels reduced the required funding need to \$508 million. The City has identified alternative revenue sources, primarily from a countywide sales tax measure to fund transportation improvements. Those sources will provide an estimated \$226 million in funding that is tied to specific program improvements. After accounting for all cost reductions, alternative revenue sources, program administration costs (\$2.6 million), and Measure R interest costs (\$7 million), new development's fair-share allocation of project costs is equal to \$292 million.

**Table E.1** shows a summary of estimated project costs and available revenue. Additional detail is presented in the chapters that follow.

As shown in Table E.1, the construction cost basis for the fee program is reduced by roughly \$98 million by shifting some project components from fee-funded to developer dedicated. Those same shifts also reduce the right-of-way acquisition cost by approximately \$24 million. These costs – generally associated with utility, curb, gutter and parking lane improvements – will not be funded under this fee program but rather will be required as a condition of development for adjacent parcels. The fee program, therefore, will differ from the City's existing program in that not all planned improvements will be under City control.

The result of this change is lower impact fees than a “full-cost” fee program that funds all improvement components. On the other hand, even though fees may be lower, in-kind contributions from developments will increase costs of development outside of the impact fee program. For either alternative, the share of costs borne by developers is unchanged. The balance of fee funding and dedications is more a reflection of City policies regarding project responsibility than a shift in cost burdens.

The transition from a “full cost” program to a “partial cost” program is further discussed in Chapter 3.

---

<sup>1</sup> Includes \$843 million for construction and \$108 million for right-of-way.

**Table E1: Project Cost and Revenue Summary**

<b><u>Construction Costs</u></b>	
All Circulation Element Construction	\$ 843,402,720
Less: Deferred and Adjusted Projects	(287,705,137)
Less: Developer Responsibilities	<u>(97,768,604)</u>
Net Cost, Construction and Administration [A]	\$ 457,928,979
<b><u>Right-of-Way Costs</u></b>	
Full Circulation Element	\$ 108,000,000
Less: Project Deferments	(24,463,803)
Less: 8' Parking Lane (in-kind dedication)	<u>(33,018,231)</u>
Net Cost, Right-of-Way Acquisition [B]	\$ 50,517,966
Total Net Improvement Costs [ = A+B ]	\$ 508,446,945
Measure R Bond Interest	7,017,816
Program Administration <sup>2</sup>	<u>2,640,000</u>
<b>Total Transportation Fee Program Costs</b>	<b>\$ 518,104,761</b>
Alternative Revenues for Program Costs	<u>\$ (225,914,486)</u>
<b>New Development Cost Allocation</b>	<b>\$ 292,190,275</b>

Sources: Tables 6 and 7; Provost & Pritchard, Inc.; City of Visalia;

## MAXIMUM JUSTIFIED VS. PROPOSED FEE AMOUNTS

The primary purpose of a Nexus Study is to determine the share of planned capital improvement costs that can reasonably be determined to be the responsibility of new development. In this study, the maximum defensible transportation impact fees are determined by allocating the cost of improvements needed to serve new development, net of dedicated revenues from other sources, to the projected growth from new development. Improvement costs are allocated on a per trip basis. Dedicated alternative revenue sources are largely comprised of project-specific funding from Measure R, a countywide sales tax for transportation improvements.

In addition to these project-specific revenues that must be used for specific Circulation Element improvements, the City also expects to receive a substantial amount of transportation funding that can be directed to either improvements or maintenance projects at the discretion of the City Council. Those revenues include Measure R funds that are not tied to specific improvement projects, and State funding via the gas tax and motor vehicle in-lieu fund. After accounting for projected maintenance expenses, the cost of improvements to remedy existing deficiencies, the cost of continuing to provide a fee reduction for infill

projects, and a funding deficit resulting from existing fee reimbursement obligations, the City projects that roughly \$83 million will remain in available funding (see Table 10).

As a matter of policy, the Visalia City Council has elected to use half of that balance to reduce transportation impact fees by funding Circulation Element improvements. The remainder will be used to fund improvements to local streets that are not covered by the fee program. The availability of this funding does not impact the maximum justified fees outlined in this report, but does result in proposed fees that are lower than the maximum justified amounts.

The funding used to reduce the proposed fees was not applied equally to all land use classes, but rather to ensure that no uses experience significant increases from the existing fee program. Accordingly, a portion of the revenues was used to offset fees for certain land uses and the remaining funding was used to reduce fees across the board. Further detail on the allocation on alternative revenues is provided in Chapter 5.

**Table E.2** shows the proposed transportation impact fee schedule as well as the existing (2008) fees, and the maximum justified fee amounts established in this report. Fees will be assessed per dwelling unit for residential projects. For nonresidential development projects, fees will be assessed per gross building square foot, except for gas stations and hotel/motel which will be charged per station or pump and per room, respectively.

Pursuant to the *Mitigation Fee Act* (*California Government Code* §§66000-66025), before an impact fee may be imposed the City must find a reasonable relationship or “nexus” between new development and (1) the need for the public facilities funded by the fee, (2) the use of fee revenues, and (3) the amount of the fee. This report documents these findings in Chapter 7.

**Table E.2: Existing, Maximum Justified, and Proposed Traffic Impact Fees**

<b>Land Use</b>	<b>Existing Fee (2008)</b>	<b>Maximum Justified Fee</b>	<b>Proposed Fee -- With General and Targeted Offsets</b>
<i>Residential (per dwelling unit)</i>			
Single Family	\$ 6,505	\$ 5,171	\$ 4,803
Multi-family	3,991	3,631	3,373
Senior/Assisted	2,248	1,882	1,748
<i>Nonresidential (per thousand square feet)</i>			
Gen. Retail (< 125,000 sq. ft.)	\$ 17,076	\$ 12,765	\$ 11,858
Gen. Retail (> 125,000 sq. ft.)	13,170	8,513	7,909
Hotel/Motel (per room)	2,102	3,563	2,102
Gasoline Service Station (per position)	29,729	24,318	22,591
General Office	\$ 5,305	\$ 6,612	\$ 5,305
Medical/Dental Office	12,921	14,778	12,921
Government Office	26,065	24,616	22,868
Industrial/Service Commercial <sup>1</sup>	\$ 1,658	\$ 2,610	\$ 1,658
Warehouse/Distribution (0-20 KSF) <sup>2</sup>	1,414	3,089	1,658
Warehouse/Distribution (20-100 KSF) <sup>2</sup>	1,414	3,089	1,194
Warehouse/Distribution (100+ KSF) <sup>3</sup>	557	787	731
Mini-Storage	1,414	836	776
School	\$ -	\$ 3,895	\$ 3,618
Church	3,450	2,932	2,724

<sup>1</sup> Existing industrial fee is charged per employee. Fee amount shown assumes average industrial density of 861 square feet per employee based on a study by the Natelson Group.

<sup>2</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 1,300 square feet per employee.

<sup>3</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 3,300 square feet per employee.

Sources: Tables 1 and 4; The Natelson Company, Inc., Employment Density Study Summary Report, prepared for the Southern California Association of Governments, October 31, 2001; City of Visalia, Development Fee Schedule, August 4, 2008.

# 1 . INTRODUCTION

---

This report documents the necessary calculations and findings for the City of Visalia, California, to adopt an updated fee to fund transportation improvements needed to accommodate future development.

The need for transportation improvements is based on a planned street system outlined in the Circulation Element of the City of Visalia General Plan. Minor adjustments to the Circulation Element project list have been made to reflect current planning. Those adjustments are described in further detail later in this report.

Pursuant to the *Mitigation Fee Act* (*California Government Code* §§66000-66025), before an impact fee may be imposed the City must find a reasonable relationship or “nexus” between new development and (1) the need for the public facilities funded by the fee, (2) the use of fee revenues, and (3) the amount of the fee. This report serves to document these findings and provide a fee schedule by land use category.

## PUBLIC FACILITIES FINANCING IN CALIFORNIA

The changing fiscal landscape in California during the past 30 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

- ◆ The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- ◆ Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- ◆ Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have adopted a policy of “growth pays its own way.” This policy shifts the burden of funding infrastructure expansion from existing rate and taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees also known as public facilities fees. Assessments and special taxes require approval of property owners and are appropriate when the funded facilities are directly related to the developing property. Development fees, on the other hand, are an appropriate funding source for facilities that benefit all development jurisdiction-wide. Development fees need only a majority vote of the legislative body for adoption.

## METHODOLOGY AND APPROACH

Public facility fees are calculated to fund the cost of facilities required to accommodate growth. The four steps followed in any development impact fee study include:

1. Identify development and prepare growth projections;
2. Identify facility standards, such as a City policy on acceptable traffic level of service (LOS), intersection delay times, or street system design guidelines;

3. Based on growth projections and facility standards, identify facilities that currently operate deficiently as well as new facilities that must be constructed. Determine the cost of improvements necessary to accommodate new development; and
4. Calculate the public facilities fee by allocating the total cost of facilities per unit of development.

The projects listed in this report will be needed to either maintain acceptable facility standards (LOS D or better) or to provide adequate connectivity as development occurs. Improvements to maintain the City's level of service standard typically involve widening of existing roads to provide sufficient capacity to accommodate an increased volume of vehicle trips. Most planned Circulation Element improvements, however, are needed to provide adequate connectivity as growth moves into previously undeveloped areas of the City. In these cases, the facility standards driving the need for improvements are usually design standards that govern the form and layout of new arterial construction.

Improvements are limited to those required to support development of the City's 165,000 population Urban Development Boundary area (165k UDB), which coincides with projected development through this study's planning horizon of 2031. Projections of future growth in terms of dwelling units for residential development and building square feet for nonresidential development were generated by City staff based on an analysis of available land by zoning designation.

## ORGANIZATION OF THIS REPORT

The remainder of this report is organized as follows:

- ♦ **Chapter 2** outlines projected new development and the resulting increases in vehicle trip generation in the City of Visalia;
- ♦ **Chapter 3** documents the transportation improvements needed to accommodate new development. Improvement cost estimates are also presented in this chapter;
- ♦ In **Chapter 4**, improvement costs are allocated to new development in the form of a cost per vehicle trip. The cost per trip forms the basis of the maximum justified impact fees per unit of development.
- ♦ **Chapter 5** presents an accounting of discretionary revenue sources that can be used to reduce the impact fees charged to new development and proposed fees that are lower than those presented in Chapter 4;
- ♦ **Chapter 6** details implementation procedures for adopting this fee program update.
- ♦ **Chapter 7** contains the five statutory findings required by the Mitigation Fee Act;
- ♦ The **Appendices** provide additional detail on level of service data, improvement cost estimates, adjustments made to the Circulation Element project list, and city and developer improvement responsibilities.

## 2. TRANSPORTATION DEMAND FROM NEW DEVELOPMENT

---

This chapter summarizes an analysis of transportation demand projected to result from new development in the City of Visalia. This report is based on anticipated growth through 2031, which coincides with development of the 165k UDB as defined by the General Plan.

### LAND USE TYPES

To ensure a reasonable relationship between the fee and the type of development paying the fee, growth projections distinguish between different land use types. The land use types used in this analysis are defined below. Definitions are based on the City of Visalia Zoning Ordinance.<sup>2</sup>

- ◆ **Single-family:** Attached and detached one-family dwelling units.
- ◆ **Multi-family:** All attached dwellings containing more than one dwelling unit, designed for occupancy or occupied by more than one family.
- ◆ **Senior/Assisted:** Structures operating as a lodging house in which nursing, dietary and other personal services are rendered to aged persons over age 55, not including persons suffering from contagious or mental diseases, alcoholism or drug addiction, and in which surgery is not performed and primary treatment, such as customarily is given in hospitals and sanitariums, is not provided.
- ◆ **General Retail:** Commercial retail development. Sales or rental of commonly used goods and merchandise for personal or household use.
- ◆ **Hotel/Motel:** Any development or portion thereof or a group of attached or detached structures containing individual guest rooms, suites, and/or meeting rooms (not to exceed three thousand five hundred (3,500) square feet in area), for the accommodation of transient occupants, provided that not more than fifty (50) percent of the guest units have kitchen facilities.
- ◆ **Gasoline Service Station:** Any operation that dispenses gasoline and motor fuel in conjunction with a companion permitted use or a self-service operation.
- ◆ **General Office:** All general, professional development where a particular kind of business or service for others is transacted but not including infrequent or occasional services rendered from a home.
- ◆ **Medical/Dental Office:** Clinics or offices for doctors, dentists, oculists, chiropractors, osteopaths, chiropodists, or similar practitioners of the healing arts; including accessory laboratories and a prescription pharmacy, but not including offices for veterinarians.
- ◆ **Government Office:** All general, professional development operated by a public agency such as a city, county, state, or federal facility.

---

<sup>2</sup> City of Visalia Municipal Code. Chapter 17.04.



- ◆ **Industrial/Service Commercial:** Wholesale and heavy commercial uses, such as lumberyards and construction material retail uses, etc., and services such as automotive, plumbing, and sheet metal fabrication. All manufacturing uses.
- ◆ **Warehouse/Distribution:** Development primarily for the storage and/or distribution of materials.
- ◆ **Mini-Storage:** Development where a number of storage units or vaults are rented for the storage of goods.

Some developments may include more than one land use type, such as an industrial warehouse with living quarters (a live-work designation) or a planned unit development with both single and multi-family uses. In these cases the public facilities fee would be calculated separately for each land use type.

## LAND USE SCENARIO

This section presents estimates of new development through 2031 in the City of Visalia. Estimates of new development are based on a review of undeveloped land by traffic analysis zone (TAZ). A summary of undeveloped land, by major land use classification is shown in **Table 1**.

**Table 1: Undeveloped Acreage by Land Use Classification**

	Undeveloped Acres	Share of Total Undeveloped
<i><u>Residential</u></i>		
Single Family	6,916	63%
Multi-family	742	7%
<i><u>Nonresidential</u></i>		
Retail	459	4%
Office	382	3%
Industrial	1,965	18%
Public Institutional/Rural Residential	496	5%
<b>Total</b>	<b>10,960</b>	<b>100%</b>

Source: City of Visalia.

Undeveloped acres were converted to dwelling unit development for residential growth and building square footage for nonresidential growth by applying density factors consistent with City policy. The conversions incorporate the best available data on development densities and estimated breakdowns of land use types within larger use classifications.

As noted above, the growth projections reflect build out of the City’s 165k UDB. The projections incorporate the following assumptions:

- Single-family residential (R1) development will occur at an average density of 5.0 units per acre for undeveloped land within the existing City limits. The average density for single-family residential land outside of the existing City limits, but within the 165k UDB, is 5.5 units per acre. Available land for single-family residential is based on a 75 percent net-to-gross factor to reflect land needed for streets, utilities, and other public improvements.
- Medium-density residential (R2) development will occur at an average density of 15 units per acre for undeveloped land within the existing City limits. The average density for medium-density residential land outside of the existing City limits, but within the 165k UDB is 13 units per acre. Available land for medium-density residential is based on an 85 percent net-to-gross factor.
- High-density residential (R3) development will occur at an average density of 15 units per acre for undeveloped land within the existing City limits. The average density for high-density residential land outside of the existing City limits, but within the 165k UDB is 22 units per acre. Available land for high-density residential is based on an 85 percent net-to-gross factor.
- Rural residential development will occur at an average density of 1.5 single-family units per acre. Available land for rural residential is based on a 75 percent net-to-gross factor.
- Estimated retail, office, school, and church development, in building square footage, is based on a net-to-gross factor of 29 percent to allow for parking, landscaping, and required street improvements.
- Estimated industrial development, in building square footage, is based on a net-to-gross factor of 38 percent to allow for parking, landscaping, and required street improvements.

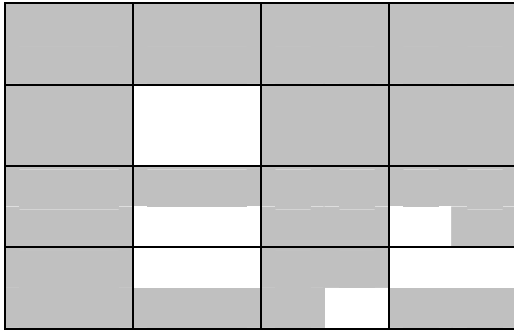
All assumed densities are based on existing City policies. Assumed densities for areas outside of the existing City limits are based on a new policy for average densities for annexation areas. Over time, these densities are expected to apply to all development in the City.

Development projections for all land uses include a vacancy factor of 20 percent. This factor captures parcels that will not develop within a foreseeable timeframe. Were the City to assume full buildout of the 165k UDB, any actual vacancy would result in a fee funding shortfall. The shortfall would result in inadequate revenues available to construct the travel lanes of new roads if it were not backfilled with alternative revenues. Additionally, any vacancy would lead to “saw-tooth” patterns of street improvement where unimproved street sections adjacent to undeveloped parcels would potentially lie between two improved segments. Saw-tooth improvement patterns can impede efficient traffic flows and result in visual and aesthetic inconsistencies.

Although it is not possible to project exactly where vacancy will occur, the City has determined that development of 80 percent of the 165k UDB (or full buildout less vacancy) would generally necessitate full construction of the planned transportation improvements. This vacancy factor was established by staff through an analysis of past vacancy trends in the City including times when the UDB was expanded to the current 129,000 UDB. Those analyses found actual development vacancy ranging from 18-30 percent.

**Chart 1** shows a depiction of how staff assumes a typical square mile of undeveloped land may develop. Development will not always progress along a collector or arterials side by side, and there may be areas that do not develop inside a zone. This would mean that although an area may not be completely developed, a fully developed street system would be required to serve all developed areas.

**Chart 1: (Staff 20% vacancy assumption depicted on sample square mile)**



*1 square mile of development - shaded areas represent development*

Lastly, development of several TAZ’s in the 165k UDB was excluded from this analysis because they are not expected to develop until later than other areas.<sup>3</sup> The rationale for this exclusion, as well as the implications for the fee calculations are discussed further in Chapter 3. This exclusion is separate from the 20 percent vacancy factor in the TAZs that are assumed to develop under the program.

**Figure 2** presents a map of TAZs in the City along with the existing City boundary and the 165 UDB.

Estimates of new development are summarized in **Table 2**. Based on historical rates of development, the growth shown below is projected to occur by 2031.

<sup>3</sup> The TAZ’s that were excluded are 1000, 1001, 1003, 1014-1016, 1033-1036, 1065, 1066, 1217, 1235, 1254-55, 3220, 3222, 3224, and 3226.

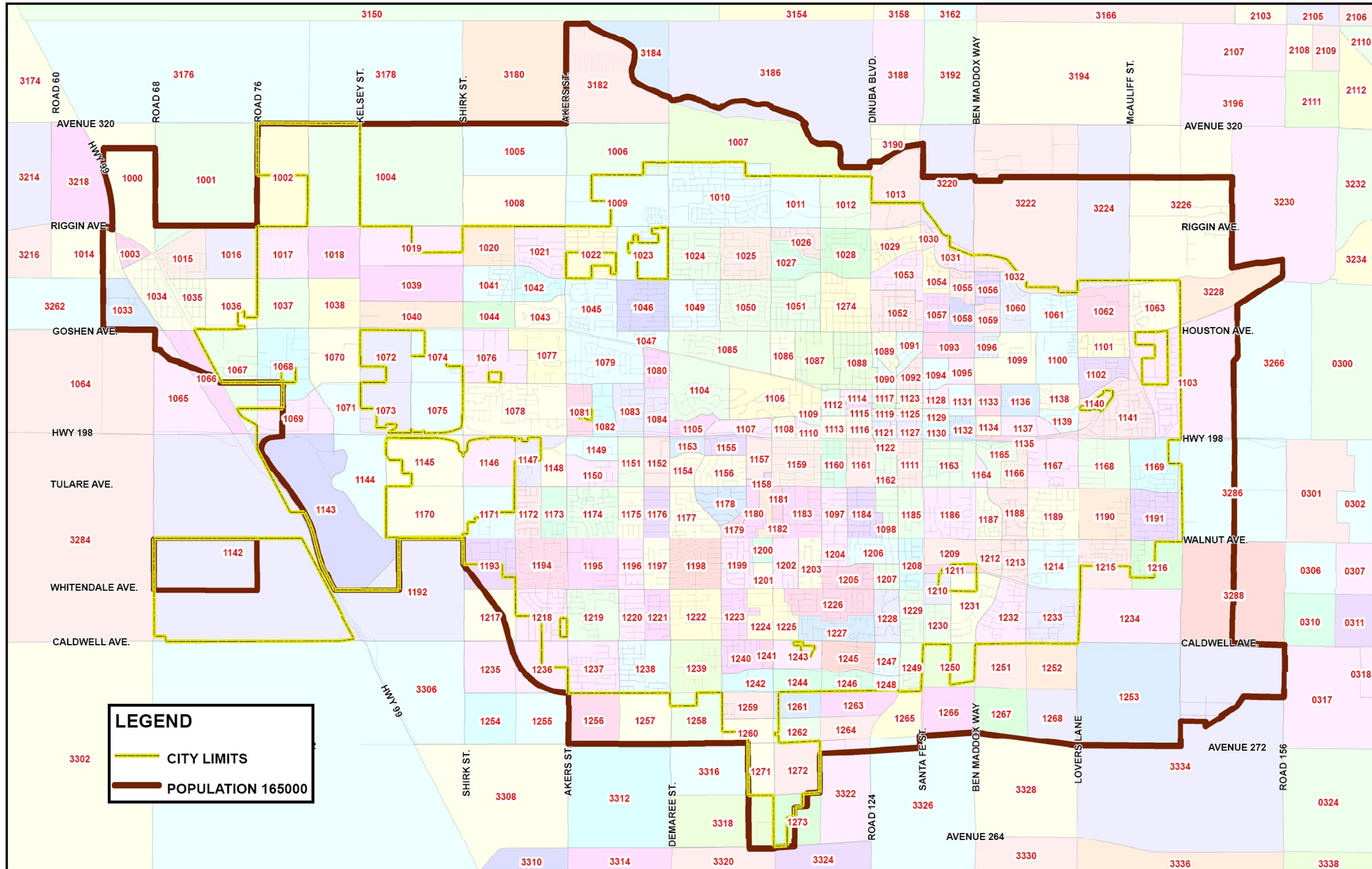
**Table 2: Projected Growth 2008-2031**

	<b>Net Growth 2008-2031</b>
<i><u>Dwelling Units</u></i> <sup>1</sup>	
Single Family	20,865
Multi-family	6,968
Senior/Assisted	384
<i><u>Building Square Feet (000s)</u></i>	
Retail	4,836
Office	4,022
Industrial	27,110
Schools	4,175
Churches	868

<sup>1</sup> Projected dwelling unit development reduced by 2,544 single family and 206 multi-family units to reflect existing entitlements that will pay fees at the existing rates (See Table 10).

Source: City of Visalia.





## TRIP DEMAND FROM NEW DEVELOPMENT

Trip demand factors are used to measure the relative demand for transportation facilities resulting from each development project. The trip demand factors used in this study are based on the number of daily vehicle trips generated, adjusted for the type of trip. Vehicle trip generation rates are a reasonable measure of demand on the City's system of street improvements across all modes of transportation because alternate modes (transit, bicycle, pedestrian) often substitute for vehicle trips. While average daily trips and P.M. peak-hour trips are both reasonable indicators of the demand for transportation facilities, average daily trips are used in this study because daily trip generation best reflects the benefit gained by a given development project from transportation improvements.

The two types of trips adjustments made to trip generation rates to calculate trip demand are described below:

- ◆ Pass-by trips are deducted from the trip generation rate. Pass-by trips are intermediates stops between an origin and a final destination that require no diversion from the route, such as stopping to get gas on the way to work.
- ◆ The trip generation rate is adjusted by the average length of trips for a specific land use category compared to the average length of all trips on the street system.

**Table 3** shows the calculation of trip demand factors by land use category based on the adjustments described above. Most trip generation factors are from the Institute of Transportation Engineers' *Trip Generation*, 7<sup>th</sup> Edition. The average trip length data and pass-by factors are from the "Brief Guide to Vehicular Traffic Generation Rates for the San Diego Region," published by the San Diego Association of Governments. The pass-by and trip length data is based on extensive and detailed trip surveys conducted in the San Diego region by the San Diego Association of Governments. The surveys provide one of the most comprehensive databases available of pass-by trips factors and average trip length for a wide range of land uses. Though urban development patterns may differ between San Diego County and the City of Visalia, the use of this data is appropriate as a means of allocating trips across multiple land use categories. Trip factors by land use are used to interpret relative differences between trip characteristics by land use, rather than actual travel patterns in the City and these relative differences are unlikely to vary substantially across jurisdictions.

For two land uses in Table 3 below, the trip generation rates vary from those published by the Institute of Transportation Engineers. The rate for Warehouse/Distribution Centers greater than 100,000 square feet is based on a 2008 study of warehouse facilities in Visalia prepared by the Peters Engineering Group. The rate for Mini-Storage facilities is based on a 2005 study of facilities in and around Fresno, California, also prepared by the Peters Engineering Group.



**Table 3: Trip Demand Factors**

Land Use	Primary Trips <sup>1</sup>	Diverted Trips <sup>1</sup>	Total Excluding Pass-by <sup>1</sup>	Trip Length Factor <sup>2</sup>	Adjustment Factor <sup>3</sup>	ITE Category/Source	Avg. Daily Trips <sup>4</sup>	Trip Demand Factor <sup>5</sup>
<i>Residential</i> <sup>6</sup>								
Single Family	86%	11%	97%	1.14	1.11	Single Family Detached Housing (210)	9.57	10.58
Multi-family	86%	11%	97%	1.14	1.11	Apartment (220)	6.72	7.43
Senior/Assisted	86%	11%	97%	1.14	1.11	Senior Adult Housing - Attached (252)	3.48	3.85
<i>Nonresidential</i>								
Gen. Retail (< 125,000 sq. ft.)	47%	31%	78%	0.52	0.41	Neighborhood Shopping Center <sup>7</sup>	64.41	26.12
Gen. Retail (> 125,000 sq. ft.)	47%	31%	78%	0.52	0.41	Regional Shopping Center (820)	42.94	17.42
Hotel/Motel (per room)	58%	38%	96%	1.10	1.06	Hotel (310) / Motel (320) <sup>8</sup>	6.90	7.29
Gasoline Service Station (per position)	21%	51%	72%	0.41	0.30	Gasoline/Service Station (944)	168.56	49.76
General Office	77%	19%	96%	1.28	1.23	General Office Building (710)	11.01	13.53
Medical/Dental Office	60%	30%	90%	0.93	0.84	Medical-Dental Office Building (720)	36.13	30.24
Government Office	50%	34%	84%	0.87	0.73	Government Office Building (730)	68.93	50.37
Industrial/Service Commercial	92%	5%	97%	1.30	1.26	Light/Heavy Industrial (110/120) <sup>9</sup>	4.24	5.34
Warehouse/Distribution (< 100KSF)	79%	19%	98%	1.30	1.27	Warehousing (150)	4.96	6.32
Warehouse/Distribution (> 100KSF)	79%	19%	98%	1.30	1.27	Local Traffic Study	1.26	1.61
Mini-Storage	79%	19%	98%	1.30	1.27	Local Traffic Study	1.34	1.71
School	65%	23%	88%	0.64	0.56	Schools (multiple) <sup>10</sup>	14.15	7.97
Church	64%	25%	89%	0.74	0.66	Church (560)	9.11	6.00

<sup>1</sup> Percent of total trips. Primary trips are trips with no midway stops, or "links". Diverted trips are linked trips whose distance adds at least one mile to the primary trip. Pass-by trips are links that do not add more than one mile to the total trip.

<sup>2</sup> Represents the average trip length by land use relative to the systemwide average trip length.

<sup>3</sup> The trip adjustment factor equals the percent of non-pass-by trips multiplied by the average trip length factor.

<sup>4</sup> Trips per dwelling unit or per 1,000 building square feet.

<sup>5</sup> The trip demand factor is the product of the trip adjustment factor and average daily trips.

<sup>6</sup> Trip percentages and average trip lengths based on SANDAG "residential" category. See below for source.

<sup>7</sup> Average daily trip rates for neighborhood and super-regional shopping centers derived by applying the relative differences in trips rates from the SANDAG study (see below for source) to the ITE trip rate for a shopping center (category 820). ITE does not public shopping center trip factors by retail project size.

<sup>8</sup> Average daily trip rate represents the midpoint between the ITE factors for hotels and motels.

<sup>9</sup> Average daily trip rate is the average of the ITE rates for General Light Industrial (6.97) and General Heavy Industrial (1.50).

<sup>10</sup> Average daily trip rate represents a weighted average of the ITE factors for elementary, middle, and high schools based on the existing share of each school type in the City.

Sources: San Diego Association of Governments (SANDAG), *Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region*, April 2002; Institute of Traffic Engineers (ITE), *Trip Generation*, 7th Edition, 2003; Peters Engineering Group, Trip generation studies for "Existing High-Cube Warehouse Facilities, Visalia, CA" and "Fresno Area Mini-Storage Complexes" prepared October 1, 2008 and September 2, 2005, respectively; Willdan Financial Services.

**Table 4** presents trip demand generation from future development through 2031. Projected growth is calculated by applying the trip demand factors in Table 3 to the growth projections in Table 2. Projected growth is grouped by major land use categories, consistent with the categories used in the TAZ projections. Accordingly, it was necessary to use weighted averages to represent trip demand factors for categories that combine multiple use types from Table 3. All assumptions are documented in the footnotes of Table 4.

**Table 4: Trip Growth, Average Daily Trip Approach**

	Net Growth 2008-2031	Trip Demand Factor	Trip Growth
<i>Dwelling Units</i> <sup>1</sup>			
Single Family	20,865	10.58	220,752
Multi-family <sup>2</sup>	6,968	7.43	51,774
Senior/Assisted	384	3.85	1,478
<i>Building Square Feet (000s)</i>			
Retail <sup>3</sup>	4,836	21.77	105,280
Office <sup>4</sup>	4,022	18.21	73,251
Industrial <sup>5</sup>	27,110	3.94	106,868
Schools	4,175	7.97	33,275
Churches	868	6.00	5,208
<b>Total Trip Growth</b>			<b>597,886</b>

<sup>1</sup> Projected dwelling unit development reduced by 2,544 single family and 206 multi-family units to reflect existing entitlements that will pay fees at the existing rates (See Table 10).

<sup>2</sup> Average trip demand for all multi-family residential uses based on a City estimate that future development will be comprised of 95% standard multi-family units and 5% Senior/Assisted units.

<sup>3</sup> Assumes average trip demand for retail is represented by the midpoints between the demand factors for shopping centers of less than 125,000 square feet and shopping centers of more than 125,000 square feet.

<sup>4</sup> Average trip demand for all office uses based on a City estimate that future office development will be comprised of 78% General Office 17% Medical/Dental Office, and 5% Government Office based on building square footage.

<sup>5</sup> Average trip demand for all industrial uses based on a City estimate that future industrial development will be comprised of 30% Standard Industrial/Service Commercial, 65% Warehouse/Distribution, and 5% Storage based on building square footage.

Sources: Table 3; City of Visalia.



### 3. TRANSPORTATION IMPROVEMENTS TO ACCOMMODATE NEW DEVELOPMENT

---

This section summarizes the transportation improvements required to accommodate new development in the City of Visalia. Need for improvements is based on a need to either maintain acceptable facility standards on existing roads as development occurs or to provide adequate connectivity as development occurs in new areas.

#### LEVEL OF SERVICE AND DESIGN STANDARDS

The Circulation Element of the City of Visalia General Plan establishes a minimum acceptable level of service (LOS) of D.<sup>4</sup> The Circulation Element established a program of improvements needed to achieve this standard. The Circulation Element also outlines basic guidelines for the City's grid system of east/west and north/south arterials and collectors. Arterials are typically spaced at one-mile intervals and collectors at half-mile intervals.

Although a portion of the improvements that will be funded by the fee program are needed to achieve this LOS standard, projects are more commonly needed to complete the City's grid system and provide accessibility to new growth areas. The completed grid system will provide adequate connectivity to meet the Circulation Element goal of providing safe and efficient movement of people and goods in the Visalia planning area.

#### PLANNED IMPROVEMENTS AND COSTS

As noted, the majority of the improvements included in the fee program update represent those needed to complete the planned Circulation Element street system inside of the City's 165,000 population Urban Development Boundary. Given that the Circulation Element was adopted by the City Council in 2001, some adjustments to the improvement list have been identified since that time. New or amended improvement needs included in this program are consistent with the Circulation Element goals and objectives outlined above and will likely be incorporated into a future update of the Circulation Element.

**Table 5** below presents a summary of the planned improvement costs. Construction of Circulation Element streets is grouped according to anticipated project phasing. Estimated project phasing reflects the priorities determined at the time of the 2001 Circulation Element update.<sup>5</sup> Actual phasing will depend on funding availability and ongoing needs assessments conducted by City staff.

The City began the process of determining unit construction costs by hiring Provost & Pritchard to prepare a report of the entire Circulation Element construction costs. Provost & Pritchard published their report in June of 2007 using unit construction costs from a study of recent street construction projects in Visalia. In late 2007, the City provided these unit

---

<sup>4</sup> The Circulation Element notes limited exceptions to this standard where LOS D is determined to be infeasible.

<sup>5</sup> City of Visalia. 2001 Circulation Element Update, Table VI-1 and Figure V-1.

costs to a local group of developers who reviewed these unit costs and made recommendations on adjustments, many of which were implemented.

The City makes annual adjustments to all impact fees by applying a percentage adjustment based on the Engineering News Record Construction Cost Index (ENRCCI) calculated in accordance with Section 13.44.070 of the City of Visalia municipal code. This ENRCCI adjustment for 2008 was determined to be an increase of 2.015 percent and was applied to all of the 2007 unit costs except for asphalt concrete. Provost & Pritchard's 2007 construction cost report showed an average asphalt cost per ton installed of \$74.25. A phone survey of asphalt contractors resulted in the use of an average asphalt cost per ton of \$91.03. The increase from \$74.25 to \$91.03 is an increase of 22.5 percent which exceeds the ENRCCI increase.

**Table 5: Summary of Planned Improvements**

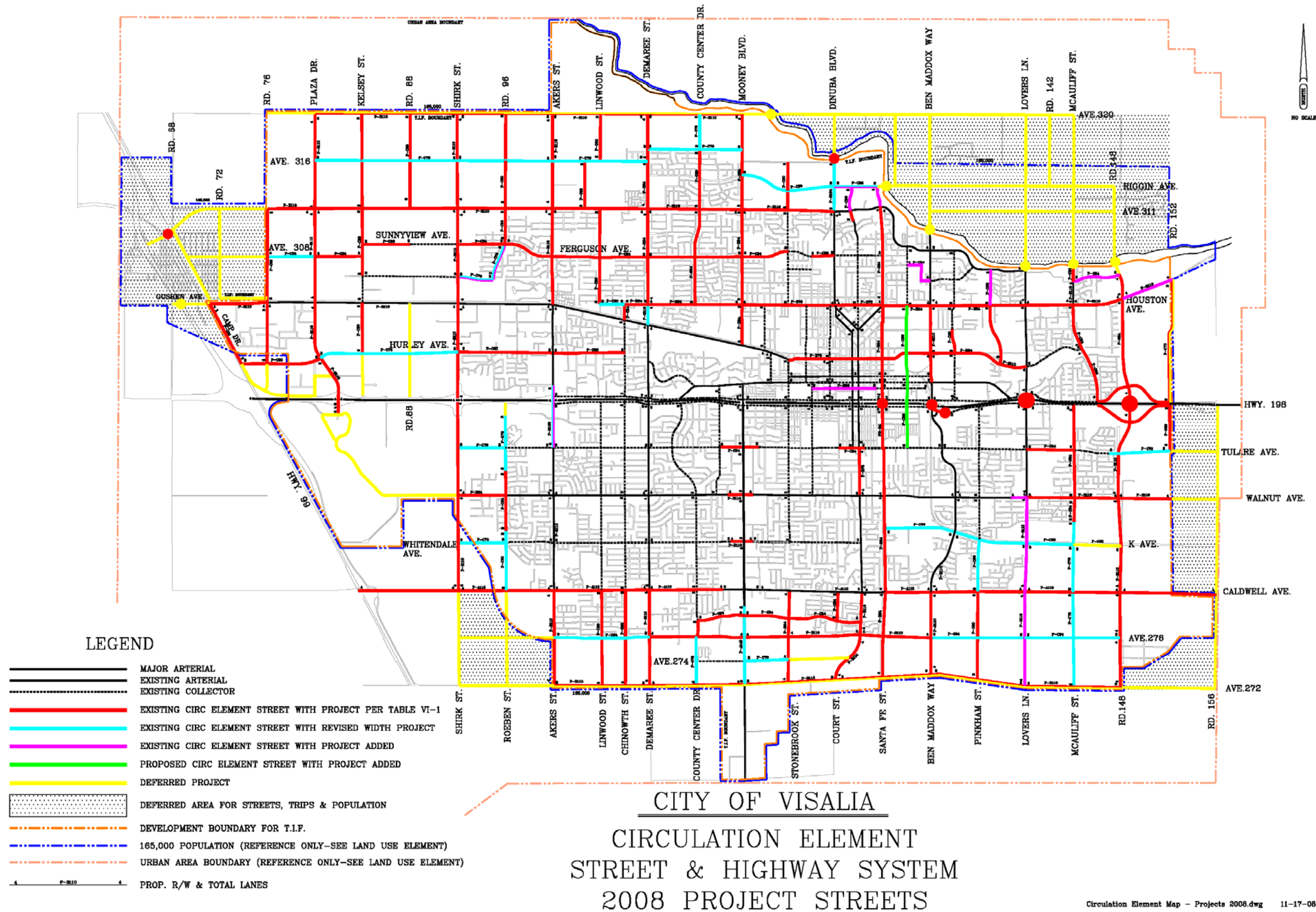
	<b>Estimated Cost (2008 \$)</b>
<i><u>Circulation Element Street Construction</u></i>	
Year 1-5 Projects	\$ 38,545,003
Year 6-10 Projects	88,766,751
Year 11-15 Projects	90,665,215
Year 16 and Beyond Projects	591,068,322
<i><u>Additional Improvement Needs</u></i>	
New Projects on Existing Circulation Element Streets	18,900,918
New Projects on Proposed Circulation Element Streets	804,371
New Signal Costs	<u>14,652,141</u>
 Total Cost, Planned Improvements	 \$ 843,402,720

Sources: Appendix 2; Provost & Pritchard, Inc.; City of Visalia.

Additional detail on planned improvement costs, in terms of both per-project estimates and assumed unit costs, is presented in the Appendix.

**Figure 2** shows the locations of planned improvements.

Figure 1: Circulation Element Transportation Improvements



## IMPROVEMENT PROGRAM ADJUSTMENTS

The project costs outlined in Table 5 represent the total cost of needed improvements within the City's 165,000 population Urban Development Boundary. Two sets of adjustments were made to the project list to create a refined cost representing fee revenue needed; project deferrals and adjustments to the scope of improvement established by the Circulation Element.

Please see the Appendix for additional detail on deferred and adjusted projects.

### ***PROJECT DEFERMENTS BY LOCATION***

Several Circulation Element street projects around the fringes of the 165k UDB were excluded from this analysis. These projects correspond to TAZ development that was also excluded from the growth projections detailed in Chapter 2. Most of these projects are street, bridge, or interchange construction in the North of the River (NOR) and Goshen areas. These areas are not expected to develop until after buildout of the rest of the 165k UDB. Areas with deferred projects are shown as shaded in Figure 1 above.

Specific justifications for project deferrals, by location, are as follows:

- ◆ **NOR** – The area north of St. John's River was identified as a deferral area because it is a clearly defined area that has unique challenges for future development, particularly the vehicle and utility connection issues across the St. John's River. Accordingly, the transportation needs in this area may be more appropriately addressed through a location-specific mitigation program at the time of development.
- ◆ **Goshen** – The community of Goshen was identified as a deferral area because it is a clearly defined county community with its own urban development boundary and community service district. The general plan vision to annex this community into the City has some future challenges.
- ◆ **Outside UDB** – A number of project streets are located outside the City's 165k urban development boundary. These project streets can be clearly considered to be accommodating growth beyond the City's 165k urban development boundary unless they serve the purpose of regional connectivity.

By excluding development and associated transportation improvements in areas unlikely to develop in the near-term, the City can constrain the scope of the transportation impact fee program to improvement needs that are reasonably foreseeable. This limits uncertainty in the analysis and provides the City with increased revenue predictability while ensuring that burdens on development are more closely tied to the impacts of that development. By removing both the growth and the resulting project needs for certain areas, the City ensures that new development in the remainder of the 165k UDB will not be charged for any portion of the costs of the NOR or Goshen improvements under this program.

Future updates to this program may incorporate both the development projections and improvement needs associated with the deferred areas.

## **PROJECT SCOPE ADJUSTMENTS**

For some planned improvements, City staff made adjustments to the scope of improvements prescribed by the 2001 Circulation Element. These adjustments were made either to minimize project costs or to reflect the best current understanding of project needs. Specific adjustments are as follows:

- ♦ **Width Reductions** – In an effort to make reasonable cost reductions, the City has recommended that a number of street width reductions be adopted in the transportation impact fee program. The width reductions were only applied towards a selection of collector streets in new growth areas with the goal of reducing the cross section of the street to provide three vehicle lanes and two bicycle lanes. Two parking lanes were eliminated because they are not necessary in modern subdivision design that has landscaped block wall frontages along the arterial/collector streets.
- ♦ **Width Increases** – The City has also recommended that a number of street width increases be adopted in the transportation impact fee program. The width increases were the result of one of the following reasons: (i) the State is requiring the increase, (ii) the street has already been fully or partially constructed at the increased width or (iii) a median was added to control turn movements.
- ♦ **Planned Reclassifications** – In an effort to make reasonable cost reductions, the City has recommended that a number of arterial streets be reclassified to collector status. The new classifications represent the lowest level of improvement cost feasible while still maintaining acceptable levels of service.
- ♦ **Deferral of 1.5” of Asphalt** – In an effort to make reasonable cost reductions, the City has recommended the deferral of 1.5" of asphalt on the construction of new or reconstructed streets in new growth areas. There are two reasons for this approach:
  - The traffic index is reduced by 1.0 point, which still provides an adequate structural section for the first half of the pavement’s useful life and the 1.5” overlay will provide the added structural section for the second half of the pavement’s useful life.
  - Phased construction is inevitable in new growth areas and results in numerous cut lines or tie-in lines in the asphalt layer.

In new growth areas there are a number of existing streets that have regional connectivity or are located in the industrial zones. These streets will not have the deferral of 1.5" of asphalt because of the regional traffic volumes on these streets and the increased percentage of truck traffic.

## **DEDICATION REQUIREMENTS**

The amount of improvement cost in the fee program has been reduced by shifting some project components from fee-funded to developer dedicated. These costs – associated with utility, curb, gutter and parking lane improvements – will not be funded under this fee program but rather will be required as a condition of development for adjacent parcels. The



fee program, therefore, will differ from the City's existing program in that not all planned improvements will be under City control.

The result of this change is lower impact fees than a "full-cost" fee program that funds all improvement components. On the other hand, even though fees may be lower, in-kind contributions from developments will increase costs of development outside of the impact fee program. For either alternative, the share of costs borne by developers is theoretically unchanged. The balance of fee funding and dedications is more a reflection of City policies regarding project responsibility than a shift in cost burdens.

The cost components that are being shifted to developer responsibility under this program are those along the outer edge of the street section (curb, gutter, utilities, parking lanes) and are therefore items that could more closely be tied to development of the adjacent parcels. Travel lanes carry trips generated by development from all over the City and consequently may be needed prior to development of adjacent parcels. By keeping the travel lane expenses in the fee program, the City can direct fee revenues based on a need for capacity rather than the location of development. All improvements outside of the travel lanes, however, can often be deferred until development of the abutting properties occurs.

Major cost components that are being shifted from City to developer responsibility in this program update include:

- ◆ Parking lane construction on 80% of the new streets (\$70 million)
- ◆ Utility relocation on 90% of the new streets (\$27 million)
- ◆ Right-of-way acquisition for parking lanes (\$33 million)

A detailed description of in-kind dedication requirements, and the assumptions regarding assumed shares of dedication for parking lanes and utility relocation, can be found in Appendix 4.

For both parking lane construction and utility relocation, a small share of future costs has been left in the fee program. These shares represent the City's estimate of properties that are adjacent to already developed parcels, might never develop, or will not develop in a timely manner (i.e. the planning horizon of this program). To achieve a fully functional transportation system, and to serve the development that does occur, the fee program needs to maintain adequate funding for improvements adjacent to non-developing properties. The assumptions for the share of costs remaining in the program are based on a review by City staff of project locations and historical vacancy patterns.

## TOTAL ESTIMATED IMPROVEMENT COSTS

The estimated cost of planned transportation improvements, along with a summary of project deferments and adjustments, is shown below in **Table 6**. The total cost shown in Table 6 represents the cost of improvements needed to accommodate new development in the City of Visalia through 2031.

**Table 6: Transportation Program Costs and Revenues**

<b><u>Construction Costs</u></b>	
All Circulation Element Construction	\$ 843,402,720
<b><u>Deferred and Adjusted Projects</u></b>	
Less: Goshen Streets	\$ (13,550,325)
Less: Goshen SR 99 Interchange/Goshen Ave	(35,241,750)
Less: North of River Streets	(55,631,523)
Less: St. John's River Bridges <sup>1</sup>	(62,730,315)
Less: Outside UDB and Select Streets	(95,968,090)
Less: Reduced Width/Reclassified Streets	(8,231,159)
Less: 1.5" AC deferral on New Growth Streets	(16,351,975)
Deferred and Adjusted Projects Subtotal	(287,705,137)
<b><u>Developer Responsibilities</u></b>	
Less: 8' Parking Lane on 80% of Streets	\$ (70,330,356)
Less: 90% of Utility Relocation	(27,438,248)
Developer Responsibility Subtotal	(97,768,604)
<b>Net Cost, Construction [A]</b>	<b>\$ 457,928,979</b>
<b><u>Right-of-Way Costs</u></b>	
Full Circulation Element	\$ 108,000,000
Less: Project Deferments	(24,463,803)
Less: 8' Parking Lane	(33,018,231)
<b>Net Cost, Right-of-Way Acquisition [B]</b>	<b>\$ 50,517,966</b>
Total Net Improvement Costs [ = A+B ]	\$ 508,446,945
Measure R Bond Interest	7,017,816
Program Administration <sup>2</sup>	2,640,000
<b>Total Transportation Fee Program Costs</b>	<b>\$ 518,104,761</b>

<sup>1</sup> Represents four new bridges and two bridge widenings.

<sup>2</sup> City estimate of staff time and consultant costs required to implement and periodically update the fee program.

Sources: Provost & Pritchard, Inc.; City of Visalia;

## 4. ALLOCATION OF IMPROVEMENT COSTS

---

This section determines the maximum justifiable share of transportation improvement project costs that may be charged to new development in the City of Visalia through the transportation impact fee. As noted in the introduction, the maximum justified fee amounts exceed the proposed fee amounts presented in the next chapter because the City is proposing to allocate some discretionary revenues to reduce fee burdens.

### ALTERNATIVE FUNDING SOURCES

Over the life of this fee program, the City projects that roughly \$211.8 million in funding from the Countywide Measure R sales tax for transportation will be available to fund projects included in the program. This funding is dedicated to regional transportation projects in the City and therefore applies to the same types of projects that are covered by impact fees. Because this funding could not reasonably be applied to projects outside of the fee program, it has been applied to the fee-eligible cost total to reduce impact fees on new development.

The City also has an existing transportation impact fee fund balance of \$3.6 million and a Federal Transportation Enhancement Grant of \$1.4 million. Like the Measure R regional funding, these revenues apply to Circulation Element improvements and can be used to reduce fees on new development.

Combined, the Measure R regional funds, the existing fund balance, and the Federal grant result in \$216.8 million in funds programmed for improvements that are within the scope of the fee program. That amount, therefore, is described in this report as “project specific” revenue that is deducted from the project cost total prior to calculating the maximum justified impact fee amounts.

Total project-specific revenues, along with the resulting amount of project costs allocated to the fee program, are shown below in **Table 7**. Table 7 also shows the projected value of parking lane dedications from re-developed or intensified parcels in infill areas. This amount reflects an estimate of revenue the City may recover from new or higher density development of parcels that are not part of the projected growth described in the Chapter 2.

Additional detail on alternative revenue projections is provided in Appendix 4.



**Table 7: Project-Specific Transportation Revenues**

<i>Revenues for Circulation Element Projects</i>	
Transportation Impact Fee Fund Balance	\$ 3,553,486
Measure R Regional Funds (includes STIP projects)	211,821,000
Federal Transportation Enhancement Grant	1,440,000
Parking Lane Fees from New Development	<u>9,100,000</u>
Total Project-Specific Revenues	\$ 225,914,486
Total Transportation Fee Program Costs	\$ 518,104,761
<b>Remaining Costs to be Funded by Fee Program</b>	<b><u>\$ 292,190,275</u></b>

Sources: Table 6; City of Visalia.

## MAXIMUM JUSTIFIABLE COST PER TRIP

Table 8 shows the per-trip cost allocation for the improvements needed to accommodate future development. This figure is based on the improvement cost allocated to new development in Visalia and the estimated daily trip demand of new development in the City.

**Table 8: Cost Per Trip**

Total Program Costs	\$ 292,190,275
Trip Demand Growth	<u>597,886</u>
Cost Per Trip Demand Unit	\$ 489

Sources: Tables 4 and 7.

It is important to note that the cost per trip demand unit calculated in Table 8 is not directly comparable to the costs per trip used to calculate transportation fees under the City’s existing fee program. Whereas the existing costs per trip relate most commonly to Institute of Transportation Engineers trip generation factors, the Table 8 cost per trip reflects a cost per unit of trip *demand*, based on the factors shown in Table 3. Trip demand factors incorporate more than just raw numbers of vehicle trip generation by factoring in average trip lengths and pass-by factors.

## MAXIMUM JUSTIFIED FEE SCHEDULE

**Table 9** presents the transportation facilities impact fee schedule that results from the cost per trip shown in Table 8. The cost per trip is multiplied by the trip demand factors shown in Table 3 to generate the impact fee for each land use. Maximum justified fee amounts are shown per dwelling unit for residential uses. For nonresidential development projects, fees will be assessed per gross building square foot, except for gas stations and hotel/motel which will be charged per station or pump and per room, respectively.

Table 9 also shows the existing transportation impact fee by land use category for comparison. Under the current City of Visalia fee program, industrial fees are presently assessed based on the number of employees in a development rather than building square footage. To facilitate a comparison, Willdan estimated current fees per thousand square feet for these land uses by using assumed employment density factors. Employment density for warehouses of greater than 100,000 building square feet is assumed to be 3,300 square feet per employee based on a survey conducted by City staff of establishments in Visalia. Average employment density for smaller warehouses is assumed to be 1,300 square feet per employee and average employment density for service commercial and industrial uses is assumed to be 861 square feet per employee. Both factors are based on a study prepared by the Natelson Group.

**Table 9: Maximum Justified Transportation Impact Fees**

Land Use	Cost Per Trip	Trip		Existing Fee (2008)	Maximum Justified Fee
		Demand Factor			
<i>Residential (per dwelling unit)</i>					
Single Family	\$ 489	10.58		\$ 6,505	\$ 5,171
Multi-family	489	7.43		3,991	3,631
Senior/Assisted	489	3.85		2,248	1,882
<i>Nonresidential (per thousand square feet)</i>					
Gen. Retail (< 125,000 sq. ft.)	489	26.12		17,076	12,765
Gen. Retail (> 125,000 sq. ft.)	489	17.42		13,170	8,513
Hotel/Motel (per room)	489	7.29		2,102	3,563
Gasoline Service Station (per position)	489	49.76		29,729	24,318
General Office	489	13.53		5,305	6,612
Medical/Dental Office	489	30.24		12,921	14,778
Government Office	489	50.37		26,065	24,616
Industrial/Service Commercial <sup>1</sup>	489	5.34		1,658	2,610
Warehouse/Distribution (0-20 KSF) <sup>2</sup>	489	6.32		1,414	3,089
Warehouse/Distribution (20-100 KSF) <sup>2</sup>	489	6.32		1,414	3,089
Warehouse/Distribution (100+ KSF) <sup>3</sup>	489	1.61		557	787
Mini-Storage	489	1.71		1,414	836
School	489	7.97		-	3,895
Church	489	6.00		3,450	2,932

<sup>1</sup> Existing industrial fee is charged per employee. Fee amount shown assumes average industrial density of 861 square feet per employee based on a study by the Natelson Group.

<sup>2</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 1,300 square feet per employee.

<sup>3</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 3,300 square feet per employee and 40% of future industrial development will be comprised of warehouses over 100,000 square feet.

Sources: Tables 3 and 8; The Natelson Company, Inc., Employment Density Study Summary Report, prepared for the Southern California Association of Governments, October 31, 2001; City of Visalia, Development Fee Schedule, August 4, 2008.

## 5. PROPOSED FEE SCHEDULE

---

As noted throughout this report, the City of Visalia is proposing to adopt transportation impact fees that are lower than the maximum justified amounts derived in the previous chapter. The fee reductions can be achieved by applying discretionary revenues to the Circulation Element traffic projects to reduce the share that would otherwise be funded by impact fees.

### AVAILABILITY OF DISCRETIONARY REVENUES

The City has generated revenue projections through this study's planning horizon of 2031 for several funding sources that are available for transportation expenses. The estimated planning horizon is crucial to these revenue estimates because most of them are ongoing rather than one-time funding sources. An overview of projected revenues is detailed in **Table 10**. All values are shown in 2008 dollars. Most revenues are assumed to remain constant in current year dollars, with the exception of Measure R local funds, projected to increase at 2.25 percent annually in excess of inflation, based on a historical review of sales tax revenues in Tulare County.

Although these revenues are not programmed to any specific projects, a City priority is to ensure that sufficient funding is available for street maintenance projects on an ongoing basis. The City estimates that, over the planning horizon of this fee program, roughly \$74 million will be needed for maintenance projects. In addition to the maintenance costs, the City has identified additional transportation improvements that will need to be funded, totaling \$29 million. These additional projects are comprised of Measure R funded improvements that are not in the Circulation Element or fee program and \$6 million in improvements needed for projects specified by the City Council.

After accounting for these projected revenues and expenditures through 2031, roughly \$92 million in undesignated revenues remains. One fee-related use of these funds is the continuation of a fee credit for infill development meeting certain criteria. City staff estimates that the cost of providing this credit will be roughly \$1 million over the life of the program.

This report does not make any attempt to tie specific revenue sources from Table 9 to the fee offsets. Individually, either projected gas tax or Measure R local funds would be sufficient to fund the offsets. Alternatively, a combination of sources may be used.

The enabling legislation for Measure R<sup>6</sup> states that “the intent of the additional funds provided to government agencies by this tax measure is to supplement existing local transportation revenues being used for street and highway purposes and that this retail transaction and use tax revenue shall not be used to replace existing local road funding programs or to replace requirements for new development to provide for its own road needs.” In regards to the transportation fee program and new development, the City understands the phrase “to provide for its own road needs” means that additional funds generated from this tax measure will not be used to fund the site-related road improvements

---

<sup>6</sup> Tulare County Association of Governments. Measure R Ordinance 2006-01, Section 11 “MANDATED TAXPAYER SAFEGUARDS” Subsection C “Maintenance of Effort.”

that are typically a requirement for new development to privately fund. Site-related improvements are defined in the City's transportation fee ordinance as street improvements and right-of-way dedications for direct access improvements to and/or within the development project in question. Direct access improvements include, but are not limited to the following:

- (1) The equivalent of a parking lane with curb and gutter along the arterial/collector street frontages of the development project;
- (2) Local streets leading to the development project;
- (3) Driveways and streets within the development project;
- (4) Acceleration and deceleration lanes, and right and left turn lanes leading to those streets and driveways; and
- (5) Traffic control measures for those streets and driveways.

**Table 10: Discretionary Revenues for Transportation**

<u>Projected Revenues</u>	
Motor vehicle In-Lieu Fund	\$ 17,813,350
Gas Tax Apportion	56,103,600
Street Highway Exchange	20,414,400
Transportation Funds (LTF, CMAQ, Federal, & State Grants)	6,713,200
State Prop 1B	3,685,600
Grants For Bikeway Plan	1,920,000
Measure R Local Funds	65,365,858
Measure R Regional Funds for Specified Projects	23,599,233
Interest Earnings	<u>3,532,500</u>
Total Street Revenues [A]	\$ 199,147,741
<u>Planned Expenditures</u>	
Street Maintenance Projects	\$ 77,659,457
Street Projects - funded by Measure R for Specified Projects	23,599,233
Street Projects not in Circulation Element (Council specified projects)	<u>6,177,019</u>
Total Street Expenditures [B]	\$ 107,435,710
Preliminary Funding Available for Capital Projects [= A - B]	\$ 91,712,032
Funding for Infill Credit	(1,000,000)
Funding Shortfall from Entitled Lots	<u>(7,630,088)</u>
Revised Funding for Capital Projects	\$ 83,081,900
Share Designated for Local Streets (50%)	\$ 41,540,950
Share Designated for Circulation Element Projects (50%)	<b>41,540,950</b>

Sources: Table 11; City of Visalia.

Additional detail on alternative revenue projections is provided in the Appendix.

A second fee-related cost is a projected funding shortfall related to existing entitlements. That shortfall is projected to equal \$7.6 million. The shortfall is calculated by estimating fee revenue from 2,544 single-family residential lots and 206 multi-family residential lots. These projects have received full development entitlements and will pay fees at the City's current rates, under the guidelines of the existing fee program. The City is obligated to reimburse those developments for transportation facilities they have dedicated to the City consistent with existing reimbursement policies. The reimbursement obligation is estimated to total \$25 million, which exceeds projected revenues of slightly more than \$17 million for these lots.

Rather than carrying this shortfall forward as part of the new fee program, the City will use discretionary revenues to fill it. This approach ensures that new development will not be burdened with lingering deficits from the prior program. The calculation of the reimbursement obligation shortfall is shown in **Table 11**.

**Table 11: Fee and Reimbursement Obligations**

Approved/Entitled SF Lots	2,544
Existing Fee Amounts	\$ 6,505
Revenue from Existing SF	\$ 16,547,702
Approved/Entitled MF Lots	206
Existing Fee Amounts	\$ 3,991
Revenue from Existing MF	\$ 822,210
Total Revenue from Existing Entitlements	\$ 17,369,912
Pending Reimbursements	\$ 25,000,000
Funding Shortfall from Entitled Lots	\$ 7,630,088

Sources: City of Visalia.

After accounting for projected expenditures, the future infill credit, and the reimbursement obligation shortfall, just over \$83 million remains in undesignated revenues. Per City Council direction, one half of that remaining share will be held in reserve for improvements to local streets that are not covered by this fee program. The other half can be used to reduce development impact fees. As shown at the bottom of Table 12, \$41.5 million will be used to reduce the fee below the maximum justified amounts shown in the previous chapter.

The \$41.5 million in discretionary revenues is applied to the fee calculations in two ways. Roughly \$20.79 million has been applied to "targeted offsets" that reduce the fees for specific land uses. These targeted offsets reflect policy goals to limit or eliminate fee increases, relative to the existing program, for uses with clear economic development benefits.

The remaining \$20.75 million has been applied to a “general benefit” offset. This offset lowers the fees for all uses equally. **Table 12** shows a revised cost and revenue summary that includes line items for both the targeted and general offsets.

**Table 12: Transportation Program Costs and Revenues - with Fee Offsets**

	Maximum Justified Fees	Proposed Fees -- With Offsets
<b><u>Construction and Administration Costs</u></b>		
All Circulation Element Construction	\$ 843,402,720	\$ 843,402,720
Less: Deferred and Adjusted Projects	(287,705,137)	(287,705,137)
Less: Developer Responsibilities	(97,768,604)	(97,768,604)
<b>Net Cost, Construction [A]</b>	<b>\$ 457,928,979</b>	<b>\$ 457,928,979</b>
<b><u>Right-of-Way Costs</u></b>		
Full Circulation Element	\$ 108,000,000	\$ 108,000,000
Less: Project Deferrals	(24,463,803)	(24,463,803)
Less: 8' Parking Lane	(33,018,231)	(33,018,231)
<b>Net Cost, Right-of-Way Acquisition [B]</b>	<b>\$ 50,517,966</b>	<b>\$ 50,517,966</b>
Total Net Improvement Costs [ C = A+B ]	\$ 508,446,945	\$ 508,446,945
Measure R Bond Interest	7,017,816	7,017,816
Program Administration <sup>2</sup>	2,640,000	2,640,000
<b>Total Transportation Fee Program Costs</b>	<b>\$ 518,104,761</b>	<b>\$ 518,104,761</b>
<b><u>Revenues</u></b>		
Project-Specific Revenues	\$ (225,914,486)	\$ (225,914,486)
Undesignated Revenues for General Benefit	-	(20,750,950)
<b>Subtotal, Revenues Applied to Fee Program</b>	<b>\$ (225,914,486)</b>	<b>\$ (246,665,436)</b>
Undesignated Revenues for In-Fill Credit	(1,000,000)	(1,000,000)
Undesignated Revenues for Selected Uses	-	(20,790,000)
<b>Total Revenues</b>	<b>(226,914,486)</b>	<b>(268,455,436)</b>
<b>Costs Funded by Fees<sup>2</sup></b>	<b>\$ 292,190,275</b>	<b>\$ 271,439,325</b>

<sup>1</sup> Refers to revenues available for general benefit to reduce impact fees uniformly across all land use categories. Excludes revenues designated for selected land uses or an infill credit.

<sup>2</sup> Total program costs, less revenues applied to the fee program.

Sources: Tables 6, 7, 10, and 15; Provost & Pritchard, Inc.; City of Visalia;

**Table 13** shows both the maximum justified cost per trip (first derived in Table 6) and a reduced cost per trip that incorporates the general benefit offset of \$20.75 million. The impact of the general benefit offset is a 7.2 percent reduction in the cost per trip that will result in an equivalent 7.2 percent fee reduction for all uses.

**Table 13: Cost Per Trip**

	Maximum Justified	Proposed -- With Offsets
Total Program Costs	\$ 292,190,275	\$ 271,439,325
Trip Demand Growth	<u>597,886</u>	<u>597,886</u>
Cost Per Trip Demand Unit	\$ 489	\$ 454

Sources: Tables 4, 6 and 12.

## PROPOSED FEE REDUCTIONS

As noted above, in addition to the general benefit offset, roughly \$20.79 million in targeted offsets has been applied to reduce the fees for six specific use types. The proposed fee amounts, after accounting for both general and targeted offsets, are shown in **Table 14**, below. The targeted offsets were applied to ensure that, whenever possible, no use type would experience a fee increase relative to the existing program. Targeted offsets were needed to achieve this objective for hotel/motel development, both general and medical/dental office, service commercial, industrial, and warehouses up to 100,000 square feet. For all other uses, the fees were lower than the existing amounts as a result of either the maximum defensible analysis or the general benefit offsets.

All proposed fees are below the maximum justified amounts and therefore defensible under the *Mitigation Fee Act*.

The projected cost of providing the targeted offsets is calculated in **Table 15**. The cost is based on applying the amount of the offset from Table 14 to the development projection from Table 4. The \$20.79 million cost feeds back into Table 12 and was used to determine the share of discretionary revenues available for general benefit offsets.



**Table 14: Proposed Traffic Facilities Fee Schedule**

<b>Land Use</b>	<b>Maximum Justified Fee</b>	<b>Proposed Fee -- General Benefit Offset Only</b>	<b>Proposed Fee -- With General and Targeted Offsets</b>	<b>Proposed Targeted Offset</b>
<i>Residential (per dwelling unit)</i>				
Single Family	\$ 5,171	\$ 4,803	\$ 4,803	\$ -
Multi-family	3,631	3,373	3,373	-
Senior/Assisted	1,882	1,748	1,748	-
<i>Nonresidential (per thousand square feet)</i>				
Gen. Retail (< 125,000 sq. ft.)	12,765	11,858	11,858	-
Gen. Retail (> 125,000 sq. ft.)	8,513	7,909	7,909	-
Hotel/Motel (per room)	3,563	3,310	2,102	(1,207)
Gasoline Service Station (per position)	24,318	22,591	22,591	-
General Office	6,612	6,143	5,305	(837)
Medical/Dental Office	14,778	13,729	12,921	(808)
Government Office	24,616	22,868	22,868	-
Industrial/Service Commercial <sup>1</sup>	2,610	2,424	1,658	(766)
Warehouse/Distribution (0-20 KSF) <sup>2</sup>	3,089	2,869	1,658	(1,211)
Warehouse/Distribution (20-100 KSF) <sup>2</sup>	3,089	2,869	1,194	(1,675)
Warehouse/Distribution (100+ KSF) <sup>3</sup>	787	731	731	-
Mini-Storage <sup>2</sup>	836	776	776	-
School	3,895	3,618	3,618	-
Church	2,932	2,724	2,724	-

<sup>1</sup> Existing industrial fee is charged per employee. Fee amount shown assumes average industrial density of 861 square feet per employee based on a study by the Natelson Group.

<sup>2</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 1,300 square feet per employee.

<sup>3</sup> Existing warehouse fee is charged per employee. Fee amount shown assumes average warehouse/distribution density of 3,300 square feet per employee.

Sources: Tables 3 and 13; The Natelson Company, Inc., Employment Density Study Summary Report, prepared for the Southern California Association of Governments, October 31, 2001; City of Visalia, Development Fee Schedule, August 4, 2008.

**Table 15: Traffic Facilities Fees - Cost of Fee Offsets**

	Base Fee (after General Offsets)	Fee After Offsets	Total Estimated Development (DU/KSF)	Fee Revenue: No Offsets	Fee Revenue: With Targeted Offsets	Cost of Offsets
<i>Residential</i>						
Single Family	\$ 4,803	\$ 4,803	20,865.00	\$ 100,220,972	\$ 100,220,972	\$ -
Multi-family	3,373	3,373	6,968.25	23,505,370	23,505,370	-
Senior/Assisted	1,748	1,748	384.00	671,192	671,192	-
<i>Nonresidential</i>						
Retail (average)	\$ 9,884	\$ 9,884	4,273.50	\$ 42,237,353	\$ 42,237,353	\$ -
Hotel/Motel (per room)	3,310	2,102	562.50	1,861,678	1,182,600	679,078
Office (average)	\$ 6,143	\$ 5,305	3,137.16	\$ 19,270,324	\$ 16,643,136	\$ 2,627,188
Medical/Dental Office	13,729	12,921	683.74	9,387,011	8,834,406	552,605
Government Office	22,868	22,868	201.10	4,598,737	4,598,737	-
Industrial/Service Commercial	\$ 2,424	\$ 1,658	6,777.50	\$ 16,431,051	\$ 11,236,638	\$ 5,194,412
Warehouse/Distribution (0-20 KSF)	2,869	1,658	4,066.50	11,667,892	6,741,983	4,925,909
Warehouse/Distribution (20-100 KSF)	2,869	1,194	4,066.50	11,667,892	4,857,171	6,810,721
Warehouse/Distribution (100+ KSF)	731	731	10,844.00	7,926,290	7,926,290	-
Mini-Storage	776	776	1,355.50	1,052,326	1,052,326	-
School	\$ 3,618	\$ 3,618	4,175.00	\$ 15,106,691	\$ 15,106,691	\$ -
Church	2,724	2,724	868.00	2,364,425	2,364,425	-
<b>Total Cost of Offsets</b>						<b>\$ 20,790,000</b>

Sources: Tables 4 and 14.

## 6. IMPLEMENTATION

---

This section identifies tasks that the City should complete when implementing the fee programs.

### IMPACT FEE PROGRAM ADOPTION PROCESS

Impact fee program adoption procedures are found in the *California Government Code* section 66016. Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public meeting. Fourteen day mailed public notice is required for those registering for such notification. Data, such as an impact fee report, must be made available at least 10 days prior to the public meeting. The City's legal counsel should inform the City of any other procedural requirements and provide advice regarding adoption of an enabling ordinance and/or resolution. After adoption there is a mandatory 60-day waiting period before the fees go into effect. This procedure must also be followed for fee increases.

### IDENTIFY ALTERNATIVE (NON-FEE) REVENUE SOURCES

This report documents a variety of alternative revenue sources that are expected to be available for transportation improvements. These sources include both project-specific revenues such as Measure R regional funds, and discretionary revenues such as future gas tax funding. Should projections of future revenues change substantially, or if a significant share of projected revenue fails to materialize, this fee analysis should be revisited. As presently constructed, this fee analysis is based on requiring new development to pay no more than its fair share of the cost of a citywide system of transportation improvements.

### INFLATION ADJUSTMENT

Fees should be updated annually for inflation in facilities costs. Appropriate inflation indices should be identified in the fee ordinance. Separate indices for land and construction costs may be appropriate from time to time. Calculating the land cost index may require the periodic use of a property appraiser. The construction cost index can be based on the City's recent capital project experience or can be taken from any reputable source, such as the *Engineering News-Record*. To calculate prospective fee increases, each index should be weighed against the share of total planned facility costs represented by land or construction, as appropriate.

### REPORTING REQUIREMENTS

The City should comply with the annual and five-year reporting requirements of the *Act*. For facilities to be funded by a combination of public fees and other revenues, identification of the source and amount of these alternative revenues is essential. Identification of the timing of receipt of other revenues to fund the facilities is also important.

## **FEE ACCOUNTING**

The City should deposit fee revenues into separate restricted fee accounts for each of the fee categories identified in this report. Fees collected for a given facility category should only be expended on new facilities of that same category.

## **PROGRAMMING REVENUES AND PROJECTS WITH THE CIP**

The City should maintain a Capital Improvement Plan (CIP) to adequately plan for future infrastructure needs. The CIP should commit all projected fee revenues and fund balances to specific projects. These should represent the types of facilities needed to serve growth and described in this report. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues. The CIP also provides the documentation necessary for the City to hold funds in a project account for longer than five years if necessary to collect sufficient monies to complete a project.

With or without a CIP, the City may decide to alter the scope of the planned projects or to substitute new projects as long as those new projects continue to represent an expansion of the City's facilities. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

## 7. MITIGATION FEE ACT FINDINGS

---

Transportation impact fees are one-time fees typically paid prior to the issuance of a building permit and imposed on development projects by local agencies responsible for regulating land use (cities and counties). To guide the widespread imposition of public facilities fees, the State Legislature adopted the *Mitigation Fee Act* (the *Act*) with Assembly Bill 1600 in 1987 and subsequent amendments. The *Act*, contained in *California Government Code* §§66000-66025, establishes requirements on local agencies for the imposition and administration of fee programs. The *Act* requires local agencies to document five findings when adopting a fee.

The five statutory findings required for adoption of the maximum justified fee documented in this report are presented in this chapter and supported in detail by this report. All statutory references are to the *Act*.

### PURPOSE OF FEE

For the first finding the City must:

Identify the purpose of the fee. (§66001(a)(1))

This fee would be charged under the authority of Chapter 16.44 of the City of Visalia Municipal Code, which establishes a Transportation Impact Fee Program. According to the Municipal Code, “the city must expand its street system in order to maintain current levels of service if new development is to be accommodated without decreasing current levels of service. The imposition of impact fees is one of the preferred methods of ensuring that development bears a proportionate share of the cost of capital facilities necessary to accommodate such development.” This fee will further that policy by charging new development the fair share cost of transportation improvements needed to mitigate the transportation impacts created by that development.

### USE OF FEE REVENUES

For the second finding the City must:

Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in Section 65403 or 66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the public facilities for which the fee is charged. (§66001(a)(2))

The transportation impact fee will be used to either construct the improvements described herein or to reimburse a private developer for improvements included in this study that are funded by the developer, consistent with City policy. Per the Municipal Code, “The fees established by Section 16.44.070 are derived from, are based upon, and do not exceed the costs of providing additional rights-of-way, street construction and street improvements necessitated by the new land developments for which the fees are levied.”

Additional detail on planned uses of fee revenues is contained in Chapter 3 of this report.

## **BENEFIT RELATIONSHIP**

For the third finding the City must:

Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. (§66001(a)(3))

The City has determined that the improvements listed in the report are necessary to support projected development in the City of Visalia. Public facilities funded by the fee will provide a network of transportation infrastructure accessible to the additional residents and workers associated with new development. The benefit from planned improvements and facilities will result both from the maintenance of acceptable levels of congestion and the improved connectivity of an expanded transportation system. Thus, there is a reasonable relationship between the use of fee revenues and the residential and nonresidential types of new development that will pay the fee.

## **BURDEN RELATIONSHIP**

For the fourth finding the City must:

Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed. (§66001(a)(4))

Residential dwelling units and building square footage are indicators of the demand for transportation facilities needed to accommodate growth. As new building square footage is created, the occupants of the new structures will place additional burdens on the transportation facilities. The need for the fee is based on traffic engineering studies assessing the impact of additional vehicle trips from new development as well as City policies governing the design of a transportation system needed to serve new growth areas.

Traffic engineering and related data were also used to inform the scope of improvements included in the fee program. For transportation improvements needed to accommodate the development anticipated in the near term, the cost burden is fully allocated based on development anticipated in the near term. For transportation improvements that are not immediately needed to accommodate near term development, but that will be needed to accommodate development in the longer term, the cost burden is allocated based on projections of new development.

Thus, there is a reasonable relationship between the need for the planned improvements, the scope of the improvements, and the parcels that will pay the fee.

## **PROPORTIONALITY**

For the fifth finding the City must:

Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed. (§66001(b))

There is a reasonable relationship between the transportation impact fee for a specific development project and the cost of the facilities attributable to that development based on

the estimated vehicle trip demand the development will generate in the City. The total fee for a specific development is based on its planned square footage for nonresidential uses and the number of dwelling units for residential. Larger projects of a certain land use type will have a higher trip generation and pay a higher fee than smaller projects of the same land use type. Thus, the fee schedule ensures a reasonable relationship between the transportation impact fee for a specific development project and the cost of the facilities attributable to that project.

## APPENDIX 1 : LEVEL OF SERVICE DATA

**Table A1: City of Visalia 2008 Level of Service**

Street Name	Project Description	LOS/Construction Status <sup>1</sup>
Ben Maddox Way	Main to Houston	A
Caldwell Avenue	Demaree to Sallee	A
Court Street	Wren to Riggin	Not Built
Demaree Street	Avenue 272 to Caldwell	A
Houston Avenue	Ben Maddox to Lovers Lane	A
Houston Avenue	Santa Fe to Ben Maddox	A
Hurley Avenue	Shirk to Akers	A
McAuliff Street	Houston to River	A
Murray Avenue	Giddings to Santa Fe	A
Santa Fe Street	"K" to Tulare	A
Santa Fe Street	Tulare to Houston	A
SR198 Ramps	Mineral King at Lovers Lane	A
SR198 Ramps	Noble at Lovers Lane	A
Tulare Avenue	Encina to Church	AC
Tulare Avenue	Lovers Lane to McAuliff	Not Built
Walnut Avenue	Yale to Central	A
Akers Street	Goshen to Riggin	A
Cain Street	Goshen to Douglas	A
Caldwell Avenue	Akers to Demaree	A
Court Street	Walnut to Tulare	C/D
Ferguson Avenue	Conyer to Dinuba (SR 63)	A
Ferguson Avenue	Plaza to Kelsey	A
Goshen Avenue	Santa Fe to Lovers Lane	A
Houston Avenue	Demaree to Mooney	A
Houston Avenue	Mooney to Santa Fe	A
"K" Avenue	Santa Fe to Lovers Lane	A
Kelsey Street	Doe to Riggin	A
McAuliff Street	Mineral King to Houston	A
McAuliff Street	Walnut to Noble	A
Mooney Boulevard	Avenue 272 to Hwy 198	A
Mooney Boulevard	Goshen to Houston	A
Pinkham Street	Caldwell to "K"	A
Plaza Drive	Airport to Riggin	A
Santa Fe Street	Caldwell to "K"	A
SR 198	Noble - Encina to Garden	A
SR 198	Mineral King - WB Ramps - Johnson to Encina	A
SR 198	Mineral King - Encina to Bridge	A
SR 198	Mineral King/Noble at Ben Maddox - 1st phase	A
Sunnyview Avenue	Kelsey to Clancy	A
Virmargo Street	Goshen to Houston	A
Whitendale Avenue	Sallee to Fairway	A
Avenue 278 (Cameron)	County Center to Court	A
Caldwell Avenue	Santa Fe to Lovers Lane	AD
Chinowth Street	Avenue 272 to Caldwell	A
Chinowth Street	Goshen to Houston	A



**Table A1: City of Visalia 2008 Level of Service (cont.)**

<b>Street Name</b>	<b>Project Description</b>	<b>LOS/Construction Status<sup>1</sup></b>
County Center Drive	Houston to Riggin	A
Court Street	Avenue 272 to Caldwell	A/Not Completed
Demaree Street	Goshen to Riggin	A
Ferguson Avenue	Shirk to Giddings	A
Houston Avenue	Chinowth to Demaree	A
Houston Avenue	Linwood to Chinowth	A
Hurley Avenue	Akers to Chinowth	A
Kelsey Street	SR 198 to Goshen	A
Linwood Street	Avenue 272 to Caldwell	Not Built
Linwood Street	Houston to Avenue 320	A
Mooney Boulevard	Ferguson to Riggin	A
Pinkham Street	Avenue 272 to Caldwell	Not Built
Riggin Avenue	Mooney to Dinuba Blvd (SR 63)	A
Roeben Street	Caldwell to Tulare	A
Roeben Street	Tulare to Hwy 198	A
Santa Fe Street	Avenue 272 to Caldwell	A
Santa Fe Street	Houston to Riggin	Not Built
Shirk Street	Avenue 276 to SR 198	A
Shirk Street	SR 198 to Goshen	A
SR 198	Mineral King/Noble - Bridge to Santa Fe	A
SR 198	Mineral King/Noble - Mooney to Johnson	A
Stonebrook Street	Avenue 272 to Caldwell	A/Not Completed
Tulare Avenue	Woodland to Central	A
Tulare Avenue	Shirk to Roeben	Not Built
Walnut Avenue	Lovers Lane to Rd 148	A
West Street	Cameron (Ave 278) to Caldwell	A
Akers Street	Avenue 276 to Avenue 272	A
Akers Street	Caldwell to Visalia Parkway (Ave 276)	A
Akers Street	Riggin to Avenue 320	A
Avenue 272	Ben Maddox to Rd 156	A/Not Completed
Avenue 272	Demaree to Ben Maddox	A
Avenue 272	Shirk to Demaree	A
Avenue 274 (Mid Valley)	County Center to Court	A/ Not completed
Avenue 276 (Visalia Pkwy)	Ben Maddox to Rd 148	A/ Not completed
Avenue 276 (Visalia Pkwy)	Demaree to Ben Maddox	A/ Not completed
Avenue 276 (Visalia Pkwy)	Shirk to Demaree	A
Avenue 308 (Ferguson)	Camp to American (Rd 76)	A
Avenue 308 (Ferguson)	American (Rd 76) to Plaza	A
Avenue 311	Ben Maddox to Rd 148	A
Avenue 316	Plaza to Dinuba Blvd (SR 63)	A
Avenue 320	Demaree to Mooney	Not Built
Avenue 320	Mooney to Dinuba Blvd (SR 63)	Not Built
Avenue 320	Dinuba Blvd (SR 63) to McAuliff	A
Avenue 320	Plaza to Demaree	A
Ben Maddox Way	Avenue 272 to Caldwell	Not Built
Ben Maddox Way	Levee Dr. to Avenue 320	A

**Table A1: City of Visalia 2008 Level of Service (cont.)**

<b>Street Name</b>	<b>Project Description</b>	<b>LOS/Construction Status<sup>1</sup></b>
Caldwell Avenue	SR 99 to Akers	A
Caldwell Avenue	Lovers Lane to Rd 148	A
Caldwell Avenue	Rd 148 to Rd 156	A
Camp/Neeley/Crowley Camp	Plaza to Goshen Goshen to Riggin	A/Not Completed A
County Center Drive	Avenue 272 to Packwood Creek	A
County Center Drive	Riggin to Avenue 320	A/Not Completed
Demaree Street	Riggin to Avenue 320	A
Giddings Street	Riggin to Avenue 316	Not Built
Goshen Avenue	Rd 68 to American (Rd 76)	A
Houston Avenue	Lovers Lane to Rd 148	A
Hurley Avenue	Camp to American (Rd 76)	Not Built
Hurley Avenue	Plaza to Shirk	A
Hurley Avenue	Road 76 to Plaza	Not Built
Hwy 63 (Dinuba Blvd)	Riggin to St Johns River	A
Hwy 63 (Dinuba Blvd)	St Johns River to Avenue 320	A
"K" Avenue	Lovers Lane to Road 148	Not Built
Kelsey Street	Riggin to Avenue 320	A
Lovers Lane	Riggin to Avenue 320	Not Built
Lovers Lane	St Johns Parkway to Riggin	A
McAuliff Street	Caldwell to Avenue 272	Not Built
McAuliff Street	St Johns River to Avenue 320	A
McAuliff Street	Walnut to Caldwell	A
Mooney Boulevard	Riggin to Avenue 320	A/Not Completed
Plaza Drive	Riggin to Avenue 320	A
Plaza Drive	Walnut to SR 198	A
Riggin Avenue	Akers to Mooney	A
Riggin Avenue	Ben Maddox to Road 148	A/Not Completed
Riggin Avenue	Camp to Road 72	A
Riggin Avenue	SR 99 to Camp	A
Riggin Avenue	Grade Separated Crossing at Camp Railroad Tracks	A
Riggin Avenue	Plaza to Shirk	A
Riggin Avenue	Road 72 to Plaza	A
Riggin Avenue	Santa Fe to Ben Maddox	A
Riggin Avenue	Shirk to Akers	A
Road 72	Ferguson (Ave 308) to Riggin	A
Road 72	Goshen to Ferguson (Ave 308)	A
Road 76 (American)	Ferguson (Ave 308) to Riggin	A
Road 76 (American)	Camp to Hurley	Not Built
Road 76 (American)	Hurley to Ferguson (Ave 308)	A/Not Completed
Road 88	SR 198 to Goshen	A
Road 88	Riggin to Avenue 320	A/Not Completed
Road 96 (Roeben St)	Ferguson to Avenue 320	A/Not Completed
Road 129	Avenue 313 to Avenue 320	A
Road 142	Riggin to Avenue 320	A
Road 148	Ave 272 to Visalia Parkway (Ave 276)	A

**Table A1: City of Visalia 2008 Level of Service (cont.)**

<b>Street Name</b>	<b>Project Description</b>	<b>LOS/Construction Status<sup>1</sup></b>
Road 148	Visalia Parkway (Ave 276) to Walnut	A
Road 148	Houston (SR 216) to Riggin	Not Built
Road 148	Mineral King to Houston	Not Built
Road 148	Walnut to Noble	Not Built
Road 152	SR 198 to Houston (SR 216)	Not Built
Road 152	Tulare to Noble	Not Built
Roeben Street	Avenue 272 to Caldwell	Not Built
Shirk Street	Ave 272 to Visalia Parkway (Ave 276)	A
Shirk Street	Goshen to Riggin	A
Shirk Street	Riggin to Avenue 320	A
SR 198	Mineral King/Noble at Ben Maddox	A
SR 198	Mineral King/Noble - Bridge to Santa Fe	A
SR 198	Noble - Johnson to Encina	A
SR 198 Ramps	Noble at Ben Maddox	A
SR 198	Noble realignment at Lovers Lane	A
SR 198	Rd 148 new interchange	Not Built
Tulare Avenue	Rd 148 to Rd 152	Not Built
Tulare Avenue	Rd 152 to Rd 156	Not Built
Walnut Avenue	Plaza Dr to Akers	A
Walnut Avenue	Rd 148 to Rd 152	A
Walnut Avenue	Rd 152 to Rd 156	Not built
Acequia Avenue	Conyer to Bridge	A
Akers Street	Tulare to Hillsdale	A
Buena Vista Avenue	Ben Maddox to Burke	Not Built
Court Street	Riggin to Shannon Parkway	Not Built
Doe Avenue	Shirk to Roeben	Not Built
Houston Avenue	Rd 148 to Rd 152	A
Lovers Lane	Ave 272 to Caldwell	A
Lovers Lane	Caldwell to Walnut	A
Roeben Street	Ferguson to Doe	A
Santa Fe Street	Riggin/St Johns Parkway to Shannon Parkway	Not Built
Shannon Parkway	Dinuba Blvd. (SR 63) to Santa Fe	Not Built
St Johns Parkway	McAuliff to Rd 148	Not Built
Virmargo Street	Houston to St. Johns Parkway	Not Built
Whitendale Avenue	Shirk to Roeben	Not Built
Burke Street	Tulare to Houston	A
Hillsdale Avenue	Akers to Shirk	A
Cypress Avenue	Akers to Roeben	Partial A

<sup>1</sup> Roads listed as "not built" have yet to be constructed. Roads with multiple grades reflect differing levels of service for different segments of the same road.

Source: Tulare County Association of Governments.

## APPENDIX 2: CONSTRUCTION COST SUMMARIES

### 2008 CONSTRUCTION COST SUMMARY

Project Years <sup>(1)</sup>	All Project Amounts <sup>(2)</sup>
<b>01-05 Project Years Total:</b>	<b>\$38,545,003</b>
<b>06-10 Project Years Total:</b>	<b>\$88,766,751</b>
<b>11-15 Project Years Total:</b>	<b>\$90,665,215</b>
<b>16-25 Project Years Total:</b>	<b>\$591,068,322</b>
<b>New Projects on Existing Circ. El. Streets Total:</b>	<b>\$18,900,918</b>
<b>New Projects on Proposed Circ. El. Streets Total:</b>	<b>\$804,371</b>
<b>New Signal Costs:</b>	<b>\$14,652,141</b>

#### ALL PROJECT AMOUNTS ADJUSTED SUB TOTAL:

<b>ALL PROJECT AMOUNTS SUB TOTAL:</b>	<b>\$843,402,720</b>
---------------------------------------	----------------------

#### DEFERRED AND ADJUSTED PROJECTS

a) <b>Width/Reclassification Adjustments <sup>(3)</sup>:</b>	<b>\$8,231,159</b>
b) <b>Community of Goshen Streets:</b>	<b>\$13,550,325</b>
c) <b>Community of Goshen SR 99 Interchange at Goshen Ave:</b>	<b>\$35,241,750</b>
d) <b>North of St John's River Streets:</b>	<b>\$55,631,523</b>
e) <b>St John's River Bridges (4 new, 2 widen):</b>	<b>\$62,730,315</b>
f) <b>Outside UDB and Select Streets:</b>	<b>\$95,968,090</b>
g) <b>Deferral of 1.5" AC on New Growth Streets <sup>(4)</sup>:</b>	<b>\$16,351,975</b>
<b>DEFERRED AND ADJUSTED PROJETS SUB TOTAL</b>	<b>\$287,705,136</b>

#### DEVELOPER RESPONSIBLE COST AREAS

h) <b>8 ft Parking Lane on 80% of Streets <sup>(4)</sup>:</b>	<b>\$70,330,356</b>
i) <b>90% of Utility Relocation Costs <sup>(4)</sup>:</b>	<b>\$27,438,248</b>
<b>DEVELOPER RESPONSIBILITY SUB TOTAL</b>	<b>\$97,768,604</b>

<b>ALL PROJECT AMOUNTS SUB TOTAL LESS a) THRU i):</b>	<b>\$457,928,980</b>
---	----------------------

#### NOTES:

(1) Project years were maintained from the text, tables and Figure V-1 of the 2001 Circulation Element Update adopted by Council resolution 2001-20. The project years show the estimated build year which was estimated for budgeting purposes. Actual build

(2) includes funding of all streets listed in the text, tables and Figure V-1 of the 2001 Circulation Element Update adopted by Council resolution 2001-20

(3) this cost is the "All Project Amounts Sub Total" less the "All Project Amounts Adjusted Sub Total"

(4) this cost was determined only for the funded project streets and does not include the deferred streets

**Completed Projects**

Street Name	Project Description
Ben Maddox Way	Caldwell to "K"
Riggin Avenue	Hwy 63 to Santa Fe
Akers Street	Walnut to Caldwell
Caldwell Avenue	Stonebrook to Santa Fe
Mooney Boulevard	Caldwell to Hwy 198

State to complete in 08/09 and fully fund

**Projects Years 01-05**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Ben Maddox Way	Main to Houston	4200	\$8,707,221			\$0	-\$721,852
Caldwell Avenue	Demaree to Sallee	4000	\$3,509,288			\$0	-\$631,091
Court Street	Wren to Riggin	1300	\$270,590			\$0	-\$138,176
Demaree Street	Avenue 272 to Caldwell	5200	\$3,605,776			\$0	-\$747,033
Houston Avenue	Ben Maddox to Lovers Lane	5200	\$3,242,699			\$0	-\$998,828
Houston Avenue	Santa Fe to Ben Maddox	2600	\$2,334,681			\$0	-\$548,803
Hurley Avenue	Shirk to Akers	5200	\$500,779			\$0	-\$221,585
McAuliff Street	Houston to River	2600	\$360,565		classification to be changed to a collector	\$0	-\$59,350
Murray Avenue	Giddings to Santa Fe	5200	\$4,464,940			\$0	-\$1,058,426
Santa Fe Street	"K" to Tulare	4500	\$3,656,827			\$0	-\$630,400
Santa Fe Street	Tulare to Houston	8000	\$3,205,291			\$0	-\$804,068
SR198 Ramps	Mineral King at Lovers Lane	0	\$0			\$0	\$0
SR198 Ramps	Noble at Lovers Lane	0	\$0			\$0	\$0
Tulare Avenue	Encina to Church	1100	\$796,487			\$0	-\$126,722
Tulare Avenue	Lovers Lane to McAuliff	2600	\$1,383,441			\$0	-\$481,534
Walnut Avenue	Yale to Central	1200	\$2,506,419			\$0	-\$279,035
<b>01-05 Project Years Total:</b>			<b>\$38,545,003</b>			<b>\$0</b>	<b>-\$7,446,903</b>

Projects Years 06-10							
Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Akers Street	Goshen to Riggin	5300	\$3,290,763			\$0	-\$577,858
Cain Street	Goshen to Douglas	1300	\$484,599			\$0	-\$249,036
Caldwell Avenue	Akers to Demaree	5300	\$2,193,109			\$0	-\$463,903
Court Street	Walnut to Tulare	2300	\$1,478,605			\$0	-\$435,143
Ferguson Avenue	Conyer to Dinuba (SR 63)	1200	\$68,843			\$0	-\$67,790
Ferguson Avenue	Plaza to Kelsey	2500	\$877,314			\$0	-\$232,726
Goshen Avenue	Santa Fe to Lovers Lane	8300	\$6,166,992			\$0	-\$1,557,721
Houston Avenue	Demaree to Mooney	5200	\$971,787			\$0	-\$181,172
Houston Avenue	Mooney to Santa Fe	7800	\$6,078,304			\$0	-\$1,587,638
"K" Avenue	Santa Fe to Lovers Lane	8000	\$6,905,648		reduced width to 60 ft	\$0	-\$900,981
Kelsey Street	Doe to Riggin	3800	\$1,467,959			\$0	-\$660,381
McAuliff Street	Mineral King to Houston	5500	\$972,628		classification to be changed to collector	\$0	-\$68,538
McAuliff Street	Walnut to Noble	5100	\$1,355,746			\$0	-\$309,560
Mooney Boulevard (SR 63)	Avenue 272 to Hwy 198	4500	\$877,662		increased width portion to 146 ft	\$0	-\$561,798
Mooney Boulevard	Goshen to Houston	2100	\$1,294,336			\$0	-\$429,801
Pinkham Street	Caldwell to "K"	2800	\$428,394		increased width to 66 ft	\$0	-\$109,364
Plaza Drive	Airport to Riggin	11900	\$30,562,967			\$0	-\$736,388
Santa Fe Street	Caldwell to "K"	3500	\$1,469,692			\$0	-\$313,025
SR 198	Noble - Encina to Garden	0	\$1,907,229			\$0	\$0
SR 198	Mineral King - WB Ramps - Johnson to Encina	0	\$2,938,278			\$0	\$0
SR 198	Mineral King - Encina to Bridge	0	\$1,420,285			\$0	\$0
SR 198	Mineral King/Noble at Ben Maddox - 1st phase	0	\$12,564,450			\$0	\$0
Sunnyview Avenue	Kelsey to Clancy	2500	\$452,296			\$0	-\$233,787
Virmargo Street	Goshen to Houston	2500	\$963,640			\$0	-\$492,079
Whitendale Avenue	Sallee to Fairway	1900	\$1,575,227			\$0	-\$413,777
<b>06-10 Project Years Total:</b>			<b>\$88,766,751</b>			<b>\$0</b>	<b>-\$10,582,466</b>

**Projects Years 11-15**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Avenue 278 (Cameron)	County Center to Court	9000	\$698,285			\$0	-\$241,714
Caldwell Avenue	Santa Fe to Lovers Lane	7700	\$5,158,857			\$0	-\$1,175,028
Chinowth Street	Avenue 272 to Caldwell	5300	\$1,787,032			-\$149,878	-\$650,978
Chinowth Street	Goshen to Houston	800	\$717,080			\$0	-\$73,808
County Center Drive	Houston to Riffin	5300	\$0			\$0	\$0
Court Street	Avenue 272 to Caldwell	5300	\$5,135,818			-\$328,236	-\$1,000,951
Demaree Street	Goshen to Riffin	6300	\$1,395,321		increased width portion to 110 ft	\$0	-\$246,816
Ferguson Avenue	Shirk to Giddings	20000	\$1,662,584			\$0	-\$575,509
Houston Avenue	Chinowth to Demaree	1300	\$387,980			\$0	-\$86,806
Houston Avenue	Linwood to Chinowth	1200	\$243,733		reduced width taper from 84 ft to 60 ft, classification to be changed to collector	\$0	\$0
Hurley Avenue	Akers to Chinowth	4000	\$546,214			\$0	-\$123,077
Kelsey Street	SR 198 to Goshen	5300	\$1,921,542	50%	partially deferred project due to removed connection to SR-198	\$0	-\$389,860
Linwood Street	Avenue 272 to Caldwell	5300	\$958,869			-\$108,608	-\$459,426
Linwood Street	Houston to Avenue 320	10600	\$2,904,672			-\$130,329	-\$956,996
Mooney Boulevard	Ferguson to Riffin	2900	\$775,442			-\$60,030	-\$144,507
Pinkham Street	Avenue 272 to Caldwell	4900	\$2,728,756			-\$200,822	-\$871,735
Riffin Avenue	Mooney to Dinuba Blvd (SR 63)	5300	\$4,526,383			-\$307,721	-\$618,380
Roeben Street	Caldwell to Tulare	7800	\$2,302,326		reduced width portions to 70 ft	-\$211,785	-\$630,339
Roeben Street	Tulare to Hwy 198	2400	\$1,772,097	40%	reduced width to 70 ft, partially deferred project due to removed connection to SR-198	-\$49,017	-\$162,295
Santa Fe Street	Avenue 272 to Caldwell	4700	\$4,381,057			-\$321,041	-\$964,639
Santa Fe Street	Houston to Riffin	5500	\$4,612,709			\$0	-\$1,219,632
Shirk Street	Avenue 276 to SR 198	13000	\$15,033,145	20%	partially deferred project outside 165k UDB	\$0	-\$1,774,902
Shirk Street	SR 198 to Goshen	5100	\$18,353,915			\$0	-\$754,661
SR 198	Mineral King/Noble - Bridge to Santa Fe	0	\$0			\$0	\$0
SR 198	Mineral King/Noble - Mooney to Johnson	0	\$4,022,576			\$0	\$0

**Projects Years 11-15 (continued)**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Stonebrook Street	Avenue 272 to Caldwell	5300	\$3,068,778			-\$271,519	-\$694,982
Tulare Avenue	Woodland to Central	1900	\$792,734			\$0	-\$163,875
Tulare Avenue	Shirk to Roeben	2500	\$1,459,494		reduced width to 70 ft	-\$130,921	-\$440,544
Walnut Avenue	Cedar to Rd 148	6300	\$3,244,364			-\$121,927	-\$307,340
West Street	Cameron (Ave 278) to Caldwell	1300	\$73,453			\$0	-\$46,555
<b>11-15 Project Years Total:</b>			<b>\$90,665,215</b>			<b>-\$2,391,834</b>	<b>-\$14,775,356</b>

**Projects Years 16-25**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Akers Street	Avenue 276 to Avenue 272	2600	\$3,067,264			-\$201,277	-\$555,812
Akers Street	Caldwell to Visalia Parkway (Ave 276)	2600	\$1,960,875			-\$120,766	-\$314,800
Akers Street	Riggin to Avenue 320	5200	\$5,901,624			-\$402,554	-\$1,004,704
Avenue 272	Ben Maddox to Rd 156	15500	\$19,541,806	67%	partially deferred project outside 165k UDB and portion of south 1/2	-\$395,974	-\$1,096,640
Avenue 272	Demaree to Ben Maddox	15600	\$19,451,054	50%	partially deferred project south 1/2	-\$603,831	-\$1,555,501
Avenue 272	Shirk to Demaree	10500	\$12,743,961	75%	partially deferred project outside 165k UDB and portion of south 1/2	-\$203,212	-\$523,486
Avenue 274 (Mid Valley)	County Center to Court	9000	\$5,206,771	45%	reduced width to 60 ft and 70 ft, partially deferred project due to 1/4 mile spacing in a future R-1 zone	-\$204,499	-\$704,676
Avenue 276 (Visalia Pkwy)	Ben Maddox to Rd 148	10500	\$7,717,037		classification to be changed to collector	-\$717,220	-\$1,835,802
Avenue 276 (Visalia Pkwy)	Demaree to Ben Maddox	15600	\$14,460,060			-\$978,206	-\$2,550,924
Avenue 276 (Visalia Pkwy)	Shirk to Demaree	10500	\$6,801,036	45%	classification to be changed to collector, partially deferred project outside 165k UDB	-\$295,853	-\$901,591
Avenue 308 (Ferguson)	Camp to American (Rd 76)	4400	\$1,545,002	100%	deferred project in the community of Goshen	\$0	\$0
Avenue 308 (Ferguson)	American (Rd 76) to Plaza	2600	\$322,918		increased width to 84 ft	\$0	-\$198,261
Avenue 311	Ben Maddox to Rd 148	10200	\$3,802,242	100%	deferred project north of St John's River	\$0	\$0
Avenue 316	Plaza to Dinuba Blvd (SR 63)	28900	\$14,930,416		portions increased width to 70 ft and 98 ft, portions reduced width to 70 ft	-\$1,438,795	-\$4,321,846
Avenue 320	Demaree to Mooney	5200	\$4,991,149	50%	partially deferred project north 1/2 of street	-\$201,277	-\$553,382
Avenue 320	Mooney to Dinuba Blvd (SR 63)	5100	\$16,167,783	100%	deferred project north of St John's River, includes a new St John's River bridge	\$0	\$0
Avenue 320	Dinuba Blvd (SR 63) to McAuliff	13000	\$12,812,186	100%	deferred project north of St John's River	\$0	\$0



**Projects Years 16-25 (continued)**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Avenue 320	Plaza to Demaree	18400	\$18,138,086	50%	partially deferred project north 1/2 of street	-\$712,211	-\$1,966,719
Ben Maddox Way	Avenue 272 to Caldwell	4600	\$5,642,184			-\$356,105	-\$979,060
Ben Maddox Way	Levee Dr. to Avenue 320	6800	\$11,994,582	100%	deferred project north of St John's River, includes widening a St John's River bridge	\$0	\$0
Caldwell Avenue	SR 99 to Akers	10000	\$33,117,487			\$0	-\$2,143,452
Caldwell Avenue	Lovers Lane to Rd 148	5300	\$7,052,393			\$0	-\$1,205,406
Caldwell Avenue	Rd 148 to Rd 156	5300	\$5,229,628			\$0	-\$1,205,406
Camp/Neeley/Crowley	Plaza to Goshen	10800	\$3,892,420	67%	partially deferred project outside 165k UDB and portion a dead-end collector	-\$134,382	-\$494,867
Camp	Goshen to Riffin	4600	\$1,257,247	100%	deferred project in the community of Goshen	\$0	\$0
County Center Drive	Avenue 272 to Packwood Creek	3900	\$1,747,318		reduced width portion to 70 ft	-\$169,517	-\$568,565
County Center Drive	Riffin to Avenue 320	5000	\$1,090,115		reduced width portion to 70 ft	-\$119,921	-\$454,499
Demaree Street	Riffin to Avenue 320	5200	\$2,437,654			\$0	-\$421,827
Giddings Street	Riffin to Avenue 316	2500	\$558,559			-\$56,922	-\$326,070
Goshen Avenue	Rd 68 to American (Rd 76)	5000	\$42,460,049	90%	partially deferred project in the community of Goshen, includes interchange project	\$0	-\$113,718
Houston Avenue	Lovers Lane to Rd 148	5200	\$5,247,145			\$0	-\$1,182,663
Hurley Avenue	Camp to American (Rd 76)	1700	\$633,707			-\$69,673	-\$302,439
Hurley Avenue	Plaza to Shirk	7500	\$3,610,890		reduced width to 70 ft	-\$278,919	-\$995,637
Hurley Avenue	Road 76 to Plaza	2800	\$939,377			-\$103,280	-\$448,321
Hwy 63 (Dinuba Blvd)	Riffin to St Johns River	3000	\$9,086,916		increased width to 154 ft	\$0	-\$154,446
Hwy 63 (Dinuba Blvd)	St Johns River to Avenue 320	2300	\$757,724	100%	increased width to 110 ft, deferred project north of St John's River	\$0	\$0
"K" Avenue	Lovers Lane to Road 148	5300	\$4,207,849	50%	reduced width to 60 ft, partially deferred due to SCE Rector substation	-\$138,776	-\$466,976
Kelsey Street	Riffin to Avenue 320	5300	\$2,187,125			\$0	-\$1,015,302
Lovers Lane	Riffin to Avenue 320	4000	\$2,751,868	100%	deferred project north of St John's River	\$0	\$0
Lovers Lane	St Johns Parkway to Riffin	4800	\$14,579,601	100%	deferred project north of St John's River, includes a new St John's River bridge	\$0	\$0
McAuliff Street	Avenue 272 to Caldwell	5200	\$2,815,840		reduced width to 70 ft	-\$272,316	-\$916,331
McAuliff Street	St Johns River to Avenue 320	8000	\$13,958,931	100%	classification to be changed to collector, deferred project north of St John's River, includes widening a St John's River bridge	\$0	\$0

**Projects Years 16-25 (continued)**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
McAuliff Street	Walnut to Caldwell	5200	\$4,098,135		reduced width	-\$226,614	-\$701,479
Mooney Boulevard	Riggin to Avenue 320	5300	\$2,114,810			-\$209,975	-\$627,496
Plaza Drive	Riggin to Avenue 320	5200	\$4,231,280			\$0	-\$1,108,040
Plaza Drive	Walnut to SR 198	6000	\$5,355,971	100%	deferred project also deferred in 2004 fee program update	\$0	\$0
Riggin Avenue	Akers to Mooney	10500	\$7,653,443			-\$471,452	-\$1,299,200
Riggin Avenue	Ben Maddox to Road 148	10500	\$10,016,629	100%	deferred project north of St John's River	\$0	\$0
Riggin Avenue	Camp to Road 72	3000	\$1,731,866	100%	deferred project in the community of Goshen	\$0	\$0
Riggin Avenue	SR 99 to Camp	1700	\$1,170,471	100%	deferred project in the community of Goshen	\$0	\$0
Riggin Avenue	Grade Separated Crossing at Camp Railroad Tracks	0	\$3,500,000			\$0	\$0
Riggin Avenue	Plaza to Shirk	8000	\$9,222,920			\$0	-\$1,822,472
Riggin Avenue	Road 72 to Plaza	5300	\$3,799,772	50%	partially deferred project in the community of Goshen	\$0	-\$457,771
Riggin Avenue	Santa Fe to Ben Maddox	2900	\$13,612,042	100%	deferred project north of St John's River, includes a new St John's River bridge	\$0	\$0
Riggin Avenue	Shirk to Akers	5300	\$6,327,532			-\$410,295	-\$1,100,973
Road 72	Ferguson (Ave 308) to Riggin	2600	\$975,796	100%	deferred project in the community of Goshen	\$0	\$0
Road 72	Goshen to Ferguson (Ave 308)	5000	\$1,997,763	100%	deferred project in the community of Goshen	\$0	\$0
Road 76 (American)	Ferguson (Ave 308) to Riggin	2600	\$1,159,145			\$0	-\$436,602
Road 76 (American)	Camp to Hurley	2300	\$857,368	100%	deferred project outside 165k UDB	\$0	\$0
Road 76 (American)	Hurley to Ferguson (Ave 308)	5200	\$2,153,488			\$0	-\$685,761
Road 88	SR 198 to Goshen	5200	\$2,487,524	100%	deferred project due to removed connection to SR-198 and located in agriculture zone	\$0	\$0
Road 88	Riggin to Avenue 320	5200	\$1,938,398			-\$213,117	-\$925,106
Road 96 (Roeben St)	Ferguson to Avenue 320	7200	\$3,057,878		increased width portion	-\$264,553	-\$961,080
Road 129	Avenue 313 to Avenue 320	4000	\$1,491,075	100%	deferred project north of St John's River	\$0	\$0
Road 142	Riggin to Avenue 320	4000	\$1,491,075	100%	deferred project north of St John's River	\$0	\$0
Road 148	Ave 272 to Visalia Parkway (Ave 276)	2600	\$3,218,735			-\$201,277	-\$557,432
Road 148	Visalia Parkway (Ave 276) to Walnut	7800	\$8,225,330			-\$603,831	-\$1,672,296
Road 148	Houston (SR 216) to Riggin	6300	\$15,611,552	93%	partially deferred project north of St John's River, includes a new St John's River bridge	-\$30,123	-\$90,021

Projects Years 16-25 (continued)							
Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Road 148	Mineral King to Houston	5800	\$4,554,076			-\$396,178	-\$1,183,955
Road 148	Walnut to Noble	5000	\$5,229,681			-\$356,105	-\$1,017,482
Road 152	SR 198 to Houston (SR 216)	6400	\$4,979,032	40%	reduced width to 70 ft, classification to be changed to collector, partially deferred east 1/3 of street	-\$201,095	-\$648,169
Road 152	Tulare to Noble	2500	\$1,350,555			-\$102,460	-\$425,398
Road 156	Avenue 272 to Noble	15300	\$15,794,884	100%	deferred project outside 165k UDB	\$0	\$0
Roeben Street	Avenue 272 to Caldwell	5300	\$3,292,891	100%	reduced width to 70 ft, deferred project outside 165k UDB	-\$277,553	\$0
Shirk Street	Ave 272 to Visalia Parkway (Ave 276)	2600	\$2,566,678	100%	deferred project outside 165k UDB	\$0	\$0
Shirk Street	Goshen to Riggan	5200	\$4,409,601			-\$342,171	-\$616,014
Shirk Street	Riggan to Avenue 320	5100	\$5,557,817			-\$394,812	-\$1,093,424
SR 198	Mineral King/Noble at Ben Maddox	0	\$0			\$0	\$0
SR 198	Mineral King/Noble - Bridge to Santa Fe	0	\$9,193,500			\$0	\$0
SR 198	Noble - Johnson to Encina	0	\$1,129,274			\$0	\$0
SR 198 Ramps	Noble at Ben Maddox	0	\$0			\$0	\$0
SR 198	Noble realignment at Lovers Lane	0	\$30,645,000			\$0	\$0
SR 198	Rd 148 new interchange	0	\$25,537,500			\$0	\$0
Tulare Avenue	Rd 148 to Rd 152	3300	\$1,786,975		reduced width to 70 ft	-\$172,816	-\$581,518
Tulare Avenue	Rd 152 to Rd 156	2600	\$1,426,246	100%	reduced width to 70 ft, deferred project outside 165k UDB	\$0	\$0
Walnut Avenue	Plaza Dr to Akers	9200	\$2,885,254	70%	increased width portion to 110 ft, partially deferred project also deferred in 2004 fee program update	-\$50,820	-\$313,534
Walnut Avenue	Rd 148 to Rd 152	2600	\$3,310,254			-\$201,277	-\$519,472
Walnut Avenue	Rd 152 to Rd 156	2600	\$3,101,225	100%	deferred project outside 165k UDB	\$0	\$0
<b>16-25 Project Years Total:</b>			<b>\$591,068,322</b>			<b>-\$13,302,006</b>	<b>-\$50,323,823</b>

**New Projects on Existing Circulation Element Streets**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	% of Constr Costs Deferred	Notes	1.5" AC Deferral	8 ft PL
Acequia Avenue	Conyer to Bridge	3500	\$934,611		shown as Project Years 1-5 in 2001 Circ Element Update	\$0	\$0
Akers Street	Tulare to Hillsdale	3500	\$4,249,257		assigned to Project Years 11-15	\$0	-\$623,003
Buena Vista Avenue	Ben Maddox to Burke	1400	\$0		shown as Project Years 6-10 in 2001 Circ Element Update	\$0	\$0
Court Street	Riggin to Shannon Parkway	1600	\$0		shown as Project Years 1-5 in 2001 Circ Element Update	\$0	\$0
Doe Avenue	Shirk to Roeben	2500	\$1,215,973		reduced width to 76 ft, assigned to Project Years 11-15	-\$147,998	-\$425,973
Houston Avenue	Rd 148 to Rd 152	2700	\$3,183,328		shown as Project Years 16-25 in 2001 Circ Element Update	\$0	-\$614,075
Lovers Lane	Ave 272 to Caldwell	5300	\$3,311,123		assigned to Project Years 16-25	\$0	-\$871,795
Lovers Lane	Caldwell to Walnut	5300	\$999,148		assigned to Project Years 11-15	\$0	-\$374,427
Roeben Street	Ferguson to Doe	1800	\$0		reduced width to 76 ft, assigned to Project Years 11-15	\$0	\$0
Santa Fe Street	Riggin/St Johns Parkway to Shannon Parkway	1500	\$1,031,950		shown as Project Years 11-15 in 2001 Circ Element Update	-\$102,460	-\$306,195
Shannon Parkway	Dinuba Blvd. (SR 63) to Santa Fe	2400	\$792,767		increased width to 98 ft, shown as Project Years 6-10 in 2001 Circ Element Update	-\$104,168	-\$257,616
St Johns Parkway	McAuliff to Rd 148	2500	\$676,885		shown as Project Years 11-15 in 2001 Circ Element Update	-\$85,383	-\$218,548
Virmargo Street	Houston to St. Johns Parkway	2000	\$745,538		shown as Project Years 6-10 in 2001 Circ Element Update	-\$81,968	-\$355,810
Whitendale Avenue	Shirk to Roeben	2600	\$1,760,337		reduced width to 70 ft, shown as Project Years 6-10 in 2001 Circ Element Update	-\$136,158	-\$458,165
<b>Projects Total:</b>			<b>\$18,900,918</b>			<b>-\$658,134</b>	<b>-\$4,505,606</b>

**New Projects on Proposed Circulation Element Streets**

Street Name	Project Description	Length (ft.)	2008 Full Constr Costs	Notes	1.5" AC Deferral	8 ft PL
Burke Street	Tulare to Houston	7900	\$804,370.94	GPA to add to Circ Element has been initiated by Council, assigned to Project Years 6-10	\$0	-\$278,790
<b>Projects Total:</b>			<b>\$804,371</b>		<b>\$0</b>	<b>-\$278,790</b>

**Traffic Signal Analysis**

Current number of signals (City + Caltrans) =	153
est. May 2007 population	120,000
ratio: signals / population	0.001275
estimated number of signals at 165,000 population:	210
new signals required	57
average cost of new signal	\$255,375
<b>Additional Signal Costs:</b>	<b>\$14,652,141</b>

### Unit Construction Cost Schedule

**Street R/W Grading**

ENRCCI =  
2.15%

<u>Item</u>	<u>Units</u>	<u>08/09 Price</u>	<u>07/08 Price</u>
Clearing & Grubbing			
land without orchard	AC	\$429.03	\$420.00
land with orchard	AC	\$4,449.65	\$4,356.00
urban streetscape	AC	\$44,496.54	\$43,560.00
Earthwork/Grading/Subgrade Prep (balanced)	CY	\$27.58	\$27.00
Import	CY	\$10.22	\$10.00
Export	CY	\$9.19	\$9.00

**Street Improvements**

<u>Item</u>	<u>Units</u>	<u>08/09 Price</u>	<u>07/08 Price</u>
Traffic control	LF	\$10.22	\$10.00
Construction Area Signs	LF	\$1.02	\$1.00
Saw cutting	LF	\$1.33	\$1.30
AC removal (load & haul)	SF	\$1.48	\$1.45
Sidewalk removal (load & haul)	SF	\$1.28	\$1.25
Curb and gutter removal (load & haul)	LF	\$3.06	\$3.00
Cold plane AC/AB material (mill & haul)	SF	\$0.36	\$0.35
Concrete barrier curb and gutter			
Machine pour	LF	\$10.22	\$10.00
Hand formed	LF	\$29.62	\$29.00
Median Curb	LF	\$9.45	\$9.25
Concrete Vee gutter	SF	\$3.22	\$3.15
Sidewalk	SF	\$3.27	\$3.20
HC ramp w/truncated domes	SF	\$6.95	\$6.80
Stamped concrete	SF	\$6.64	\$6.50
Concrete bus pad (6" th. reinforced)	SF	\$7.66	\$7.50
Drive approach			
Residential/commercial	SF	\$4.29	\$4.20
major commercial	SF	\$6.13	\$6.00
<b>Asphalt Concrete</b>	<b>SF/in</b>	<b>\$0.550</b>	<b>\$0.449 increase beyond ENRCCI</b>
Aggregate Base Rock (CL II)	SF/in	\$0.157	\$0.154
Reuse Milled AC/AB	CF	\$1.02	\$1.00
Trench Repair (3"AC/6" AB)	SF	\$1.02	\$1.00
Median irrigation with trees and mulch	SF	\$3.93	\$3.85
Double Arm Street lights w/footing	EA	\$3,754.01	\$3,675.00
Single Arm Street light w/footing	EA	\$2,487.35	\$2,435.00
1 1/2" dia. electrical conduit w/pull rope	LF	\$10.22	\$10.00
2" dia. electrical conduit w/pull rope	LF	\$11.24	\$11.00
N5 Pull Box complete	EA	\$398.39	\$390.00
N6 Pull Box complete	EA	\$500.54	\$490.00
Signing, Striping & Pavement markings (paint)	LF	\$5.11	\$5.00
Traffic Signal	EA	\$255,375.00	\$250,000.00
Traffic detector loops	EA	\$383.06	\$375.00
Wooden traffic barricade	EA	\$1,251.34	\$1,225.00

**Drainage Improvements**

(Pipe prices for runs greater than 500 ft; Pipe prices do not contain trench repair; pipe prices include sheeting, shoring and bracing)

<b><u>Item</u></b>	<b><u>Units</u></b>	<b><u>08/09 Price</u></b>	<b><u>07/08 Price</u></b>
RCP (up to and including 30" diameter)	LF/in Ø	\$2.35	\$2.30
RCP (36" diameter & larger)	LF/in Ø	\$1.94	\$1.90
HDPE (up to and including 30" diameter)	LF/in Ø	\$1.94	\$1.90
HDPE (36" diameter & larger)	LF/in Ø	\$1.79	\$1.75
Type GO drain inlet	EA	\$3,467.99	\$3,395.00
SD Manhole (to 12 ft deep)			
48" diameter	EA	\$2,298.38	\$2,250.00
60" diameter	EA	\$4,596.75	\$4,500.00
72" diameter	EA	\$7,661.25	\$7,500.00
Adjust Manhole to grade	EA	\$510.75	\$500.00

**Sanitary Sewer Improvements**

(Pipe prices for runs greater than 500 ft; Pipe prices do not contain trench repair; pipe prices include sheeting, shoring and bracing)

<b><u>Item</u></b>	<b><u>Units</u></b>	<b><u>08/09 Price</u></b>	<b><u>07/08 Price</u></b>
8" dia. PVC (SDR-35)	LF	\$22.47	\$22.00
10" dia. VCP	LF	\$57.61	\$56.40
10" dia. PVC (SDR-35)	LF	\$26.56	\$26.00
12" dia. VCP	LF	\$62.52	\$61.20
12" dia. PVC (SDR-35)	LF	\$28.60	\$28.00
15" dia. VCP	LF	\$68.64	\$67.20
15" dia. PVC (SDR-35)	LF	\$32.43	\$31.75
18" dia. VCP	LF	\$75.90	\$74.30
18" dia. PVC (SDR-35)	LF	\$40.09	\$39.25
21" dia. VCP	LF	\$84.07	\$82.30
21" dia. PVC (SDR-35)	LF	\$41.88	\$41.00
24" dia. VCP	LF	\$92.14	\$90.20
24" dia. PVC (SDR-35)	LF	\$45.97	\$45.00
27" dia. VCP	LF	\$105.73	\$103.50
27" dia. PVC (SDR-35)	LF	\$53.12	\$52.00
30" dia. VCP	LF	\$119.31	\$116.80
30" dia. PVC	LF	\$66.40	\$65.00
33" dia. VCP	LF	\$132.28	\$129.50
33" dia. PVC	LF	\$79.68	\$78.00
36" dia. VCP	LF	\$145.16	\$142.10
36" dia. PVC	LF	\$85.81	\$84.00
42" dia. PVC	LF	\$93.98	\$92.00
SS Manhole (to 12 ft deep)			
48" diameter	EA	\$2,477.14	\$2,425.00
60" diameter	EA	\$4,086.00	\$4,000.00
72" diameter	EA	\$4,290.30	\$4,200.00
SS Drop Manhole (to 12 ft deep)			
48" diameter	EA	\$3,575.25	\$3,500.00
60" diameter	EA	\$3,983.85	\$3,900.00
72" diameter	EA	\$5,618.25	\$5,500.00
Adjust Manhole to grade	EA	\$459.68	\$450.00

**Extra Depth**

*(where applicable, add the percentage below to the base rate above)*

Pipe line trenches and manholes

less than 6 ft	LF	+0%	0
6 ft to less than 12 ft	LF	+15%	0.15
12 ft to less than 18 ft	LF	+25%	0.25
Greater than 18 ft	LF	+35%	0.35

**Short Pipe Runs**

*(where applicable, add the percentage below to the base rate above)*

Pipe line lengths

greater than 500 ft	LF	+0%	0
500 ft to 100 ft	LF	+25%	0.25
less than 100 ft	LF	+40%	0.4

**General adjustment factor:**

1.0215

*for items in Construction Cost Report not covered by an item above*

**Utility relocation adjustment factor:**

1.0215

*to adjust % of utility relocation done by City*

# APPENDIX 3: DEFERRED AND ADJUSTED PROJECTS

---

## DEFERRED PROJECT STREET AREAS

### 1. North of St. John's River

#### A. Major streets within this area

- (1) Ave 320 – Mooney Blvd to McAuliff St – length: 18,100 feet
- (2) Riggin Ave – Santa Fe St to Road 148 – length: 13,400 feet
- (3) Ave 311 – Ben Maddox Way to Road 148 – length: 9,500 feet
- (4) Dinuba Blvd – St. John's River to Ave 320 – length: 2,300 feet
- (5) Road 129 – Riggin Ave to Ave 320 – length: 4,500 feet
- (6) Ben Maddox Way – St. John's River to Ave 320 – length: 6,800 feet
- (7) Lovers Lane – St. John's Pkwy to Ave 320 – length: 8,800 feet
- (8) Road 142 – Riggin Ave to Ave 320 – length: 5,300 feet
- (9) McAuliff St – St. John's River to Ave 320 – length: 8,000 feet
- (10) Road 148 – St. John's River to Riggin Ave – length: 5,000 feet

#### B. Special projects within this area

- (1) New bridge at Avenue 320 and St. John's River
- (2) New bridge at Riggin Avenue and St. John's River
- (3) Widen bridge at Ben Maddox Way and St. John's River
- (4) New bridge at Lovers Lane and St. John's River
- (5) Widen bridge at McAuliff Street and St. John's River
- (6) New bridge at Road 148 and St. John's River

### 2. Community of Goshen

#### A. Major streets within this area

- (1) Riggin Ave – SR-99 to Road 76 – length: 7,300 feet
- (2) Ave 308 – Camp Dr to Road 76 – length: 4,400 feet
- (3) Goshen Ave – Rd 68 to Camp Dr – length 2,000 feet
- (4) Camp Dr – Goshen Ave to Riggin Ave – length: 4,600 feet
- (5) Road 72 – Goshen Ave to Riggin Ave – length: 7,600 feet

#### B. Special projects within this area

- (1) New grade-separated crossing at SPRR lines and Riggin Ave
  - a. A City contribution of \$5,638,680 to the County is not deferred
- (2) Upgrade at-grade crossing at SPRR lines and Goshen Ave



- (3) New bridge at Goshen Ave and SR-99

### 3. Outside the 165k UDB

#### A. Major streets within this area

- (1) Ave 272 – Shirk St to Akers St – length: 5,300 feet
- (2) Ave 272 – Road 148 to Road 156 – length: 5,300 feet
- (3) Ave 276 – Shirk St to Akers St – length: 5,300 feet
- (4) Camp Dr – Hurley Ave south to the UDB – length: 3,600 feet
- (5) Road 156 – Ave 272 to SR-198 – length: 15,800 feet
- (6) Road 76 – Camp Dr to Hurley Ave – length: 2,300 feet
- (7) Roeben St – Ave 272 to Caldwell Ave – length: 2,600 feet
- (8) Shirk St – Ave 272 to Caldwell Ave – length: 5,300 feet
- (9) Tulare Ave – Road 152 to Road 156 – length: 2,600 feet
- (10) Walnut Ave – Road 152 to Road 156 – length: 2,600 feet

### DEFERRED PROJECT STREET SEGMENTS

- 1. Plaza Dr – Walnut Ave to SR-198 – length: 6,000 feet
  - A. this project was previously deferred in the 2004 fee program update
  - B. this project includes the two collector street split around Plaza Park
- 2. Walnut Ave – Plaza Dr to Shirk St – length: 4,000 feet
  - A. this project is a dead-end arterial with the deferral of Plaza Dr – Walnut Ave to SR-198
- 3. Camp Dr – Plaza Dr to 165k UDB – length: 3,400 feet
  - A. this project includes the realignment along Neeley St and Crowley Ave
  - B. this project is a dead-end collector with the deferral of Camp Dr – Hurley Ave south to the 165k UDB
- 4. Kelsey St – SR-198 to Hurley Ave – length: 2,600 feet
  - A. Kelsey St does not connect to SR-198 and therefore is a dead-end collector
- 5. Road 88 – SR-198 to Goshen Ave – length: 5,200 feet
  - A. Road 88 does not connect to SR-198 and therefore is a dead-end collector south of Hurley Ave
  - B. Road 88 segment from Hurley Ave to Goshen Ave is a stand-alone segment in primarily agriculture zone and is anticipated to have low traffic volumes
- 6. Ave 320 – Road 76 to Plaza Dr – length: 2,600 feet

- A. dead-end collector west of Plaza Dr
- 7. Ave 320 – Plaza Dr to Mooney Blvd – length: 23,600 feet
  - A. the north ½ of this 110' RW arterial will be deferred, the south ½ will be developed to arterial standards to function as a 2 lane street (36 ft curb to curb)
- 8. Ave 272 – Akers St to Road 148 – length: 31,400 feet
  - A. the south ½ of this 110' RW arterial will be deferred, the north ½ will be developed to arterial standards to function as a 2 lane street (36 ft curb to curb)
- 9. Ave 274 – County Center to Mooney Blvd – length: 2,600 feet
  - A. NOTE: this segment will be classified as an existing 60' RW collector
- 10. Ave 274 – Stonebrook St to Court St – length: 3,400 feet
  - A. this segment is not necessary to provide a ½ mile superblock for this area anticipated to be zoned residential
- 11. K Ave – McAuliff St to Road 148 – length: 2,600 feet
  - A. SCE transmission substation will prevent this segment to be constructed
- 12. Road 152 – SR-198 to Houston Ave – length: 6,400 feet
  - A. the east 1/3 of this reduced width 70' RW collector will be deferred, the west 2/3 will be developed to collector standards to function as a 2 lane street (34 ft curb to EP)
- 13. Roeben St – Cypress Ave to SR-198 – length: 700 feet
  - A. Roeben St will not connect to SR-198 and therefore is a dead-end collector north of the logical extension of Cypress Ave (local through street).

## PLANNED WIDTH REVISIONS AND RECLASSIFICATIONS

- 1. Width revisions to project streets
  - A. Widen
    - (1) Avenue 308 – Rd 76 to Plaza – 60' to 84'
    - (2) Avenue 316 (Pratt Ave) – Demaree to County Center – 60' to 70'
    - (3) Avenue 316 (Shannon Pkwy) – Mooney to Dinuba – 84' to 98'
    - (4) Demaree St – Goshen to Houston – 84' to 110'
    - (5) Dinuba Blvd – Riggin to River – 84' to 154'
    - (6) Dinuba Blvd – River to Ave 320 – 84' to 110'
    - (7) Mooney Blvd – Ave 272 to Cameron – 110' to 146'
    - (8) Pinkham St – Caldwell to K – 60' to 66'
    - (9) Shannon Pkwy – Dinuba to Santa Fe – 84' to 98'
  - B. Narrow
    - (1) Avenue 274 (Mid Valley) – County Center to Mooney – 84' to 60'

- (2) Avenue 274 (Mid Valley) – Mooney to Court – 84' to 70'
  - (3) Avenue 316 – Plaza to Demaree – 84' to 70'
  - (4) Avenue 316 (Pratt Ave) – County Center to Mooney – 84' to 70'
  - (5) Doe Ave – Shirk to Roeben – 84' to 76'
  - (6) Houston Ave – Linwood to Chinowth – taper from 84' to 60'
  - (7) Hurley Ave – Plaza to Shirk – 84' to 70'
  - (8) K Ave – Santa Fe to Rd 148 – 84' to 60'
  - (9) Tulare Ave – Rd 148 to Rd 156 – 84' to 70'
  - (10) Tulare Ave – Shirk to Roeben – 84' to 70'
  - (11) Whitendale Ave – Shirk to Roeben – 84' to 70'
  - (12) Road 152 – SR-198 to SR-216 – 84' to 70'
  - (13) Roeben St – Ave 272 to Whitendale – 84' to 70'
  - (14) Roeben St – Paradise to SR-198 – 84' to 70'
  - (15) Roeben St – Doe to Ferguson – 84' to 76'
  - (16) County Center – Ave 272 to Ave 276 – 84' to 70'
  - (17) County Center – Pratt to Ave 320 – 84' to 70'
  - (18) McAuliff St – Ave 272 to Cherry – 84' to 70'
2. Reclassification of project streets from Arterial to Collector
- A. Avenue 276 (Visalia Pkwy) – Shirk to Demaree
  - B. Avenue 276 (Visalia Pkwy) – Ben Maddox to Rd 148
  - C. Houston Ave – Linwood to Chinowth
  - D. McAuliff St – Noble to Ave 320
  - E. Road 152 – SR-198 to Houston

## APPENDIX 4: IN-KIND DEDICATION REQUIREMENTS

### TIF PROGRAM & DEVELOPER RESPONSIBILITY

ITEM	TIF PROGRAM	DEVELOPER
Right of Way	Travel Lanes & Median ranging from 24 to 118 feet	Parking Lane & 10 feet behind curb for a total of 18 feet
Street Construction Items		
Curb & Gutter	None	100% developer responsibility
Median Curb	100% TIF program	None
Median Breaks & Left Turn Pockets at ¼ mile and ½ mile intervals	100% TIF program only including dual left turns at arterial/arterial intersections	None
Acceleration, deceleration lanes, and right and left turn lanes specific to a land development project	None	100% developer responsibility
Pavement at the established design T.I. of 11.0 for arterials and 8.0 for collectors (includes AC, AB, clearing, earthwork, grading, subgrade prep)	Travel Lanes ranging from 24 to 110 feet	Parking Lane at 8 feet consisting of 6 feet of pavement and curb and gutter
Construction traffic control, final signage, striping and pavement markings	Proportionate share based on Parking Lane width to total curb to curb width	Proportionate share based on Parking Lane width to total curb to curb width
Storm Drain Pipe System (18" pipe size)	Proportionate share based on Parking Lane width to Travel Lanes width	Proportionate share based on Parking Lane width to Travel Lanes width
Driveway Approaches, Sidewalk & Parkway Landscaping	None	100% developer responsibility
Utility Relocations	None	100% developer responsibility
Utility Extensions	None	All extensions required by the City and other utility companies
Street Lights	Median Street Lights	Behind Curb Street Lights
Design, Project Management, Administration related to Street Construction	15% available for developer reimbursement and 3% retained for City administration	100% developer responsibility

Traffic Signals at arterial/collector intersections (new & modified)	100% funded in fee program	None
Bus Stops (turn-out or curbside pad)	Shelter and signage	Turn-out or curbside pad as determined by Transit
Ditch/Creek Crossings	100% funded in fee program	None
Parallel Ditch/Creek Relocation	None	100% developer responsibility

## DEDICATION ASSUMPTIONS FOR PARKING LANES AND UTILITY RELOCATION

For parking lanes, the City established a list of “infill” project streets and calculated that the parking lanes for these infill streets represented 17.5 percent of total cost of parking lanes for the project streets funded by the fee program. The infill project streets are 10 percent of the total project streets. An additional 2.5 percent of the total cost of parking lanes was added to construct parking lanes on the remaining 90 percent of project streets not established as infill. The 2.5 percent is a judgment based on the various existing fully developed parcels that adjoin the remaining project streets. All these percentages are based on the lengths of the project streets.

Although some parcels are not expected to develop under this plan, and therefore will not contribute to the cost of the improvements, the City may realize an opportunity to recapture some lost fee revenue through impact fees or in-kind contributions from parcels that redevelop and/or intensify. These activities may result in an obligation to improve adjacent streets consistent with the goals of this new fee program and therefore eliminate a share of the City’s need to add parking lanes (represented by the 20 percent of parking lane costs kept in the program per the discussion above). Accordingly, \$9.1 million in parking lane dedications from re-developed parcels is included as a projected revenue source for this program (see Table 7). This estimate is based on a City review of parcels likely to redevelop or intensify use in areas where parking lanes would be required.

The cost of constructing all of the curbs, gutters, and parking lanes is \$129.1 million. Staff’s analysis indicated that the fee program will have to fund \$25.9, reflecting the 20 percent assumption noted above. The rest will be built by land owners when they develop their property. In areas where the City (fee Program) improves the frontage, the City can collect back these costs by establishing a system that will track the parking lanes constructed by the City and then requiring the payback as a condition of approval on new development or higher density development that occurs on these properties. Staff believes that they can collect back about \$9.1 million. With this revenue source as an offset, the fee program will need to generate \$16.8 million to pay for frontage improvements where the City will not be able to recover the costs from the land owners.

# APPENDIX 4: ALTERNATIVE REVENUE PROJECTIONS

	Growth Rate	2007/08 - 2011/12	2011/12 - 2016/17	2017/18 - 2021/22	2022/23 - 2030/31	Total	
<b>Revenues (fund balances are included in FY 07/08)</b>							
1	Motor vehicle In-Lieu Fund	Flat	\$ 3,460,750	\$ 3,777,000	\$ 3,777,000	\$ 6,798,600	\$ 17,813,350
2	Gas Tax Apportion	Flat	\$ 18,040,900	\$ 10,016,500	\$ 10,016,500	\$ 18,029,700	\$ 56,103,600
3	Street Highway Exchange	Flat	\$ 4,253,000	\$ 4,253,000	\$ 4,253,000	\$ 7,655,400	\$ 20,414,400
4	Transportation Funds (LTF, CMAQ, Federal, & State Grants)	Flat	\$ 2,913,200	\$ 1,000,000	\$ 1,000,000	\$ 1,800,000	\$ 6,713,200
5	State Prop 1B	Flat	\$ 1,898,800	\$ 1,786,800	\$ -	\$ -	\$ 3,685,600
6	Grants For Bikeway Plan	Flat	\$ 400,000	\$ 400,000	\$ 400,000	\$ 720,000	\$ 1,920,000
7	Measure R Local Funds	2.25%	\$ 10,898,958	\$ 12,181,500	\$ 13,615,100	\$ 28,670,300	\$ 65,365,858
8	Measure R Regional Funds	Flat	\$ 4,916,533	\$ 4,916,500	\$ 4,916,500	\$ 8,849,700	\$ 23,599,233
9	Interest Earnings	4.00%	\$ 846,100	\$ 771,700	\$ 686,000	\$ 1,228,700	\$ 3,532,500
	<b>Total Street Revenues</b>		<b>\$ 47,628,241</b>	<b>\$ 39,103,000</b>	<b>\$ 38,664,100</b>	<b>\$ 73,752,400</b>	<b>\$ 199,147,741</b>
<b>Expenditures</b>							
10	Street Maintenance Projects	Budget/2%	\$ 14,268,400	\$ 14,411,679	\$ 15,956,657	\$ 33,022,721	\$ 77,659,457
11	Street Projects - funded by Measure R - not listed in Circ Element	Flat	\$ 4,916,533	\$ 4,916,500	\$ 4,916,500	\$ 8,849,700	\$ 23,599,233
12	Street Projects not in Circulation Element (existing deficiencies)	Flat	\$ 3,678,027	\$ 657,635	\$ 657,635	\$ 1,183,722	\$ 6,177,019
13	<b>Total Street Expenditures</b>		<b>\$ 22,862,960</b>	<b>\$ 19,985,814</b>	<b>\$ 21,530,792</b>	<b>\$ 43,056,143</b>	<b>\$ 107,435,710</b>
	<i>Preliminary total funds available for capital projects</i>		\$ 24,765,281	\$ 19,117,186	\$ 17,133,308	\$ 30,696,257	\$ 91,712,032
	<i>less: Funds for program allocation to Local Streets</i>		\$ 12,382,641	\$ 9,558,593	\$ 8,566,654	\$ 15,348,128	\$ 45,856,016
	<b>TOTAL Funds available for capital projects</b>		<b>\$ 12,382,641</b>	<b>\$ 9,558,593</b>	<b>\$ 8,566,654</b>	<b>\$ 15,348,128</b>	<b>\$ 45,856,016</b>
<b>Revenues for Circulation Element Projects</b>							
	Transportation Impact Fee Fund Balance		\$ 3,553,486				\$ 3,553,486
14	Measure R Regional Funds (includes STIP projects)	Flat	\$ 44,129,375	\$ 44,129,375	\$ 44,129,375	\$ 79,432,875	\$ 211,821,000
15	Federal Transportation Enhancement Grant	Actual	\$ 1,440,000	\$ -	\$ -	\$ -	\$ 1,440,000
	<b>Total Revenues for Circulation Element Projects</b>		<b>\$ 49,122,861</b>	<b>\$ 44,129,375</b>	<b>\$ 44,129,375</b>	<b>\$ 79,432,875</b>	<b>\$ 216,814,486</b>
<b>Expenditures for Circulation Element Projects</b>							
16	Measure R Local Bond Interest (\$13m bond: Term 18 years)	5.00%	\$ 1,879,530	\$ 2,604,626	\$ 1,787,970	\$ 745,690	\$ 7,017,816
17	Admin Fee (Managing Circulation Element, Fee Program)	Flat	\$ 550,000	\$ 550,000	\$ 550,000	\$ 990,000	\$ 2,640,000
	Circulation Element Project Costs & ROW	Flat	\$ 203,417,233	\$ 203,417,233	\$ 203,417,233	\$ 366,151,020	\$ 976,402,720
	Total Program Costs		\$ 205,846,763	\$ 206,571,859	\$ 205,755,203	\$ 367,886,710	\$ 986,060,536
	<b>Transportation Impact Fees Needed</b>		<b>\$ (144,341,262)</b>	<b>\$ (152,883,891)</b>	<b>\$ (153,059,174)</b>	<b>\$ (273,105,707)</b>	<b>\$ (723,390,034)</b>

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** September 2, 2008

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** Status report on Transportation Impact Fees

**Deadline for Action:** Not Applicable.

**Submitting Department:** Public Works Department

**Contact Name and Phone Number:** Andrew Benelli, Public Works Director, 713-4340  
Eric Frost, Finance Director, 713-4474

**Recommendation**

Staff and Muni-Financial have completed preliminary work on the City's transportation impact fee evaluation. Although a final recommendation is not ready, the preliminary staff recommendation is that:

- 1) The current full cash funding of arterial and collector street program be revised towards a partially cash funded and developer in-kind funded program.
- 2) That some discretionary transportation dollars be directed as an off-set to the industrial, office and hotel fees in order to limit increased fees to a pragmatically acceptable level.

**Discussion**

On September 17, 2007 the City Council authorized staff to retain Muni-Financial to prepare an analysis of the current fee program and recommend changes to the program where necessary. Muni-Financial has become Willdan Financial Services.

On December 17, 2007 staff updated the City Council on the progress that had been made on the transportation impact fees. Council directed staff to form a Task Force to evaluate the City's Transportation Impact Fee program. The Task Force consists of four members that work in the development arena and four members that represent the public at large. The Task Force members are:

1. David Hernández – Allen Group
2. Glenn Morris – Chamber of Commerce
3. Steve Peck – Mangano Company
4. Mike Lane – Lane Engineers (Representing the Home Builders Association)

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): 20

**Review:**

**Dept. Head** \_\_\_\_\_  
**(Initials & date required)**

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_

**(Initials & date required or N/A)**

**City Mgr** \_\_\_\_\_  
**(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

5. Brian Kempf – Urban Tree Foundation
6. Sue Merrill – Retired Financial Analyst
7. Adam Peck – Planning Commission
8. Larry Segrue – Planning Commission

It has taken some time for staff to develop the appropriate background information to fully evaluate the City’s Transportation Impact Fee program. A number of alternatives were considered, investigated and analyzed. Now, the Task Force has met five times with City staff to discuss the program and evaluate changes recommended by City staff and Willdan. City staff has also met about ten times with a group of representatives from the development community to discuss the details of the program. Some of the comments and issues that staff has discussed with the development representatives have been summarized in a chart which is included as **Attachment C** to this report and labeled “Stakeholder Feedback”.

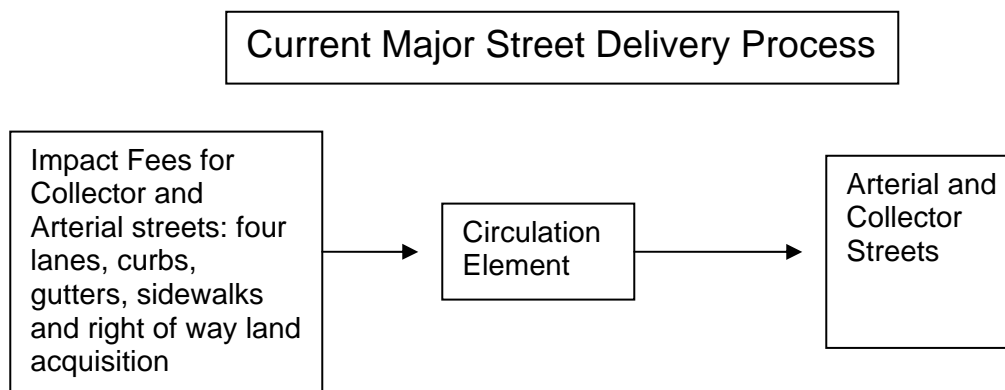
Significant progress has been made on changing the program. Although the Task Force is not ready to make a final recommendation on the fee program nor are the members in full agreement on all the plan’s elements, some preliminary recommendations are:

- 1) The current full cash funding of arterial and collector streets should be revised towards a partially cash funded and developer in-kind funded program.
- 2) Some discretionary transportation dollars be directed as an off-set to the industrial, office and hotel fees in order to limit increased fees to a pragmatically acceptable level.

## Background

Current Transportation Impact Fee Program. On October 18, 2004 the City Council approved a change in policy for the City’s Transportation Impact fee program that was designed to avoid saw-tooth street development but resulted in higher cash fees for all new construction and higher reimbursements to builders and developers. The current policy stipulates that funds collected from the impact fees will be used to construct full street improvements, from curb to curb, on all designated arterial and collector streets. Prior to 2004, developers were responsible for dedicating the right of way and constructing outside portions of the roadways (outside travel lanes, parking lane, curb, gutter and sidewalk) adjacent to their developments, as shown in Chart I, Current Major Street Development Process.

Chart I



This change shifted a large share of the right-of-way and construction costs away from the developers and to the City. The advantage of this change is that the City is not dependent on



adjacent development to initiate a new extension or street widening project. This policy change was intended to allow construction of major streets to be delivered ahead of development.

In September 2005, the City Council voted to raise the Transportation Impact fees for residential projects to \$612.46 per trip. This increase was needed to generate revenue to acquire right of way at current market rates. Real estate values were rapidly increasing in 2005 and developers and land owners were refusing to sell the City right of way at the old (2004) appraisal values. After hearing testimony from several developers, the Council decided not to increase the rates for office, commercial and industrial projects. The developers indicated that the commercial, office and industrial projects are planned usually months and sometimes years in advance. The lease rates and selling prices are often fixed many months before the actual construction begins. They stated that they needed advance notice before any large increases so that they could implement appropriate lease rates. A note was added to the Development Fee Schedule book at that time which states "Fee rate for all projects is \$612.46 per trip. Fee increases for commercial, office and industrial developments have been temporarily suspended to maintain the rates shown above."

All fees have been adjusted for inflation since 2005 and are now higher but residential continues to pay a higher rate. The current per trip rate for residential projects is \$681.11. Commercial and office projects are paying \$378.13 per trip. Industrial projects are paying \$472.67 per trip.

***The current program is not expected to generate enough revenue to fund the road improvements that are needed to accommodate growth impacts because the full fee model trip cost has not been implemented, leaving industrial and commercial fees at a rate less than the City's fee model.***

The impact fees are only used on collectors and arterials shown in the City's Circulation Element. The Circulation Element specifies the street widths, and identifies which streets will have median islands. All local streets (low volume neighborhood streets) are built and funded by developers. City staff has estimated that it will cost \$986 million dollars (including right of way) to build and improve the circulation element streets that are within the 165,000 urban growth boundary.

**Project Costs. One method of reducing the current fee model is to remove from the fee program certain program elements that will be funded at a later date.** Staff and the Task Force members recommend removing the following elements from the current fee program:

- streets north of the St. Johns River
- streets in Goshen
- bridges over the St. Johns River
- establish the State Route 99 / Betty Drive interchange contribution at \$3 million
- reduce the width of some streets

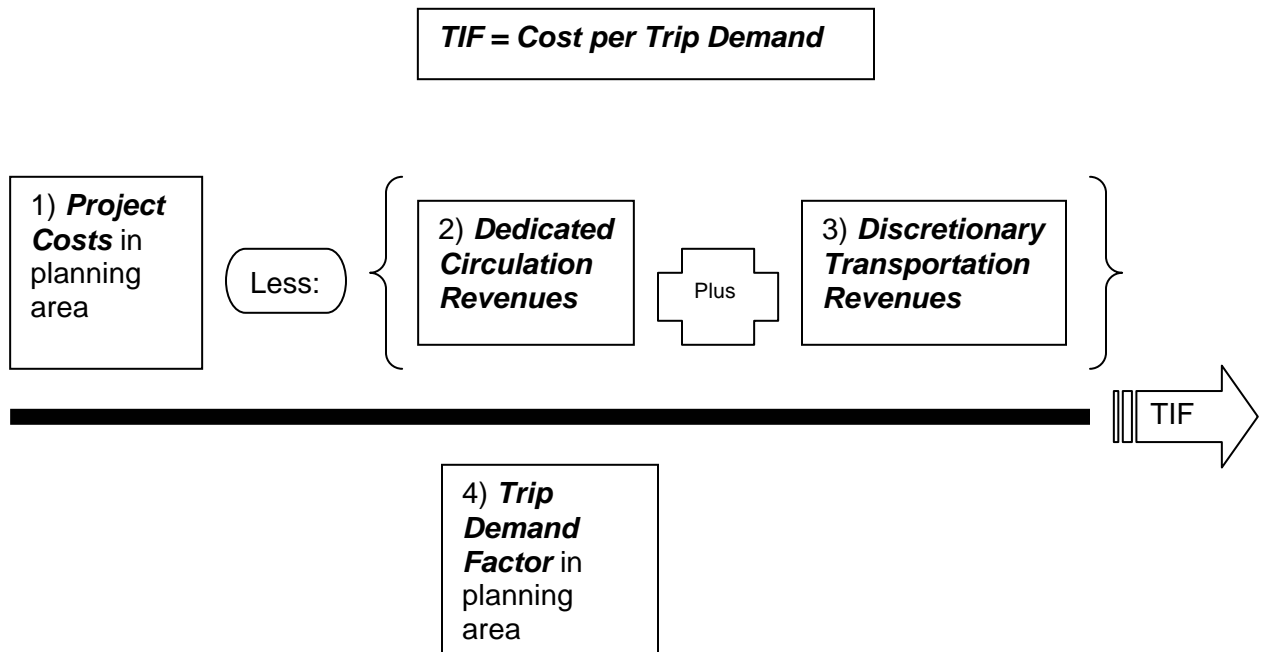
The estimated street cost with these areas removed is \$601 million. This includes the cost to purchase the right of way needed to build new streets and widen existing streets. The values are in current dollars and are not adjusted for inflation.

The amount of the fee is determined by estimating the number of new trips that will be generated by development and having each new trip pay a share of the total cost of building the roads. A trip is generated for each time a car arrives and leaves a home or business. For example, an average single family home generates 9.55 trips per day. The trip rate for each

type of use was determined from the Institute of Transportation Engineers (ITE) Trip Generation Manual. This Manual is used by most traffic engineers and by most cities to establish rates for impact fees. Staff evaluated all of the vacant land within the 165,000 boundary and estimated that 653,783 new trips will be generated. This value considered that twenty percent of the land will still be vacant when the boundary is reached. New trips generated from Goshen and the area north of the St. Johns River were not included. Based on population growth and the zoning proposed in the General Plan, staff estimated that the 165,000 boundary would be reached in 2030. The City's population when the boundary is reached will be approximately 210,000. The population could be higher if the General Plan is revised to allow or require higher residential densities. Higher densities would also increase the trip volumes and move the horizon year further into the future. Higher density development would decrease the fee rate for all categories.

Figure 2 below, shows the formula that is used to set the fee rates that are needed to build the Circulation Element streets.

FIGURE 2



- 1) **Project Costs** are determined from construction estimates to build the Circulation system streets and purchase the right of way needed.
- 2) **Dedicated Circulation Revenues** are from the Measure R Regional Program, or State funds that are earmarked for specific projects.
- 3) **Discretionary Transportation Revenues** are from Gas Tax, Motor Vehicle In-Lieu, and the Measure R Local Program (see Table 1).
- 4) **Trip Demand Factor** is the determined from the number of new trips generated by future development.

Program Revenues. The total cost of building the new roads and widening the existing roads does not have to be paid entirely by transportation impact fees. The Measure R Regional

program will contribute \$212 million toward completing the circulation element streets. Staff estimates that the City will receive \$191 million from other transportation revenue sources between now and 2030. Table 1 lists the funds that are available for transportation improvements.

Table I	
Potential Transportation Improvement Revenues	
	Total
<b>Discretionary Transportation Revenues</b>	
<i>(fund balances are included in FY 07/08)</i>	
Motor vehicle In-Lieu Fund	\$ 17,057,950
Gas Tax Apportion	\$ 54,100,300
Street Highway Exchange	\$ 19,563,800
Transportation Funds (Federal, & State Grants, Local Transportation Funds, Congested Management Air Quality Grants)	\$ 6,513,200
State Prop 1B	\$ 3,685,600
Grants For Bikeway Plan	\$ 1,840,000
Measure R Local Funds	\$ 61,889,458
Measure R Regional Funds	\$ 23,600,287
Interest Earnings	\$ 2,715,700
<b>Total Street Revenues</b>	<b>\$ 190,966,295</b>
<b>Non-TIF Discretionary Expenditures</b>	
Street Maintenance Projects	\$ (73,692,993)
Street Projects - funded by Measure R - not listed in Circ Element	\$ (23,600,287)
Street Projects not in Circulation Element (Existing Deficiency's)	\$ (23,152,739)
<b>Total Street Expenditures</b>	<b>\$ (120,446,019)</b>
<b>Discretionary Transportation Funds Available</b>	<b>\$ 70,520,276</b>
<b>Dedicated Transportation Impact Fee (TIF) Revenue</b>	
<b>Revenues for Circulation Element Projects</b>	
Transportation Impact Fee Fund Balance	\$ 3,553,486
Measure R Regional Funds (includes STIP projects)	\$ 211,820,994
Federal Transportation Enhancement Grant	\$ 1,440,000
<b>Total Revenues for Circulation Element Projects</b>	<b>\$ 216,814,480</b>
<b>Total Revenues Potentially Available for TIF</b>	<b>\$ 287,334,756</b>

The City of Visalia is projected to receive in excess of \$400 million for transportation related improvements; \$191 million for General Street Projects and \$217 million for specific circulation system projects. There is \$191 million in General Street Revenues that can be used as deemed best by the City Council. Staff recommends that \$120 million of the \$190 million be used to fund:

- Street Maintenance (\$73.7 million)

- Measure R projects not listed in the Circulation Element (\$23.6 million)
- Street projects designed to correct existing deficiencies in the street system (\$23.2 million)

This action would leave \$70.5 million available for street work as designated by the City Council. This money could be used to buy down all project costs or used to target certain types of projects thus potentially lowering the fees for some types of development.

Although the \$70.5 million recommended for street improvements has been used in the past to buy down the costs of all TIF fees, ***the Council has discretion on how to apply these transportation related revenues to implementation of the circulation element. Staff recommends using some of these funds to pragmatically control any increases in order to reduce the impact of implementing the TIF.***

Variable Trip Factors. Another consideration in developing the fee plan is deciding if all trips are the same. The current fee program establishes a rate based solely on the number of trips generated by the home or business. Staff recommends that the program is changed so that the length of the trips and nature of the trip is also considered when calculating the rate. Studies have determined that many of the trips to retail establishments are pass-by or diverted-link trips.

An example of a pass-by trip is when a driver stops at a store or restaurant on their way home from work. A diverted-link trip occurs when a driver stops at a retail establishment on their way home but has to change their route some to reach the store or restaurant. The studies also determined that most drivers travel shorter distances to shop than they travel to work. The studies were used to establish a trip factor for each of the categories. The trip factors are used to adjust the average number of daily trips for each category. Gas stations have the most favorable trip factor (0.4) because many of the trips to gas stations are pass-by or diverted-link trips. General retail also has a favorable trip factor (0.5) because the trips tend to be shorter and include more pass-by and diverted-link trips. Industrial and general office categories have the least favorable trip factors (1.3) because most of the trips are generated by employees so they seldom have pass-by or diverted-link trips. Trips to work also tend to be longer trips. The residential categories have a trip factor of 1.1. ***Staff recommends that variable trip factors are used to determine rates for all categories.***

Fee Scenarios. The Task Force discussed several different fee scenarios. The current program reimburses the developers for most or all of the improvements that they make to the street (with funds collected from the transportation impact fee program). The City also reimburses the developers for any right of way that they dedicate for road purposes (based on the zoning and a city-wide average appraisal). Prior to 2004, the City required the developers to dedicate the right of way and build the parking lane and one travel lane. The City paid for the center travel lanes on four-lane roads and also paid for median island improvements where they were needed.

***The Task Force supports a fee scenario where the impact fee program funds all of the travel lanes and median island improvements where needed. The developers would build the parking lane, the curb and gutter and the sidewalk.*** The developer would be reimbursed for any right of way dedications needed for the travel lanes but not for right of way used for a parking lane or a sidewalk. All of the traffic signals would be funded out of the fee program so any signal work done by developers would be reimbursed. See **Attachment A** and **Attachment B** for more information on how the reimbursement program would be structured.

***The recommended fee scenario will allow the City to build the travel lanes ahead of development and avoid a “saw-tooth road pattern”.*** The saw-tooth pattern occurs when the road has two lanes in each direction in developed areas but only one lane in each direction where development has not occurred. The alternating one-lane, two-lane pattern (particularly on Caldwell) caused many complaints in the past and lead to the current program where the City takes responsibility for building the entire roadway. The recommended fee program still provides the City with the funding to build all of the travel lanes but makes the developers responsible for the frontage improvements. This allows the fees to be lower and reduces the City liabilities and obligations.

***In addition, staff recommends that the fee includes a twenty percent allocation for areas which will be improved by the City independent of development.*** In other words, the City, in a limited number of cases, would install curb, gutter and parking lanes when an existing use would not likely develop and not building the road would be detrimental to the overall use of the road. These funds would also be used in areas where there are existing homes prior to the development of the surrounding property. This would also provide funds to install curbs, gutters, sidewalks and parking lanes on City sponsored capital projects.

Staff's research indicates that approximately twenty percent of the street widening will have to be paid for by the City. Streets that have significant development prior to annexation would require more than twenty percent City funded improvements. An example of this scenario might be Hurley between Shirk and Akers. There is substantial new development along Hurley but also many older homes that were built without curb and gutter. Other areas where there are large farm holdings may develop with mostly developer funded improvements. Shannon Parkway would be a good example of this scenario. Staff analyzed Demaree between Houston and Pratt and determined that the City funded thirty percent of the curb, gutter and parking lane. Twenty percent is a reasonable amount to allocate for areas where the City will have to install the curb, gutter, sidewalk and parking lane. The twenty percent allocation also includes funds to purchase right of way in areas that are not developing or were developed without dedication of sufficient right of way.

Downtown and Infill Credit. Retail and restaurant development in the downtown core area has been given the large shopping center rate in the past. Staff is recommending continuing this practice. Shopping centers tend to generate less trips than stand alone establishments because customers often visit more than one store per trip. This is also true in the downtown core area.

The current fee schedule allows up to a fifteen percent fee reduction for commercial and office projects that meet the infill criteria. Staff is recommending that the new program continues to allow this reduction. To qualify for infill credit a project must be in a location where the curb, gutter and sidewalk have been installed, is seventy-five percent surrounded by existing development, and was in the city limits prior to December 31, 1995. The amount of revenue lost due to the infill credit is less than one-half of a percent of the total impact fee revenue. This loss will be backfilled using the discretionary revenues.

Reimbursement Program Changes. The changes in the reimbursement program that are being recommended will allow some but not all of the fees to decrease. The commercial, office and industrial development rates that were needed in 2005 were never implemented. Staff is recommending a rate schedule that limits any increases to less than ten percent over the current fee. Because trip factors were used on all of the categories, the rates for retail categories are lower than they were in the past. Office and Industrial are higher because they have few pass-by trips and their trips are longer. Rates for motels are also higher because they

do not benefit from the trip factors. Staff is recommending that these rates not be increased to the levels that were calculated using the ITE trip manual and the program cost per trip. The fees can be maintained with only modest increases by applying the discretionary transportation revenues to the categories with increases that exceed ten percent. As stated earlier in this report, there is approximately \$70 million available in discretionary revenues that are generated from the Measure R Local program, gas tax, and various state and federal grants.

Staff is recommending that all reimbursements are based on a fixed rate. The City is currently reimbursing developers for all of their construction costs plus up to ten percent for construction management and design. In some cases the developers costs exceed the unit cost rates that the City receives on capital projects or from other developers. The developer's costs can be higher because of a compressed schedule, or because they are scheduling the street work so that it does not conflict with the on-site construction or for many other reasons. Staff has established a fixed unit rate for street paving (per square foot), installing curb and gutter (per linear foot), and many of the other common street construction bid items. All reimbursements will be paid according to the fixed unit cost. The developers will also be paid fifteen percent for construction management, design and overhead. If the developer's costs exceed the fixed rate the developer will be required to justify the extra expense or accept the lower amount. Any amount of the developer's costs that exceed the fixed unit costs are considered part of the developers in-kind contribution and are not eligible for reimbursement. These fixed unit costs were also used to establish the total cost to complete the circulation element listed streets. The unit costs will be adjusted annually to follow market trends.

Industrial Fee Assessment Method. Staff is recommending changing the method of assessing the industrial fees from a per employees basis to a square footage basis. Employees do not always equate to trips generated. Many industrial projects initially have small staffs and pay only modest fees. However, over time the staff (and the number of trips) increases without any corresponding increase in the impact fees. There have also been several tracks developed with 5,000 to 10,000 square-foot speculative buildings. These parcels and buildings are then sold to a variety of service commercial end users. Typical users are contractors, material suppliers, and service providers. Often the end user and the number of employees have not been determined when the building permits are issued. The tenants in these buildings frequently change and the trips generated could increase substantially without a corresponding increase in the impact fees.

It is also impossible for staff to determine if a builder is accurately representing the number of employees that will work at the site. Staff recommends that fees be based on the size of the building like most of the other categories. The ITE Trip Manual provides average trips per thousand square feet and average trips per employee. Large warehouses and distribution centers are highly mechanized and do not need many employees. However, they still generate significant truck volume. The large warehouses also consume large parcels of land with significant street frontage that needs to be improved. The fees need to be adequate to pay for the street frontage. Staff is recommending the rates be tiered so that the larger buildings pay less on a square footage basis than the smaller buildings.

Recommended Rates. The rates that are being recommended by Willdan and City staff are presented in **Attachment D**. The exiting rates are included in **Attachment E**.

Residential Rates. Staff is recommending decreasing the residential rate from \$6,504.60 per dwelling unit to \$4,539.00 per dwelling unit. The current fee schedule has categories for Condominium, Mobil Home, Retirement Community, and Residential P.U.D. The proposed fee

schedule will simplify the categories to have; Single Family, Multi Family, and Senior/Assisted. Mobil homes and Residential P.U.D.'s will pay the Single family rate.

Commercial Rates. The proposed fee schedule will reduce the number of commercial categories to have; General Retail less than 125,000 square feet, General Retail over 125,000 square feet, Service Station and Hotel/Motel. All of these categories will be charged by the building size except for Hotel/Motel, which will be based on the number of rooms.

The proposed fees for all of the retail categories except for Hotel/Motel will be lower than the current fee. Most of the retail categories benefit from the Trip Factors that consider trip length and pass-by rate. Hotels and motels do not have many pass-by trips so they do not get lower fees from the Trip Factors. Staff is recommending that some of the discretionary revenues be used to keep the Hotel/Motel fee at the current rate.

New retail development in the downtown core area is currently paying the large Shopping Center rate for over 300,000 square feet. The current rate is \$10,152.79 per 1,000 square feet of building (with in-fill credit \$8,629.87). The proposed rate for the downtown core will be \$7,474.00 per 1,000 square feet (with in-fill credit \$6,352.90). Most, but not all, downtown development meets the criteria to receive in-fill credit.

Office Rates. The current fee schedule has three categories for general offices; under 100,000 square feet, offices from 100,001 to 300,000 square feet, and offices over 300,000 square feet. The fee rate is less for the larger office categories. There are also categories for Medical, Government, and Office Park. The proposed fee schedule has only two office categories; General and Medical/Dental/Government. The office fees would increase if the rate was established by using the ITE trip generation numbers and the cost to build out the circulation system. Staff is recommending that some of the discretionary funds be used to keep the proposed rate at the current level set for General Office under 100,000 square feet. The larger offices and office parks would be paying a higher rate than in the current program. Staff is also recommending using the discretionary revenues to keep the Medical/Dental/Government at the level set for Medical in the current schedule. The proposed rate would be lower for Government buildings that the current rate.

Public Institutional Rates. The proposed schedule will have categories for church buildings and schools in a public institutional section. The current schedule did not include rates for schools. The proposed church rate will be less than the current rate.

Industrial Rates. The proposed industrial rates are changed to be based on building size instead of employees. It is difficult to compare the existing rates based on the number of employees to the proposed rates. Staff is recommending using discretionary revenues to keep the rates for all of the industrial categories lower than they would be if based solely on the ITE trip manual and the cost to complete the circulation system.

The existing fee schedule has categories for; general light, general heavy, industrial park, manufacturing, and warehouse. The proposed rate schedule has categories for small, medium and large industrial buildings. Service commercial developments will have the same rate as small industrial (0-20,000 square feet). The proposed schedule also adds a rate for mini storage facilities.

Staff has evaluated four large distribution facilities (over 500,000 square feet) in Visalia and in Kern County and determined that on the average they have one employee per 3,300 square feet. The current rate is \$1,838.71 per employee so if they had one employee per 3,300 square

feet they would be paying \$557 per 1,000 square feet. This rate will not develop sufficient revenue to build the facilities that are needed to accommodate the truck traffic that these large facilities generate. Staff is recommending that the rate be set at \$1,200 per 1,000 square foot. This rate is over two times the old rate for buildings that have a low number of employees. Smaller industrial buildings would generally have more employees in less area so the increase for the smaller buildings would not be as drastic. The rate based solely on the ITE trip manual, without using any of the discretionary revenues, would be \$2,500 per 1,000 square foot. Staff's recommendation of setting the fee at \$1,200 (for over 500,000 square feet) will significantly reduce the amount of fees that a developer will have to pay. Staff is also recommending that discretionary revenue is used to keep the other industrial categories at competitive rates.

Transition to New Program. Staff recommends that all projects with existing Reimbursement Agreements continue to pay the current higher rate. In many cases the City is obligated by contract to pay these developers for street improvements. It would not be fair to the other developers that contribute to the program to allow these projects to pay the lower fee and still get reimbursed for all of the street improvements. There are approximately twenty projects with reimbursement agreements in place. New projects that are issued a building permit before the effective date of the new fees will pay the current rates and be reimbursed for street improvements per the old program. After the effective date the projects will pay the lower fees and the reimbursements will follow the new program.

Summary. The recommended program keeps rates low by requiring developers to fund improvements that are adjacent to their development but prevents a "saw-tooth road pattern by funding the construction of all of the travel lanes. A public hearing is scheduled for October 6<sup>th</sup> for the Council to hear testimony and initialize the changes. If approved, the new program and rates will be effective December 5<sup>th</sup> after sixty days.

The major elements of the recommendation, however, are:

- 1) Moving from the current full cash funding of arterial and collector street program to partially cash funded and a developer in-kind funded program but retaining an ability to fully complete twenty percent of the streets if not so doing would be very detrimental to the street's use.
- 2) Directing some discretionary transportation revenues to be used as an off-set to the industrial and commercial fees in order to limit increased fees to a pragmatically acceptable level.

Council direction on these items would assist staff in finalizing a staff recommendation.

**Prior Council/Board Actions:**

Certification of Final Environmental Impact Report (FEIR) for the General Plan Circulation Element Update, Resolution No. 2001-19 – May 2, 2001.

Adoption of General Plan Amendment No. 2002-22 relating to the Circulation Element of the General Plan, Resolution No. 2001-20 – April 2, 2001

Increase in the Traffic Impact Fee as recommended by the Circulation Element Update, Resolution No. 2001-23 – April 2, 2001

Resolution No. 2004-76 – Increase in Transportation Impact Fees – August 2, 2004

Resolution No. 2004-117 – Adoption of 2004/2004 Transportation Impact Fee

Resolution No. 2005-        -Suspending the 2004/2005 Transportation Impact Fees and Implementing Modified Fees



**Committee/Commission Review and Actions:** Planning Commission reviewed proposals on May 10, 2004. Citizen's Advisory Committee reviewed proposals on May 5, 2004. Both of these reviews were for fees adopted on October 18, 2004.

**Alternatives:** Continue with current fee schedule.

**Attachments:**

Attachment A - Developer Reimbursement Transportation Impact Fee Policy Framework

Attachment B - Street Cross Section with City and Developer Responsibility

Attachment C - Stakeholder Feedback

Attachment D - Proposed Transportation Impact Fees

Attachment E - Existing Transportation Impact Fees

**City Manager Recommendation:**

**Recommended Motion (and Alternative Motions if expected):**  
Information only, no motion required.

<b><i>Financial Impact</i></b>			
<b>Funding Source:</b>			
<b>Budget Recap:</b>			
Total Estimated cost: \$		New Revenue: \$	
Amount Budgeted: \$		Lost Revenue: \$	
New funding required:\$		New Personnel: \$	
Council Policy Change: Yes_____	No <u>XX</u>		

***Environmental Assessment Status***

**CEQA Review: No**

**NEPA Review: No**

**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

*None*

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** October 6, 2008

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** Status report on Transportation Impact Fees

**Deadline for Action:** Not Applicable.

**Submitting Department:** Public Works Department

**Contact Name and Phone Number:** Andrew Benelli, Public Works Director, 713-4340  
Eric Frost, Finance Director, 713-4474

**Discussion**

On September 2, 2008, City staff presented several recommendations to the City Council to revise the Transportation Impact Fee program. The Council Members supported many of the recommendations but directed staff to consider and study some additional changes. The September 2<sup>nd</sup> report is attached for background information. The Council asked for staff to evaluate:

1. The fee rate if the developers were required to dedicate sufficient right of way to build a parking lane and a traffic lane.
2. The fee rate if half of the discretionary revenue was reserved for local street improvements.
3. The effects of higher residential density.
4. Establishing a fee category for large industrial buildings over 500,000 square feet.
5. Including improvements to Houston between Mooney and Ben Maddox.

**Recommendation**

1. Council Request - The fee rate if the developers were required to dedicate sufficient right of way to build a parking lane and a traffic lane.  
Staff Recommendation – Do not make this change.  
Fee Change – Lowers fees seven percent.

**For action by:**

- City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

- Work Session  
 Closed Session

**Regular Session:**

- Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 20

**Review:**

**Dept. Head** \_\_\_\_\_  
**(Initials & date required)**

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_

**(Initials & date required or N/A)**

**City Mgr** \_\_\_\_\_  
**(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

2. Council Request - The fee rate if half of the discretionary revenue was reserved for local street improvements.  
Staff Recommendation – Reserve half of the discretionary revenue for local street improvements.  
Fee Change – Raises fees fifteen percent.
3. Council Request - The effects of higher residential density.  
Staff Recommendation – Do not make any changes in program at this time.  
Fee Change – Lowers fees by four percent.
4. Council Request - Investigate a fee category for large industrial buildings over 500,000 square feet.  
Staff Recommendation – Include a category for large industrial.  
Fee Change – Raises all other fees by 0.4 percent.
5. Council Request – Include a project to widen Houston between Mooney and Santa Fe to four lanes in the proposed TIF program.  
Staff Recommendation – Include funds for a project that improves traffic flow but limits the neighborhood impacts.  
Fee Change – Raises fees three percent.

## **Right of Way Dedication Requirements**

The current impact fee program reimburses developers for all of the right of way needed to build the Collector and Arterial streets that are in the Circulation Element of the General Plan. Developers dedicate the right of way for all local streets (low volume neighborhood streets) without any payments or fee reductions. In the last report, staff recommended changing the program to require developers to dedicate the right of way needed for the sidewalks and the parking lanes on Collectors and Arterials. In most cases this would be eighteen feet (ten feet for sidewalk and eight for parking lane). For more information see Attachment D from the September 2<sup>nd</sup> staff report. The Council requested that staff evaluate requiring development to dedicate sufficient right of way to build the sidewalk, a parking lane and one travel lane (usually thirty feet total). Staff determined that this change would reduce the City's right of way costs from \$50.5 to \$29.7 million. The fees would be reduced by approximately seven percent.

Staff does not recommend requiring development to dedicate one travel lane for the following reasons:

1. The City can only require right of way dedication if there is a nexus to the development. On some developments, it may be difficult to prove a nexus.
2. Reimbursing for all travel lane right of way is more consistent with the rest of the recommended program. Development will be reimbursed for travel lane construction. Having a single delineation line for pay or no pay is less confusing and easier to administer.
3. Reimbursing for the travel lane will reduce the areas where the roadway changes from two-lanes to one-lane (saw-tooth). If the City is paying for the right of way, then there is no reason to wait to acquire and build. If the development is dedicating, then the tendency is to wait for development.

## **Discretionary Revenues**

The City will receive approximately \$402 million in transportation funds between now and 2030 (build-out). These funds are generated from Gas Tax, Motor Vehicle In-Lieu, Measure R, and from several grant programs. The dollar amount shown does not include trail grants. The estimated transportation revenues that the City expects to receive between now and 2030 are shown below:

<b>Revenue Sources</b>	<b>Estimated Revenue from present to 2030</b>
Motor Vehicle In-lieu Fund	\$17,057,950
Gas Tax Apportionment	\$54,100,300
Street Highway Exchange	\$19,100,300
Federal & State Grants, LTF	\$6,513,200
State Prop 1B	\$3,685,600
Bikeway Grants	\$1,840,000
Measure R Local	\$61,889,458
Measure R Regional & STIP Grants	\$235,421,000
TEA Grants (Trail System)	-0-
Interest Earnings	<u>\$2,715,700</u>
<b>Total</b>	<b>\$402,787,008</b>

The following recommendations were made in the September 2<sup>nd</sup> staff report:

<b>Total Transportation Funds Available</b>	<b>\$ 402,787,008</b>
Street Maintenance	- \$ 73,692,993
Measure R Regional & STIP Grants	- \$ 235,421,000
Existing Deficiencies	<u>- \$ 23,152,739</u>
<b>Available Discretionary Revenue</b>	<b>\$ 70,520,276</b>

Staff recommends that \$73.6 million (\$3.34 million per year) is allocated for street maintenance activities. The average amount spent was \$1.37 million per year in the last seven years before Measure R was adopted. Measure R generates approximately \$2.81 million per year for the local program. Staff is recommending that \$1.97 million per year from Measure R is allocated for maintenance activities. The remaining Measure R annual revenue, \$840,000, would be allocated to either existing deficiencies on Collectors or Arterials or improvements to Local roads (neighborhood streets).

A large amount of the Measure R revenue, \$235 million, is allocated for specific projects. Since most of these specific projects are in the circulation system, these funds help to reduce the transportation impact fee rates. Staff is recommending that \$23 million is allocated for improving existing deficiencies. These funds will be used to improve roadways that lack the capacity to accommodate the current traffic. Impact fees can only be used to correct deficiencies that are caused by new growth.

Approximately \$70 million in transportation funds are available after deducting the recommended amounts for street maintenance, Measure R project specific funds and correcting the existing deficiencies. These funds are being termed "discretionary revenues". Staff recommended allocating the entire \$70 million to the impact fee program in the last staff report.

The Council expressed concerns about funding improvements to local streets. The City has annexed several County islands in the last three years. Many of the County islands have substandard local streets that are in poor repair. The funds allocated for street maintenance are not adequate to rebuild these streets. Council suggested that half of the discretionary revenues be programmed for street improvements on existing local streets. The remaining discretionary revenues will be used to decrease the rates for infill projects, industrial, office and motel projects. This change will increase the impact fees by approximately fifteen percent. Staff agrees with this recommendation. Please see Attachment A for the recommended transportation impact fee rates.

### Higher Density Residential Development

Staff and Willdan evaluated the effects of increasing single family residential densities by ten percent. Higher densities affect the fees in two ways:

1. There will be more dwelling units to share the cost of building the circulation element streets, and
2. The 165k urban boundary will reach built-out at a later date so more transportation revenues will be received from the State and Federal governments.

Increasing the densities by ten percent will cause the number of dwelling units to increase from 29,920 to 31,822. The population will increase from 210,779 to 216,486. The total amount of new trips will increase from 656,563 to 677,544. The rates could be reduced by approximately four percent and the program would still generate sufficient revenue to build the circulation element streets.

The higher densities will result in build-out occurring one year later in 2031. The City receives approximately \$7.4 million per year in transportation revenues (not including Measure R Regional), so the total transportation revenues will increase from the \$402.8 million shown above to \$410.2 million. This results in additional discretionary revenue being available.

<b>Total Transportation Funds Available</b>	<b>\$ 410,257,908</b>
Street Maintenance	- \$ 77,659,457
Measure R Regional & STIP Grants	- \$ 235,421,000
Existing Deficiencies	<u>- \$ 23,152,739</u>
<b>Available Discretionary Revenue</b>	<b>\$ 74,024,712</b>

Half of the discretionary revenue could be allocated (\$37.3 million) to improve the local streets. The other half could be applied to infill projects, industrial, office and motel rates to reduce them to be closer to the amounts that are currently being charged. This would reduce these rates by approximately one percent (in addition to the four percent decrease received from the higher number of dwelling units).

Staff does not recommend adjusting the fees at this time. The growth projections were based on recent residential developments. The fees should not be reduced until there is substantial evidence that development trends have changed. Unless higher densities are mandated by a change to the General Plan, residential development will meet market demands. The fees

should not be reduced until the General Plan is changed and only then if the change mandates higher densities.

### **Large Industrial Buildings**

Several industrial developers testified at the last Council meeting that the proposed fees are substantially higher than they have paid in the past. The current fees are based on the number of employees working in the building. Staff is recommending that the program be changed to set the fees based on the size of the building.

Staff has evaluated two large distribution facilities (over 500,000 square feet) in Visalia and two in Kern County and determined that on the average they have one employee per 3,300 square feet. The current rate is \$1,838.71 per employee so if they had one employee per 3,300 square feet they would be paying \$557 per 1,000 square feet. This rate will not develop sufficient revenue to build the facilities that are needed to accommodate the truck traffic that these large facilities generate. During the September 2<sup>nd</sup> meeting, staff recommended that the fees for industrial buildings larger than 100,000 square feet be set at \$1,414 per 1,000 square feet. This rate is more than two and a half times what they would have paid in the past. The Council directed staff to evaluate setting a category for very large industrial buildings. Staff is recommending a rate of \$1,200 per 1,000 square feet. This rate is still about double the rate that they pay under the current program.

Industrial projects should be paying more in the current fee program. The fee model for the current program indicates that all projects should be paying \$681.11 per trip. Only the residential projects are paying this rate. Industrial projects pay \$472.67 per trip which is converted to \$1,838.71 per employee. Based on the model for the current fee program, the industrial projects should be paying \$2,649.52 per employee. If they were paying the fee indicated by the current model and they had one employee per 3,300 square feet, they would be paying \$1,245 per 1,000 square feet. This amount is very close to the fee that is proposed in the new program.

The fee model for the proposed program indicates the all industrial users should be paying \$3,228. Staff is recommending that discretionary funds are used to reduce all of the industrial rates. The proposed rate for large industries, over 500,000 square feet, is \$1,200 so over half of the calculated fees are being paid with discretionary revenue. The Council has suggested that half of the discretionary revenue is held for local street projects. These funds could also be used to reduce the fees for any single project to be lower than the proposed fee. For instance, if highly desirable industry was considering locating in Visalia, the Council could decide to use some of the discretionary revenues (that were set aside for local streets) to pay part or all of the impact fees as an enticement to get the industry to locate in Visalia.

### **Houston Avenue**

During the September 2<sup>nd</sup> meeting, staff recommended eliminating several circulation element projects from the Transportation Impact Fee program. A project to widen Houston to a four-lane roadway (from Santa Fe to Mooney) was not included in the program. The TIF Task Force and Willdan decided to remove this project because it would require substantial right of way acquisition and would eliminate substantial street parking. Houston will never be an efficient arterial roadway because the high number of driveways creates friction that slows the through traffic. Several Council members expressed concern about not including Houston. Staff has investigated designs for Houston that would improve the traffic conditions without the neighborhood impacts that result from a typical street widening project.

Staff is now recommending that funds for improving Houston be included in the Transportation Impact Fee program. Houston would be improved to carry more traffic but may not have four lanes the entire length. The cost estimate to improve this segment of Houston is \$3.4 million plus \$2.6 million for right of way. The total cost is estimated to be \$6.1 million. This will increase the fees by about three percent.

### Fee Comparison to other Cities

**Table 1: Transportation Impact Fee Comparison**

	<b>Single Family</b>	<b>Apartments Per Unit</b>	<b>Commercial Per 1,000 sf</b>	<b>Office Per 1,000 sf</b>	<b>Industrial Per 1,000 sf</b>
Visalia, Current	\$6,504	\$4,407	\$10,754	\$5,305	\$557
Visalia, Proposed	\$5,404	\$3,795	\$13,341	\$5,305	\$1,919
Bakersfield, Core	\$3,403	\$1,633	\$910	\$884	\$302
Bakersfield, Non-core	\$6,826	\$3,276	\$1,849	\$1,768	\$610
Clovis	\$6,475	\$5,396	\$8,849	\$5,728	\$7,433
Fresno	\$5,430	\$2,975	\$5,862	\$3,334	\$1,087
Hanford	\$2,284	\$1,570	\$9,727	\$1,999	\$1,302
Merced	\$9,483	\$6,844	\$14,423	\$12,617	\$3,606
Modesto	\$10,231	\$7,087	\$18,731	\$10,274	\$3,984
Porterville	\$955	\$647	\$4,678	\$2,459	\$697
Stockton	\$14,288	\$10,417	\$7,948	\$6,198	\$2,531
Tulare	\$1,601	\$1,111	\$3,013	\$2,109	\$1,162
<b>Average w/o Visalia</b>	<b>\$5,543</b>	<b>\$3,723</b>	<b>\$6,908</b>	<b>\$4,306</b>	<b>\$2,065</b>

**Table 2: Reimbursable Road Components by Fee Program**

	<b>Right of Way</b>	<b>Utilities</b>	<b>Street Construction</b>
Visalia, Current	Full	All	Curb to Curb
Visalia, Proposed	Both Travel Lanes	None	Both Travel Lanes
Bakersfield	None	None	Inner Travel Lanes
Clovis	Full	All	Curb to Curb
Fresno	None	None	Shoulder to Shoulder
Hanford	Full	None	Curb to Curb
Merced	Greater than 37 ft	None	Greater than 24 ft
Modesto	Greater than 40 ft	None	Greater than 40 ft
Porterville	Inner Travel Lane	None	Inner Travel Lane
Stockton	None	None	Greater than 144 ft
Tulare	Inner Travel Lane	None	Inner Travel Lane

**Table 3: Fee and Reimbursement Comparison for 10,000 S.F. Industrial Building**



	Fee	Reimbursement to Developer	
		Right of Way	Improvements
Visalia (Proposed)	\$22,780	Both Travel Lanes	Both Travel Lanes
Tulare	\$11,620	Inner Travel Lanes	Inner Travel Lanes
Fresno	\$10,870	None	Shoulder to Shoulder
Bakersfield	\$6,100	None	Inner Travel Lane

**Table 4: Fee and Reimbursement for a 500,000 S.F. Industrial Building**

	Fee	Reimbursement to Developer	
		Right of Way	Improvements
Visalia (Proposed)	\$600,000	Both Travel Lanes	Both Travel Lanes
Tulare	\$581,000	Inner Travel Lanes	Inner Travel Lanes
Fresno	\$543,500	None	Shoulder to Shoulder
Bakersfield	\$305,000	None	Inner Travel Lane

## Conclusion

The City Council directed staff to investigate five modifications to the Transportation Impact Fee Program. The five modifications are listed below with the staff recommendation and the effects of the changes to the fees.

6. Council Request - The fee rate if the developers were required to dedicate sufficient right of way to build a parking lane and a traffic lane.  
Staff Recommendation – Do not make this change.  
Fee Change – Lowers fees seven percent.
7. Council Request - The fee rate if half of the discretionary revenue was reserved for local street improvements.  
Staff Recommendation – Reserve half of the discretionary revenue for local street improvements.  
Fee Change – Raises fees fourteen percent.
8. Council Request - The effects of higher residential density.  
Staff Recommendation – Do not make any changes in program at this time.  
Fee Change – Lowers fees by four percent.
9. Council Request - Investigate a fee category for large industrial buildings over 500,000 square feet.  
Staff Recommendation – Include a category for large industrial.  
Fee Change – Raises all other fees by 0.4 percent.
10. Council Request – Include a project to widen Houston between Mooney and Santa Fe to four lanes in the proposed TIF program.

Staff Recommendation – Include funds for a project that improves traffic flow but limits the neighborhood impacts.

Fee Change – Raises fees one and one-half percent.

A Public Hearing is planned for November 3. The Council will be asked to hear public testimony and consider the recommended fee program. Staff would like suggestions from the Council to modify the recommended fee program.

**Prior Council/Board Actions:**

Certification of Final Environmental Impact Report (FEIR) for the General Plan Circulation Element Update, Resolution No. 2001-19 – May 2, 2001.

Adoption of General Plan Amendment No. 2002-22 relating to the Circulation Element of the General Plan, Resolution No. 2001-20 – April 2, 2001

Increase in the Traffic Impact Fee as recommended by the Circulation Element Update, Resolution No. 2001-23 – April 2, 2001

Resolution No. 2004-76 – Increase in Transportation Impact Fees – August 2, 2004

Resolution No. 2004-117 – Adoption of 2004/2004 Transportation Impact Fee

Resolution No. 2005- -Suspending the 2004/2005 Transportation Impact Fees and Implementing Modified Fees

**Committee/Commission Review and Actions:** Planning Commission reviewed proposals on May 10, 2004. Citizen's Advisory Committee reviewed proposals on May 5, 2004. Both of these reviews were for fees adopted on October 18, 2004.

**Alternatives:** Continue with current fee schedule.

**Attachments:**

Attachment A - Proposed Transportation Impact Fees

Attachment B – September 2<sup>nd</sup> Staff Report on Transportation Impact Fees

**Recommended Motion (and Alternative Motions if expected):**

Information only, no motion required.

***Financial Impact***

**Funding Source:**

**Budget Recap:**

Total Estimated cost: \$	New Revenue: \$
Amount Budgeted: \$	Lost Revenue: \$
New funding required:\$	New Personnel: \$
Council Policy Change: Yes_____	No <u>XX</u>

***Environmental Assessment Status***

**CEQA Review: No**

**NEPA Review: No**

**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

*None*

# City of Visalia Agenda Item Transmittal

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 10

**Agenda Item Wording:**

**Appeal by the Don Nelson of the Planning Commission's approval of Conditional Use Permit No. 2008-29:** a request by Kornwasser Shopping Center Properties, LLC (Canby Architecture Studio, Agent) to construct a 6,490 sq. ft. automated and hand car wash facility with three (3) lube bays for oil changes and one bay for automobile detailing. The site is zoned C-CM (Community Shopping Center) and is located within the Pavilion Shopping Center (i.e., Winco Shopping Center). The project site is located on the south side of W. Caldwell Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-008) **Resolution 2008-57 required.**

**Deadline for Action:** November 17, 2008.

**Submitting Department:** Community Development - Planning

**Contact Name and Phone Number:**

Paul Bernal, Associate Planner, 713-4636  
Fred Brusuelas, AICP, Asst. Director Community Devt, 713-4364

**Recommendation:** It is recommended that the City Council adopt the resolution upholding the approval by the Planning Commission on October 13, 2008, and deny the appeal. This recommendation is based on City staff's conclusions that the Planning Commission's approval is consistent with the adopted Commission review and approval process in Section 17.38 of the Visalia Municipal Code, and with previous Planning Commission actions on similar projects.

**Background:** On October 13, 2008, the Planning Commission approved Conditional Use Permit No. 2008-29 by a 4-1 vote (Commissioner Soltesz abstained). The Conditional Use Permit is a request to construct a 6, 490 sq. ft. two-story hand washed and machined rinsed car wash. Entry into the car wash facility allows for 17 automobiles to queue. There will also be three lube bays for oil changes and one bay for car detailing. The site will also incorporate three outdoor area's dedicated to automobile detailing and 16 spaces used for hand drying.

The building will have an indoor waiting lobby area in addition to an outdoor patio area. The interior of the building will also provide for limited retail sale items associated with interior car care. The second story will be used for the manager's office. A service basement for the oil lube service is also proposed which is used to service automobiles from below grade.

The Operational Statement indicates that there will be approximately 5 to 12 employees per shift depending on the time of day. The car wash facility will be open Monday through Friday from 7:00 am to 7:00 pm and from 7:00 am to 8:00 pm on Saturday and Sunday.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 30

**Review:**

Dept. Head \_\_\_\_\_  
(Initials & date required)

Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required or N/A)

City Mgr \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**Appeal:** On October 20, 2008, Staff received an appeal from Don Nelson (see Exhibit 1). The reasons identified in the appeal are as follows:

*Issue #1:* The appellant was not properly notified and therefore was unable to attend the Planning Commission hearing.

*Issue #2:* City Staff did not assess the potential economic affects of locating another “similar use” within proximity to the Auto Oil Changers located on the northeast corner of Demaree St. and Caldwell Ave., approximately 850 feet from the subject site.

***Response to Issue #1:***

*Visalia Zoning Ordinance and Government Code Requirements:* Section 17.38.080.B of the Visalia Zoning Ordinance requires that City Staff provide a mailed notice of upcoming public hearings to property owners within 300 feet of the boundary of proposed projects 10 days prior to the public hearing. In addition, City ordinance requires that all public hearings be published in a newspaper of general circulation (i.e., Visalia Times Delta) a minimum of 10 days prior to the date of the hearing (Section 17.38.080.B of the VMC).

It is noted that the City’s noticing procedures conform to the State of California, Government Code 65091, which outlines noticing requirement for public hearings.

*Project Specific Noticing Requirements:* In accordance with the Visalia Zoning Ordinance, staff mailed a notice to all property owners within 300 feet of the subject site via the United States Postal Service on September 18, 2008, 24 days prior to the public hearing. After further researching the appellant’s concern, it was determined that their property and business are located approximately 850 feet from the site roughly 550 feet outside the required mailing radius as shown in Exhibit B, the 300 foot radius map for mailing. The Planning Commission Public Hearing for the CUP was properly advertised in the Visalia Times Delta newspaper 10 days prior to the public meeting date.

It is further noted that that the City of Visalia, per City policy, provides public hearing notices for individuals that request such notices. The appellant had not requested to be included in the Planning Commission mailing noticing for CUP No. 2008-029.

***Response to Issue #2:***

*Land Use Compatibility:* Per the appellant’s appeal letter, states that they are concerned that staff, as part of their review of the CUP, failed to analyze the economic impacts that the proposed car wash and lube business may have on the existing Auto Oil Changers business, which is owned by the appellant. The appellant’s contends that the approval of a similar use would create a proliferation of like uses in the immediate area.

Although the City is responsive to concerns regarding continued commercial and industrial economic viability, there is no prerequisite that would have required the applicant to submit an economic analysis detailing potential effects that a new business would have on similarly established businesses found throughout community. As a result, staff analyzes projects potential impacts as related to land use compatibility, potential environment impacts and determining if a project is detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

During the Site Plan Review process, and subsequent review and approval of the CUP for the proposed car wash and lube building, staff determined that the use is compatible in the community commercial center because any potential impacts where addressed in staff’s SPR

comments and conditioned with the CUP application. Furthermore, the proposed use is consistent with Land Use Element policies of the General Plan, Demaree/Caldwell Specific Plan and the Zoning Ordinance.

The following is a synopsis of objectives and polices which relate to accommodating and encouraging new commercial activities and development within the City of Visalia and more particularly in commercial shopping nodes:

***Land Use Objective 3.1.D: Create and maintain a commercial land use classification system (including location and development criteria) which is responsive to the needs of shoppers, maximizing accessibility and minimizing trip length.***

The proposed location for the car wash and lube business meets this object. By locating in the Visalia Pavilion Shopping Center, which provides for commercial goods and services to the residences of the southwest portion of the community, there is a greater likelihood that shoppers will combine vehicle trips because of the goods and services are accessible in one convenient location. The shopping center and more notably land use and zoning designation, allow for a mixture of commercial services (i.e., grocery store, restaurants, car wash, tutoring center, gymnasium, etc.) to be grouped together rather than having uses segregated which can lead to unnecessary vehicle trips traveled by shoppers looking for one-stop shopping conveniences.

***Land Use Policy 3.5.1: Ensure that future commercial development is concentrated in shopping districts and nodes to discourage expansion of new strip commercial development.***

The location of the car wash and lube business is consistent with the policy identified above. Rather than locating the proposed business in an area that could have impacts on existing infrastructure and the environment, the applicant is proposing to establish their business in a location that is developing with a mixture of commercial goods and services that can further attract supporting activities such as daily commercial retail and business related services. In addition, locating this use in a shopping center node preserves employment opportunities and economic activity that support the community shopping centers efforts to remain vital and vibrant.

Based on the evidence in the record, the Planning Commission concluded that this project complies with the General Plan, Demaree/Caldwell Specific Plan and the Zoning Ordinance. Furthermore, staff's analysis was thorough, consistent and addressed potential land use issues as they relate to the General Plan, Demaree/Caldwell Specific Plan and the Zoning Ordinance.

**Prior Council/Board Actions:** None.

**Committee/Commission Review and Actions:** The Planning Commission held a public hearing on October 13, 2008, approving Conditional Use Permit No. 2008-29 on a 4-0-1 vote (Commissioners Soltész – abstained).

**Alternatives:**

The City Council may:

1. Affirm the decision of the Planning Commission but modify the approval with added or revised conditions on CUP No. 2008-29; or
2. Overturn the decision of the Planning Commission and deny CUP No. 2008-29.

**Attachments:**

- Resolution denying appeal and upholding approval of CUP No. 2008-29
- Exhibit "A" – Appellant's Appeal of Planning Commission Action
- Exhibit "B" – 300 foot Mailing Notice Map
- Exhibit "C" – Planning Commission staff report dated October 13, 2008
- General Plan Land Use Map
- Zoning Map
- Aerial Photo
- Location Sketch

**Recommended Motion:** I move to deny the appeal and uphold the Planning Commission's approval of Conditional Use Permit No. 2008-29.

**Alternative Motions (if expected)**

I move to uphold the appeal and deny Conditional Use Permit No. 2008-29.

***Environmental Assessment Status***

**CEQA Review:** Certified Mitigated Negative Declaration No. 2008-50

**NEPA Review:** None

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Planning Commission  
Applicant  
Appellant

RESOLUTION NO. 2008-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA DENYING THE APPEAL AND UPHOLDING THE PLANNING COMMISSION'S APPROVAL OF CONDITIONAL USE PERMIT NO. 2008-29, A REQUEST BY KORNWASSER SHOPPING CENTER PROPERTIES, LLC (CANBY ARCHITECTURE STUDIO, AGENT) TO CONSTRUCT A 6,490 SQ. FT. AUTOMATED AND HAND CAR WASH FACILITY WITH THREE (3) LUBE BAYS FOR OIL CHANGES AND ONE BAY FOR AUTOMOBILE DETAILING. THE SITE IS ZONED C-CM (COMMUNITY SHOPPING CENTER) AND IS LOCATED WITHIN THE VISALIA PAVILION SHOPPING CENTER (I.E., WINCO SHOPPING CENTER). THE PROJECT SITE IS LOCATED ON THE SOUTH SIDE OF W. CALDWELL AVE. BETWEEN S. DEMAREE AND S. CHINOWTH ST. IN BETWEEN SONIC BURGER TO THE EAST AND LA PALAPA RESTAURANT TO THE WEST, CITY OF VISALIA, COUNTY OF TULARE.  
(APN: 119-730-002)

**WHEREAS**, Conditional Use Permit No. 2008-29 a request by Kornwasser Shopping Center Properties, LLC (Canby Architecture Studio, Agent) to construct a 6,490 sq. ft. automated and hand car wash facility with three (3) lube bays for oil changes and one bay for automobile detailing. The site is zoned C-CM (Community Shopping Center) and is located within the Visalia Pavilion Shopping Center (i.e., Winco Shopping Center). The project site is located on the south side of W. Caldwell Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002); and

**WHEREAS**, the Planning Commission of the City of Visalia, after duly published notice did hold a public hearing before said Commission on October 13, 2008; and

**WHEREAS**, the Planning Commission of the City of Visalia, after conducting a public hearing, approved Conditional Use Permit No. 2008-29; and

**WHEREAS**, an appeal of the Planning Commission's approval of Conditional Use Permit No. 2008-29 pertaining to error or abuse of discretion by the Planning Commission in its action and pertaining to the Commission's actions not being supported by evidence in the record was received on October 20, 2008; and

**WHEREAS**, the City Council of the City of Visalia, after ten (10) days published notice held a public hearing before said Council on November 17, 2008; and

**WHEREAS**, the City Council finds the approval of Conditional Use Permit No. 2008-29 was made in accordance with Chapter 17.38 (Conditional Use Permits) of the City of Visalia, based on the evidence contained in the staff report and testimony presented at the public hearing.

**NOW, THEREFORE, BE IT RESOLVED**, that Mitigated Negative Declaration No. 2008-50 was prepared consistent with the California Environmental Quality Act and City of Visalia Environmental Guidelines.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Visalia makes the following specific findings based on the evidence presented:

1. That the proposed project, as conditioned, will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
2. That the proposed conditional use permit is consistent with the policies and intent of the General Plan, Demaree/Caldwell Specific Plan and Zoning Ordinance. Specifically, the project is consistent with the required findings of Zoning Ordinance Section 17.38.110:



- The proposed location of the conditional use permit is in accordance with the objectives of the Zoning Ordinance and the purposes of the zone in which the site is located.
  - The proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, nor materially injurious to properties or improvements in the vicinity
3. That an Initial Study was prepared for this project, consistent with CEQA, which disclosed that environmental impacts are determined to be not significant with mitigation incorporated into the project, and that Mitigated Negative Declaration No. 2008-50, incorporating the Mitigation Measures, is hereby adopted.

**BE IT FURTHER RESOLVED** that the City Council denies the appellants appeal and upholds the approval of the Conditional Use Permit on the real property here in above described in accordance with the terms of this resolution under the provisions of Section 17.38.110 of the Ordinance Code of the City of Visalia, subject to the following conditions:

1. That the Conditional Use Permit be developed consistent with the comments and conditions of Site Plan Review No. 2008-074.
2. That the use be operated in substantial compliance with the site plan shown in Exhibit "A" and the Operational Statement, unless otherwise conditioned herein, in Exhibit "B".
3. That the building elevations be developed similar to those provided in Exhibit "F" through "J".
4. That the Noise Analysis mitigation measures, one thru five, provided in Exhibit "E" be installed as a part of this project, and maintained for the life of the carwash facility.
5. That a landscape and irrigation plan be submitted with the building permit, designed by a professional landscape architect.
6. All new building signage shall require a separate building permit.
7. That all applicable federal, state and city laws, codes and ordinances be met.
8. That the applicant submit to the City of Visalia a signed receipt and acceptance of conditions from the applicant and property owner, stating that they understand and agree to all the conditions of Conditional Use Permit No. 2008-29.

Exhibit "A"

October 20, 2008

Honorable Mayor Gamboa  
City Clerk  
425 E. Oak Avenue, Ste 301  
Visalia, CA 93291



Honorable Mayor and Council Members:

Please accept this letter as a formal request to appeal the carwash use permit 2008-09, to construct an automated carwash & oil change facility on the west side of Demaree, south of Caldwell Avenue.

My biggest concern is that the planning commission considered and approved the matter without notifying me or receiving testimony to understand my concerns. I own the Auto Oil Changers across the street and I cannot help but wonder, how many carwashes and oil change facilities one intersection is can absorb? The staff report does not even mention or analyze our commercial operation at all.

I would respectfully request that you redirect the issue for reconsideration to the planning commission or take up the matter on appeal.

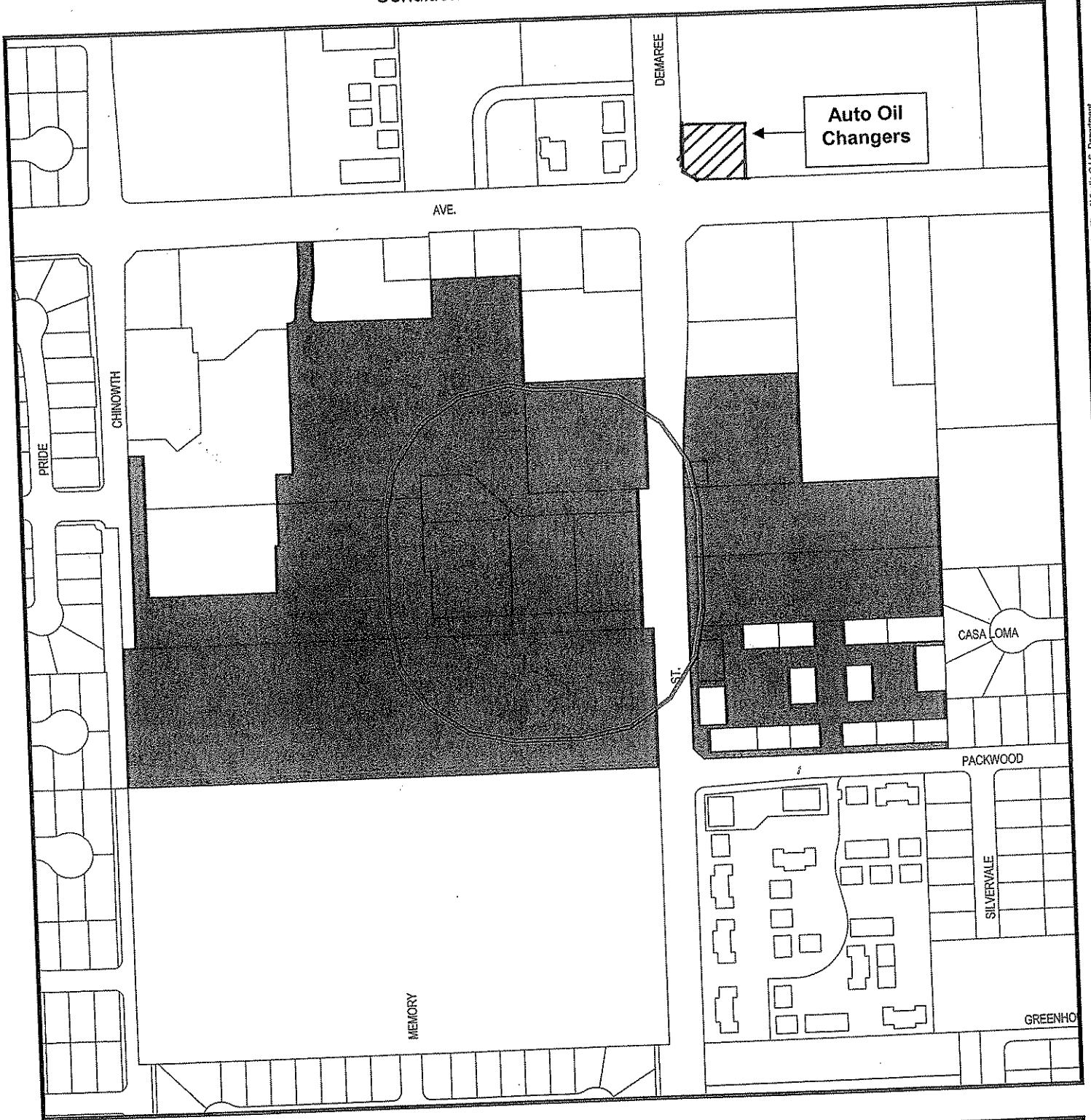
Sincerely

*Don Nelson*  
Don Nelson

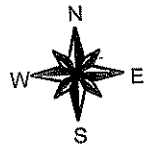
Auto Oil Changers

Exhibit "B"

City of Visalia  
Conditional Use Permit No. 2008-29



CITY LIMITS  
 WATERWAYS  
 PARCELS



This map shall not be copied or reproduced in any form without the express written consent of the City of Visalia C.U.S. Department.

## **Exhibit C**

# **Planning Commission Report**

**REPORT TO CITY OF VISALIA PLANNING COMMISSION**

**HEARING DATE:** October 13, 2008

**PROJECT PLANNER:** Paul Bernal, Associate Planner  
Phone No.: (559) 713-4025

**SUBJECT:** Conditional Use Permit No. 2008-29: is a request by Kornwasser Shopping Center Properties, LLC (Canby Architecture Studio, Agent) to construct a 6,490 sq. ft. automated and hand car wash facility with three (3) lube bays for oil changes and one bay for automobile detailing. The site is zoned C-CM (Community Shopping Center) and is located within the Pavilion Shopping Center (i.e., Winco Shopping Center). The project site is located on the south side of W. Cameron Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002)

### STAFF RECOMMENDATION

Staff recommends approval of Conditional Use Permit No. 2008-29 based upon the findings and conditions in Resolution No. 2008-65. Staff's recommendation is based on the conclusion that the request is consistent with the General Plan, Demaree/Caldwell Specific Plan and Zoning Ordinance.

### RECOMMENDED MOTION

I move to approve Conditional Use Permit No. 2008-29 based on the findings and conditions in Resolution No. 2008-65.

### PROJECT DESCRIPTION

Conditional Use Permit No. 2008-29, filed by Canby Architecture Studio, Agent, on behalf of Kornwasser Shopping Center Properties, LLC, is a request to construct a 6,490 sq. ft. two-story hand washed and machined rinsed car wash. Entry into the car wash facility allows for 17 automobiles to queue. There will also be three lube bays for oil changes and one bay for car detailing. The site will also incorporate three outdoor area's dedicated to automobile detailing and 16 spaces used for hand drying as depicted in Exhibit "A".

The building will have an indoor waiting lobby area in addition to an outdoor patio area. The interior of the building will also provide for limited retail sale items associated with interior car care. The second story will be used for the manager's office. A service basement for the oil lube service is also proposed which is used to service automobiles from below grade (see Exhibits "B" and "C").

The Operational Statement (see Exhibit "D"), indicates that there will be approximately 5 to 12 employees per shift depending on the time of day. The car wash facility will be open Monday through Friday from 7:00 am to 7:00 pm and from 7:00 am to 8:00 pm on Saturday and Sunday.

## BACKGROUND INFORMATION

General Plan Land Use Designation: Community Commercial  
Zoning: C-CM (Community Commercial)  
Surrounding Land Uses and Zoning: North: C-CM / shopping center  
South: R-M-2 / Vacant property  
East: C-CM / Sonic Burger  
West: C-CM / Winco Grocery store & restaurant  
Environmental Review: Mitigated Negative Declaration No. 2008-50  
Special Districts: Design District "J"  
Site Plan: 2008-074

## RELATED PROJECTS

CUP No. 2001-50, approved by the Visalia Planning Commission on April 8, 2002 (per Resolution No. 2002-53), was a request to allow a full service car wash in the Caldwell 51 Specific Plan. The site is located on the south side of W. Caldwell Ave. between Stonebrook and Packwood Creek.

CUP No. 2002-04, approved by the Visalia Planning Commission on February 25, 2002 (per Resolution No. 2002-22), was a request for a conditional use permit to allow a planned commercial development with shared access and parking and several conditional uses. The proposed conditional uses include the following: a combined gas station/convenience store/car wash, a drive through coffee kiosk, two fast food restaurants with drive-thrus, and an 85-room hotel. The site is located on the corner of Akers Street and State Highway 198.

CUP No. 2007-18, approved by the Visalia Planning Commission on August 27, 2007 (per Resolution No. 2007-66), was a request by Luis Gomez to construct a self service car wash in the Commercial Shopping Office zone. The site is located on the northeast corner of W. Houston Ave. and N. Giddings St. (i.e., 1220 W. Houston Ave.)

## PROJECT EVALUATION

Staff recommends approval of the Conditional Use Permit No. 2008-29, as conditioned, based on the project's consistency with the General Plan, Demaree/Caldwell Specific Plan and the Zoning Ordinance.

### Land Use Compatibility

Car wash facilities are considered compatible uses in community commercial centers where potential impacts can be addressed through the CUP process. In this case the project is adjacent to property that is planned and zoned for multi-family residential development to the south and retail commercial businesses to the north, east and west. The applicant has prepared a noise study to show that the existing seven-foot high wall provides noise mitigation. In addition, to ensure that community noise standards are met for the proposed project, the project site shall be developed and shall operate in substantial compliance with the Mitigation Measures contained in Mitigated Negative Declaration No. 2008-50.

## Noise

The applicant prepared a noise analysis for this project which is included as a part of the Mitigated Negative Declaration. The proposed car wash site is adjacent to property that is planned and zoned for multi-family residential development. This property is located to the south of the project site and is currently vacant. Because residential property is considered a Noise Sensitive Land Use, the noise study was conducted to identify and mitigate noise issues that may arise with the car wash facility and the future development of the multi-family residential property. The noise study calls for the car wash to use sound reduction techniques to reduce noise impacts to a level of non-significance. The mitigation measures from the noise analysis are provided in Exhibit "E" and are incorporated into the project conditions of approval as identified in Condition No. 4 of this report.

## Parking

A shopping center is required to have one parking space for every 225 square feet of floor area. The car wash facility is proposing to provide 10 parking spaces for employees located at the south end of the site (as depicted on Exhibit "A"). The shopping center has a recorded cross access and shared parking agreement for all parcels located within the shopping center thereby meeting the parking requirements for all uses proposed and/or existing within the Visalia Pavilion Shopping Center.

## Landscaping

The site plan shows landscaping for the site which includes hedges and trees along the perimeter of the site. Staff has included a condition requiring that the landscaping depicted on the site plan be planted as identified and that the trees proposed comply with the City's approved tree list.

## Building Elevations

Exhibits "F" through "J" provide typical building elevations proposed for the car wash facility. The elevation depicts a pitched roof for the second story portion of the structure, metal roofing, tile wainscot, and plastered walls and columns. Staff has included Condition No. 3 of the Conditions of Approval for CUP No. 2008-29, requiring that the building elevations be developed as those provided in Exhibits "F" through "J".

## Environmental Review

An Initial Study was prepared for this project, consistent with the California Environmental Quality Act (CEQA). The Initial Study disclosed the potential for a significant, adverse environmental impact related to noise, which may occur during the use of the carwash facility adjacent to property that is planned and zoned for multi-family development located approximately 45-ft to the south of the site. The Mitigated Negative Declaration circulated for this project (see attachment) contains Mitigation Measures incorporated into the project based upon a noise study which requires the use of the best available car wash noise controls. The mitigation contained in the project shall effectively reduce the environmental impact of noise to a level that is less than significant. Therefore, staff recommends that Mitigated Negative Declaration No. 2008-50 be adopted for this project.

## RECOMMENDED FINDINGS

1. That the proposed project will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
2. That the proposed conditional use permit is consistent with the policies and intent of the General Plan, Caldwell/Demaree Specific Plan and Zoning Ordinance. Specifically, the project is consistent with the required finding of the Zoning Ordinance Section 17.38.110:
  - The proposed location of the conditional use permit is in accordance with the objectives of the Zoning Ordinance and the purposes of the zone in which the site is located.
  - The proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, nor materially injurious to properties or improvements in the vicinity.
3. That an Initial Study was prepared for this project, consistent with CEQA, which disclosed that environmental impacts are determined not significant with mitigation incorporated into the project, and that Mitigated Negative Declaration No. 2008-50, incorporating the Mitigation Measures, is hereby adopted.

## RECOMMENDED CONDITIONS OF APPROVAL

1. That the Conditional Use Permit be developed consistent with the comments and conditions of Site Plan Review No. 2008-074.
2. That the use be operated in substantial compliance with the site plan shown in Exhibit "A" and the Operational Statement, unless otherwise conditioned herein, in Exhibit "B".
3. That the building elevations be developed similar to those provided in Exhibit "F" through "J".
4. That the Noise Analysis mitigation measures, one thru five, provided in Exhibit "E" be installed as a part of this project, and maintained for the life of the carwash facility.
5. That a landscape and irrigation plan be submitted with the building permit, designed by a professional landscape architect.
6. All new building signage shall require a separate building permit.
7. That all applicable federal, state and city laws, codes and ordinances be met.
8. That the applicant submit to the City of Visalia a signed receipt and acceptance of conditions from the applicant and property owner, stating that they understand and agree to all the conditions of Conditional Use Permit No. 2008-29.

## APPEAL INFORMATION

According to the City of Visalia Zoning Ordinance Section 17.02.145, an appeal to the City Council may be submitted within ten days following the date of a decision by the Planning Commission. An appeal shall be in writing and shall be filed with the City Clerk at 425 E. Oak Avenue, Suite 301, Visalia, CA 93291. The appeal shall specify errors or abuses of discretion by the Planning Commission, or decisions not supported by the evidence in the record.



Attachments:

- Related Plans & Policies
- Resolution No. 2008-65
- Exhibit "A" – Site Plan
- Exhibits "B" Operational Statement
- Exhibits "C" & "D" – Floor Plan
- Exhibit "E" – Noise Analysis
- Exhibits "F" through "J" – Building Elevations
- Mitigated Negative Declaration No. 2008-50
- Site Plan Review Comments
- General Plan Land Use Map
- Zoning Map
- Aerial Map
- Vicinity Map

## Related Plans & Policies

### Conditional Use Permits

(Section 17.38)

#### **17.38.010 Purposes and powers.**

In certain zones conditional uses are permitted subject to the granting of a conditional use permit. Because of their unusual characteristics, conditional uses require special consideration so that they may be located properly with respect to the objectives of the zoning ordinance and with respect to their effects on surrounding properties. In order to achieve these purposes and thus give the zone use regulations the flexibility necessary to achieve the objectives of this title, the planning commission is empowered to grant or deny applications for conditional use permits and to impose reasonable conditions upon the granting of such permits. (Prior code § 7525)

#### **17.38.020 Application procedures.**

- A. Application for a conditional use permit shall be made to the planning commission on a form prescribed by the commission which shall include the following data:
1. Name and address of the applicant;
  2. Statement that the applicant is the owner of the property or is the authorized agent of the owner;
  3. Address and legal description of the property;
  4. The application shall be accompanied by such sketches or drawings as may be necessary by the planning division to clearly show the applicant's proposal;
  5. The purposes of the conditional use permit and the general description of the use proposed;
  6. Additional information as required by the historic preservation advisory committee.
- B. The application shall be accompanied by a fee set by resolution of the city council sufficient to cover the cost of handling the application. (Prior code § 7526)

#### **17.38.030 Lapse of conditional use permit.**

A conditional use permit shall lapse and shall become void twenty-four (24) months after the date on which it became effective, unless the conditions of the permit allowed a shorter or greater time limit, or unless prior to the expiration of twenty-four (24) months a building permit is issued by the city and construction is commenced and diligently pursued toward completion on the site which was the subject of the permit. A permit may be renewed for an additional period of one year; provided, that prior to the expiration of twenty-four (24) months from the date the permit originally became effective, an application for renewal is filed with the planning commission. The commission may grant or deny an application for renewal of a conditional use permit. In the case of a planned residential development, the recording of a final map and improvements thereto shall be deemed the same as a building permit in relation to this section. (Ord. 2001-13 § 4 (part), 2001: prior code § 7527)

#### **17.38.040 Revocation.**

Upon violation of any applicable provision of this title, or, if granted subject to a condition or conditions, upon failure to comply with the condition or conditions, a conditional use permit shall be suspended automatically. The planning commission shall hold a public hearing within sixty (60) days, in accordance with the procedure prescribed in Section 17.38.080, and if not satisfied that the regulation, general provision or condition is being complied with, may revoke the permit or take such action as may be necessary to insure compliance with the regulation, general provision or condition. Appeals of the decision of the planning commission may be made to the city council as provided in Section 17.38.120. (Prior code § 7528)

### **17.38.050 New application.**

Following the denial of a conditional use permit application or the revocation of a conditional use permit, no application for a conditional use permit for the same or substantially the same conditional use on the same or substantially the same site shall be filed within one year from the date of denial or revocation of the permit unless such denial was a denial without prejudice by the planning commission or city council. (Prior code § 7530)

### **17.38.060 Conditional use permit to run with the land.**

A conditional use permit granted pursuant to the provisions of this chapter shall run with the land and shall continue to be valid upon a change of ownership of the site or structure which was the subject of the permit application subject to the provisions of Section 17.38.065. (Prior code § 7531)

### **17.38.065 Abandonment of conditional use permit.**

If the use for which a conditional use permit was approved is discontinued for a period of one hundred eighty (180) days, the use shall be considered abandoned and any future use of the site as a conditional use will require the approval of a new conditional use permit.

### **17.38.070 Temporary uses or structures.**

- A. Conditional use permits for temporary uses or structures may be processed as administrative matters by the city planner and/or planning division staff. However, the city planner may, at his/her discretion, refer such application to the planning commission for consideration.
- B. The city planner and/or planning division staff is authorized to review applications and to issue such temporary permits, subject to the following conditions:
  1. Conditional use permits granted pursuant to this section shall be for a fixed period not to exceed thirty (30) days for each temporary use not occupying a structure, including promotional enterprises, or six months for all other uses or structures.
  2. Ingress and egress shall be limited to that designated by the planning division. Appropriate directional signing, barricades, fences or landscaping shall be provided where required. A security officer may be required for promotional events.
  3. Off-street parking facilities shall be provided on the site of each temporary use as prescribed in Section 17.34.020.
  4. Upon termination of the temporary permit, or abandonment of the site, the applicant shall remove all materials and equipment and restore the premises to their original condition.
  5. Opening and closing times for promotional enterprises shall coincide with the hours of operation of the sponsoring commercial establishment. Reasonable time limits for other uses may be set by the city planner and planning division staff.
  6. Applicants for a temporary conditional use permit shall have all applicable licenses and permits prior to issuance of a conditional use permit.
  7. Signing for temporary uses shall be subject to the approval of the city planner.
  8. Notwithstanding underlying zoning, temporary conditional use permits may be granted for fruit and vegetable stands on properties primarily within undeveloped agricultural areas. In reviewing applications for such stands, issues of traffic safety and land use compatibility shall be evaluated and mitigation measures and conditions may be imposed to ensure that the stands are built and are operated consistent with appropriate construction standards, vehicular access and off-street parking. All fruits and vegetables sold at such stands shall be grown by the owner/operator or purchased by said party directly from a grower/farmer.
- C. The applicant may appeal an administrative decision to the planning commission. (Ord. 9605 § 30 (part), 1996: prior code § 7532)

**17.38.080 Public hearing--Notice.**

- A. The planning commission shall hold at least one public hearing on each application for a conditional use permit.
- B. Notice of the public hearing shall be given not less than ten days nor more than thirty (30) days prior to the date of the hearing by mailing a notice of the time and place of the hearing to property owners within three hundred (300) feet of the boundaries of the area occupied or to be occupied by the use which is the subject of the hearing, and by publication in a newspaper of general circulation within the city. (Prior code § 7533)

**17.38.090 Investigation and report.**

The planning staff shall make an investigation of the application and shall prepare a report thereon which shall be submitted to the planning commission. (Prior code § 7534)

**17.38.100 Public hearing--Procedure.**

At the public hearing the planning commission shall review the application and the statement and drawing submitted therewith and shall receive pertinent evidence concerning the proposed use and the proposed conditions under which it would be operated or maintained, particularly with respect to the findings prescribed in Section 17.38.110. The planning commission may continue a public hearing from time to time as it deems necessary. (Prior code § 7535)

**17.38.110 Action by planning commission.**

- A. The planning commission may grant an application for a conditional use permit as requested or in modified form, if, on the basis of the application and the evidence submitted, the commission makes the following findings:
  - 1. That the proposed location of the conditional use is in accordance with the objectives of the zoning ordinance and the purposes of the zone in which the site is located;
  - 2. That the proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.
- B. A conditional use permit may be revocable, may be granted for a limited time period, or may be granted subject to such conditions as the commission may prescribe. The commission may grant conditional approval for a permit subject to the effective date of a change of zone or other ordinance amendment.
- C. The commission may deny an application for a conditional use permit. (Prior code § 7536)

**17.38.120 Appeal to city council.**

The decision of the City planning commission on a conditional use permit shall be subject to the appeal provisions of Section 17.02.145. (Prior code § 7537) (Ord. 2006-18 § 6, 2007)

**17.38.130 Effective date of conditional use permit.**

A conditional use permit shall become effective immediately when granted or affirmed by the council, or upon the sixth working day following the granting of the conditional use permit by the planning commission if no appeal has been filed. (Prior code § 7539)

RESOLUTION NO. 2008-65

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF VISALIA APPROVING CONDITIONAL USE PERMIT NO. 2008-29, A REQUEST BY KORNWASSER SHOPPING CENTER PROPERTIES, LLC (CANBY ARCHITECTURE STUDIO, AGENT) TO CONSTRUCT A 6,490 SQ. FT. AUTOMATED AND HAND CAR WASH FACILITY WITH THREE (3) LUBE BAYS FOR OIL CHANGES AND ONE BAY FOR AUTOMOBILE DETAILING. THE SITE IS ZONED C-CM (COMMUNITY SHOPPING CENTER) AND IS LOCATED WITHIN THE VISALIA PAVILION SHOPPING CENTER (I.E., WINCO SHOPPING CENTER). THE PROJECT SITE IS LOCATED ON THE SOUTH SIDE OF W. CAMERON AVE. BETWEEN S. DEMAREE AND S. CHINOWTH ST. IN BETWEEN SONIC BURGER TO THE EAST AND LA PALAPA RESTAURANT TO THE WEST, CITY OF VISALIA, COUNTY OF TULARE. (APN: 119-730-002)

**WHEREAS**, Conditional Use Permit (CUP) No. 2008-29: a request by Kornwasser Shopping Center Properties, LLC (Canby Architecture Studio, Agent) to construct a 6,490 sq. ft. automated and hand car wash facility with three (3) lube bays for oil changes and one bay for automobile detailing. The site is zoned C-CM (Community Shopping Center) and is located within the Visalia Pavilion Shopping Center (i.e., Winco Shopping Center). The project site is located on the south side of W. Cameron Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002); and

**WHEREAS**, the Planning Commission of the City of Visalia, after duly published notice did hold a public hearing before said Commission on October 13, 2008; and

**WHEREAS**, the Planning Commission of the City of Visalia finds the Conditional Use Permit to be in accordance with Chapter 17.38.110 of the Zoning Ordinance of the City of Visalia based on the evidence contained in the staff report and testimony presented at the public hearing; and

**WHEREAS**, an Initial Study was prepared which disclosed that no significant environmental impacts would result from this project, based upon mitigation measures which are incorporated into the project.

**NOW, THEREFORE, BE IT RESOLVED**, that a Mitigated Negative Declaration No. 2008-50 was prepared consistent with the California Environmental Quality Act and City of Visalia Environmental Guidelines.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Planning Commission of the City of Visalia makes the following specific findings based on the evidence presented:

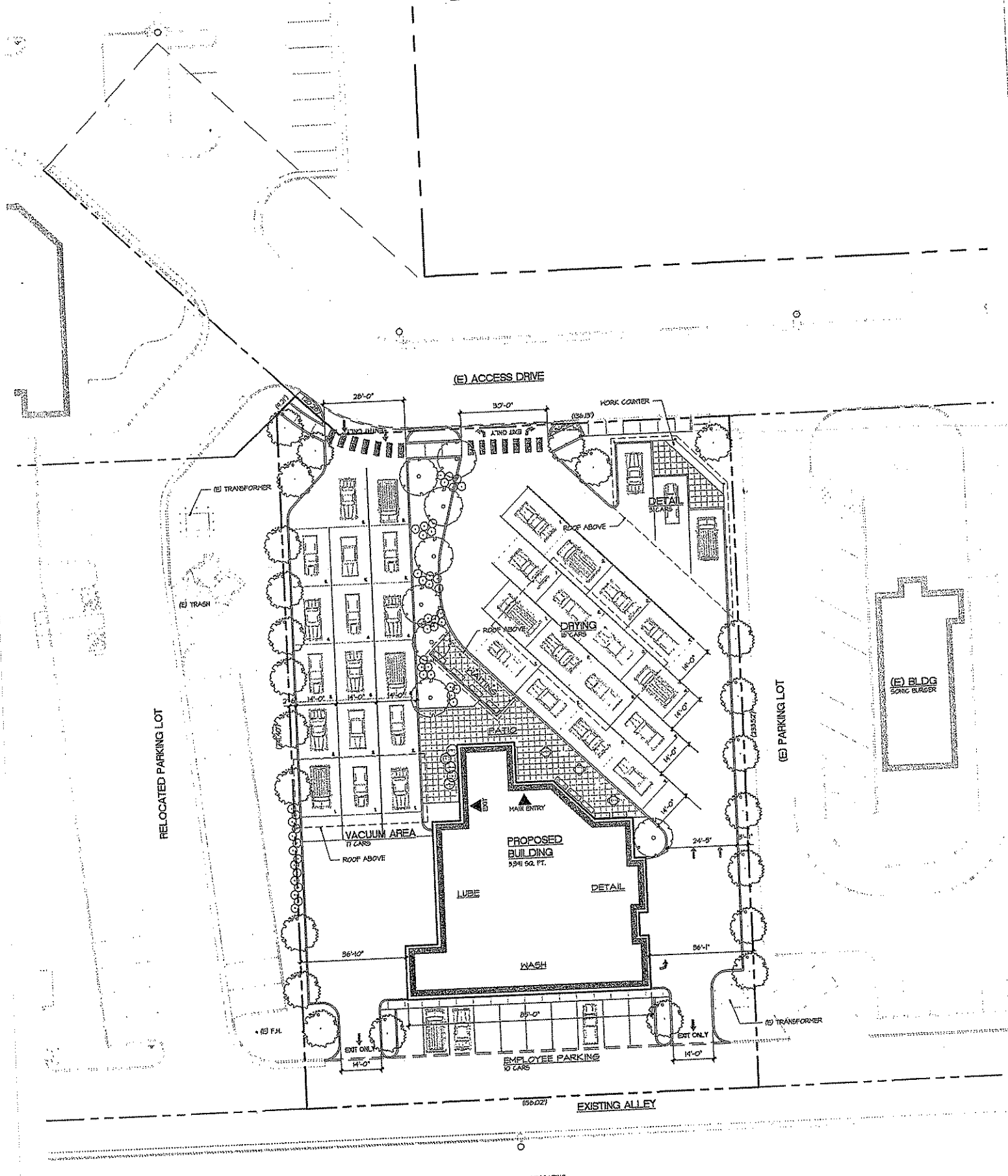
1. That the proposed project, as conditioned, will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
2. That the proposed conditional use permit is consistent with the policies and intent of the General Plan, Demaree/Caldwell Specific Plan and Zoning Ordinance.

Specifically, the project is consistent with the required findings of Zoning Ordinance Section 17.38.110:

- The proposed location of the conditional use permit is in accordance with the objectives of the Zoning Ordinance and the purposes of the zone in which the site is located.
  - The proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, nor materially injurious to properties or improvements in the vicinity.
3. That an Initial Study was prepared for this project, consistent with CEQA, which disclosed that environmental impacts are determined to be not significant with mitigation incorporated into the project, and that Mitigated Negative Declaration No. 2008-50, incorporating the Mitigation Measures, is hereby adopted.

**BE IT FURTHER RESOLVED** that the Planning Commission hereby approves the Conditional Use Permit on the real property here described in accordance with the terms of this resolution under the provisions of Section 17.38.110 of the Ordinance Code of the City of Visalia, subject to the following conditions:

1. That the Conditional Use Permit be developed consistent with the comments and conditions of Site Plan Review No. 2008-074.
2. That the use be operated in substantial compliance with the site plan shown in Exhibit "A" and the Operational Statement, unless otherwise conditioned herein, in Exhibit "B".
3. That the building elevations be developed similar to those provided in Exhibit "F" through "J".
4. That the Noise Analysis mitigation measures, one thru five, provided in Exhibit "E" be installed as a part of this project, and maintained for the life of the carwash facility.
5. That a landscape and irrigation plan be submitted with the building permit, designed by a professional landscape architect.
6. All new building signage shall require a separate building permit.
7. That all applicable federal, state and city laws, codes and ordinances be met.
8. That the applicant submit to the City of Visalia a signed receipt and acceptance of conditions from the applicant and property owner, stating that they understand and agree to all the conditions of Conditional Use Permit No. 2008-29.

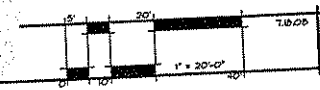


SITE PLAN

DEMAREE CAR WASH

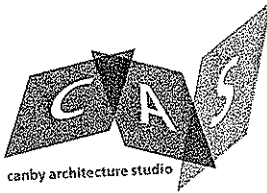
WINCO SHOPPING CENTER Visalia, CA

This is a conceptual site plan and may not be identical to what is shown in other views or plans which were used to create this site plan.



A-2

cmby architects sbp22



200 N Santa Fe Ave

Visalia, CA 93292

t 559.625.3108

f 559.732.3089

www.canbyarc.com

18 July 2008

2 September 2008 (revised)

Planning Department

City of Visalia

707 E. Acequia Ave

Visalia, CA 93291

**Project:** Proposed carwash facility  
WinCo shopping Center, Caldwell & Demaree

**Subject:** Conditional Use Permit application  
Operational Statement

To whom it may concern,

The proposed carwash is on a parcel within the WinCo shopping center, and will be privately owned. The site is an infill project, with improvements complete on all edges. The building will be used to provide carwashes that are hand washed and machine rinsed with an air dryer. Also, there will be 3-lube bays for oil changes, and a bay for detailing vehicles. The site contains 17 spaces for queuing up at the vacuuming station before the carwash entry, and 16 spaces (5 covered) for hand drying near the exit. In addition, there will be 3 covered spaces for drying and detaining. Payment will be made at a cashier in the inside of the building. The interior will have the restrooms, waiting and a small selection of food, beverages and car washing supplies.

The hours of use during the week, Monday thru Friday, will be from 7:00 am to 7:00 pm and on weekends from 7:00 am to 8:00 pm. The number of employees per shift will be between 5 and 12, depending on the time of day. 1 cashier, 1-3 check-in/vacuum, 1-2 hand washing, 1-4 drying, 1-3 oil change, 1-2 detailing and 1 manager. 10 parking spaces have been provided for employees at the rear of the site. The facility can hold a maximum of 40 vehicles, and the anticipated occupants will be between 4 to 60 people depending on the time of day.

Please feel free to call me with any additional questions,

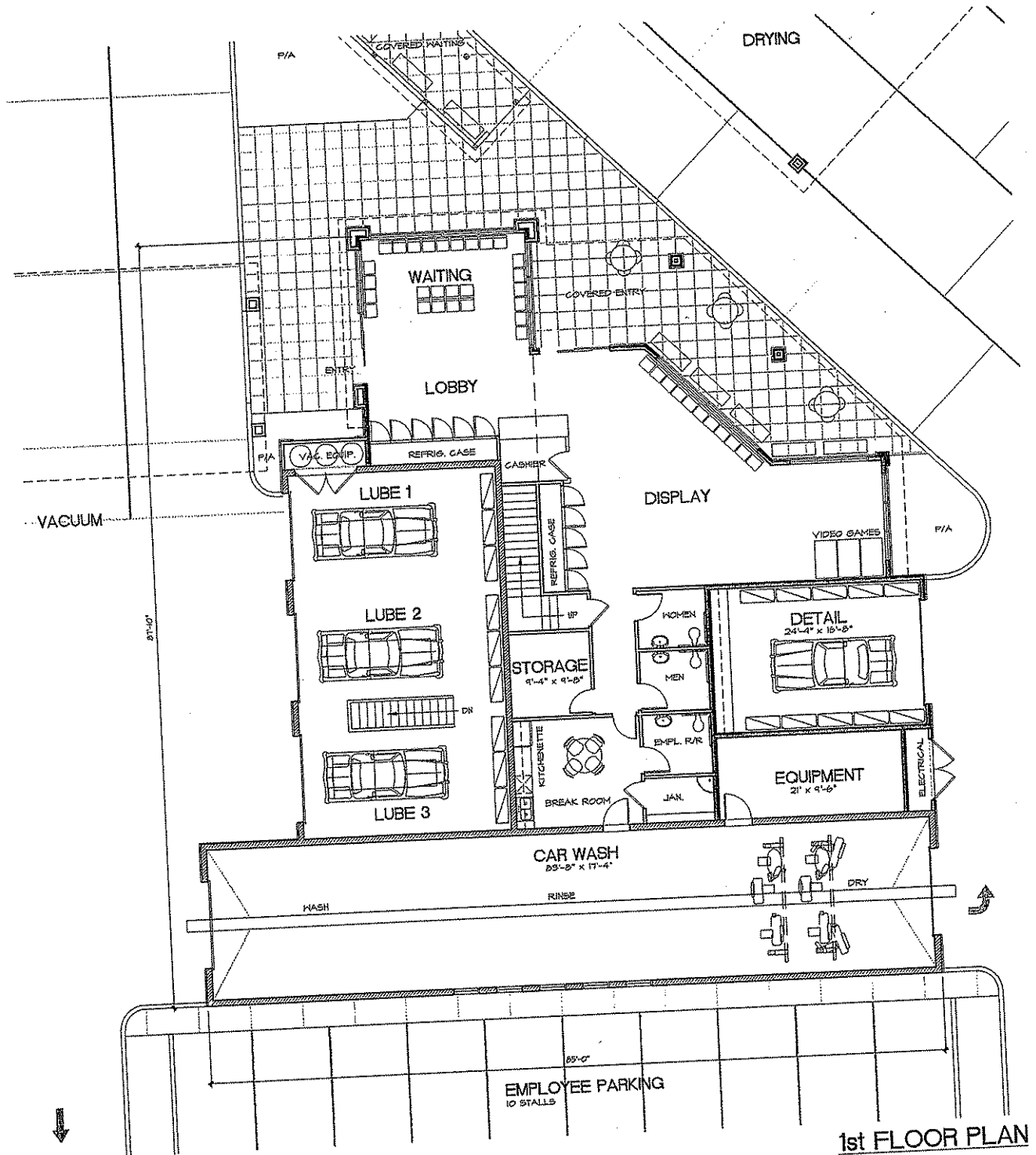
Regards,

A handwritten signature in black ink, appearing to read 'Lyle L. Munsch', with a horizontal line extending to the right.

Lyle L. Munsch, Project Architect



Exhibit "C"



1st FLOOR PLAN

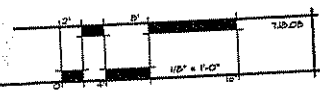
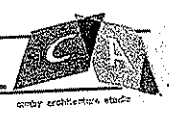
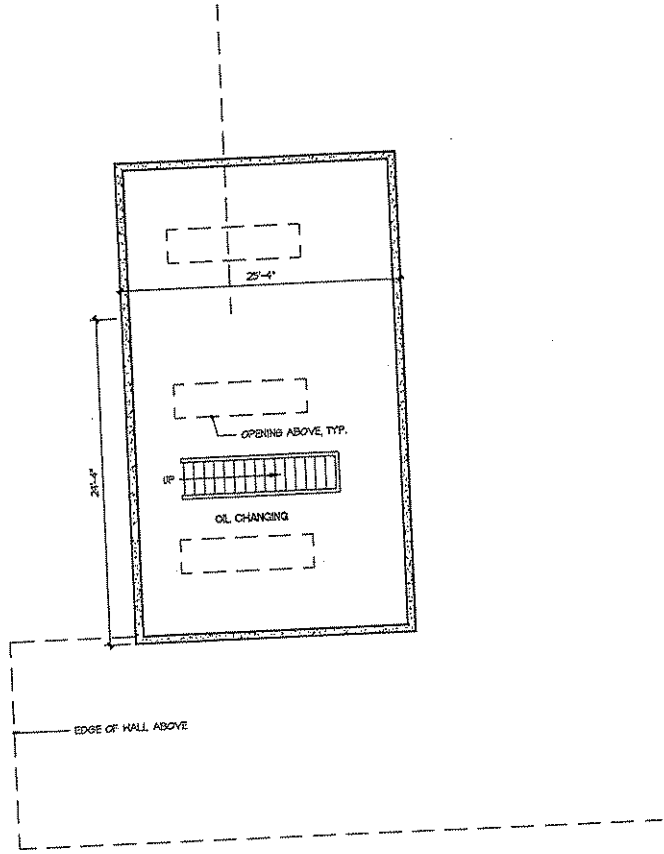
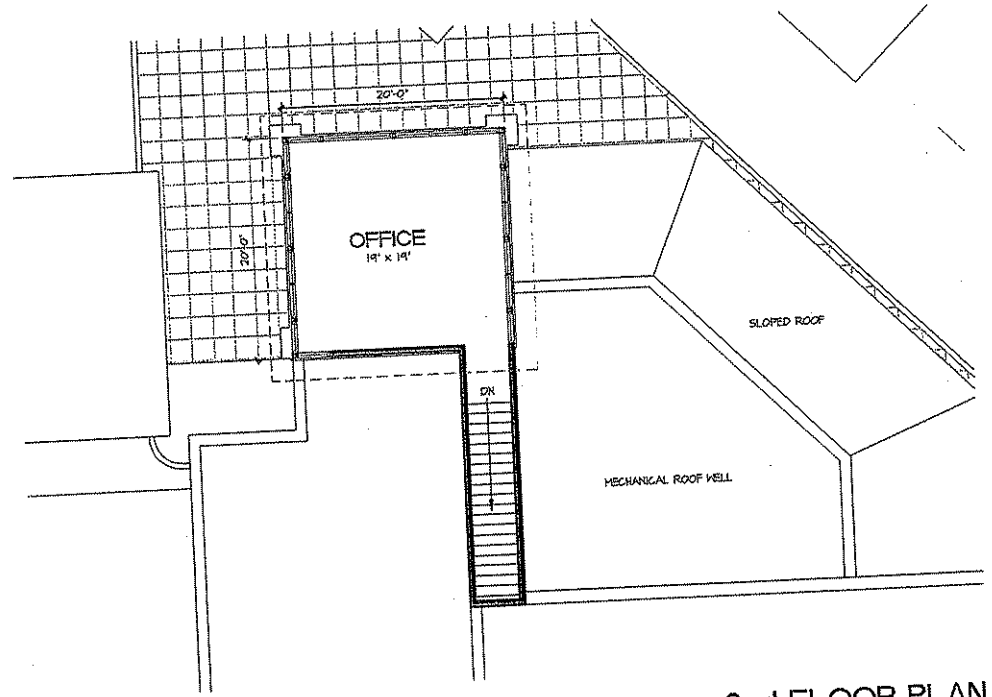


Exhibit "D"



**BASEMENT**

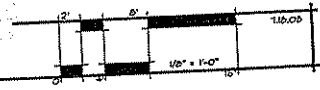


**2nd FLOOR PLAN**

**DEMAREE CAR WASH**

WINCO SHOPPING CENTER, Vista, CA

This is an unapproved work and may not be published, altered or otherwise used in whole or in part without approval in this contract. Best Copy Available Date



Davy

Exhibit "E"

**& Associates, Inc.**  
*Consultants in Acoustics*

2627 Manhattan Beach Blvd., Suite 212 • Redondo Beach, CA 90278-1604 • Tel: 310-643-5161 • Fax: 310-643-5364 • Email: DavyAssoc@aol.com

JN2008-60

## **ACOUSTICAL ANALYSIS**

Demaree Car Wash  
Visalia, California

**FOR**

Mr. Edvard Grigoryan  
Glendale, California

August, 2008

## **1.0 Introduction**

At the direction of **Edvard Grigoryan, Davy & Associates, Inc.** has completed an acoustical analysis to determine compliance with the Visalia City Noise Ordinance at the lot that is zoned for multi-family development to the south of the proposed car wash in Visalia, California.

## **2.0 Project Description**

The proposed car wash tunnel will be located within a concrete block building near the south end of the site. Entrance to the car wash facility will be from the west. Cars will exit to the east. The hours of operation will be 7:00 a.m. until 6:00 p.m. The tunnel will operate as a hand washing facility with an automatic dryer system located 8 feet inside the east exit.

## **3.0 City of Visalia Noise Ordinance Requirements**

The Visalia Municipal Code Chapter 8.36 Noise sets allowable noise levels for both daytime hours (6 a.m. to 7 p.m.) and nighttime hours (7 p.m. to 6 a.m.). These allowable noise levels are adjusted for the cumulative number of minutes in any one-hour period. Allowable noise levels are increased for shorter hours of operation.

Based on our experience with several other car wash tunnels, there are usually less than 200 cars through the tunnel every day on average. This would be an average of 18 cars in any given hour. The dryers which are the major noise source will operate for 30 to 45 seconds per car. This means that the dryers will operate for no more than 14 minutes on a cumulative basis in any given hour.

An operation of 15 minutes or less in any given hour is Category 2 of the Visalia Noise Ordinance. The allowable noise level for Category 2 is 55 dBA

#### 4.0 Car Wash Noise Source Analysis

Noise levels from the car wash dryers were analyzed at the property line of the multi-family property to the south. Noise data from Sonny's Car Wash Factory for their air dryer was used. This data indicated a noise level of 86 dBA at a distance of 20 feet.

This noise source of 86 dBA at 20 feet was corrected for diffraction effects of the tunnel exit and for directivity effects since noise will radiate to the south at 90 degrees from the tunnel exit. A distance correction was also included. The results of these calculations are summarized in Table 1.

**Table 1**

#### **Calculated Noise Levels in dB at the Property Line To The South**

<u>Location</u>	<u>Noise Level</u>
South Property Line	57 dBA

The calculated noise levels shown in Table 1 exceed the requirements of the Visalia Noise Ordinance by 2 dB.

As a mitigation measure, an analysis was then completed assuming that the walls of the tunnel from the dryers out to the exit would be covered with 1" thick perforated metal and fiberglass panels. The results of this analysis are summarized in Table 2.

**Table 2**

#### **Calculated Noise Levels in dB at the Property Line To The South with Perforated metal and Fiberglass Panels on the Walls of the Tunnel**

<u>LOCATION</u>	<u>NOISE LEVEL</u>
South Property Line	52 dBA

As can be seen from the results in Table 2 , with the proposed mitigation in place, noise levels at the property line of the multi-family property to the south will be in compliance with the requirements of the Visalia Noise Ordinance.

Although this analysis was based on noise data from Sonny's Car Wash Factory, dryers from any manufacturer can be used as long as they produce noise levels of 89 dBA or less at a distance of 20 feet.

### 5.0 Reommended Noise Mitigation Measures

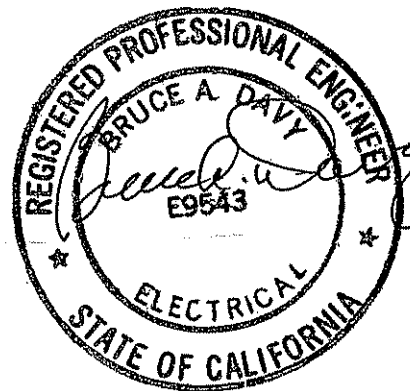
- 5.1 Install acoustical absorbing panels on the tunnel walls between the dryers and the tunnel exit. The panels should be a minimum 1" thick perforated metal panels with a fiberglass core.
- 5.2 The panels can be by:  
Eckel Industries ([www.eckelacoustic.com](http://www.eckelacoustic.com)) or  
Metal Building Interior Products Company ([www.mbiproducts.com](http://www.mbiproducts.com)) or  
Empire Acoustical Systems ([www.empireacoustical.com](http://www.empireacoustical.com))
- 5.3 If the dryers that are selected for installation produce noise levels of 84 dBA or less, then the panels described in Paragraph 5.1 will not be needed.

### 6.0 Summary of Results

The results of this analysis indicate that the noise levels generated by the proposed car wash will be in compliance with the City of Visalia Noise Ordinance with the mitigation summarized in Section 5.0 of this report.



Bruce A. Davy, P.E.  
Davy & Associates, Inc.  
I.N.C.E. Board Certified





Davy

# & Associates, Inc.

Consulting Acoustical Engineers

(310) 643-5161 Fax (310) 643-5364

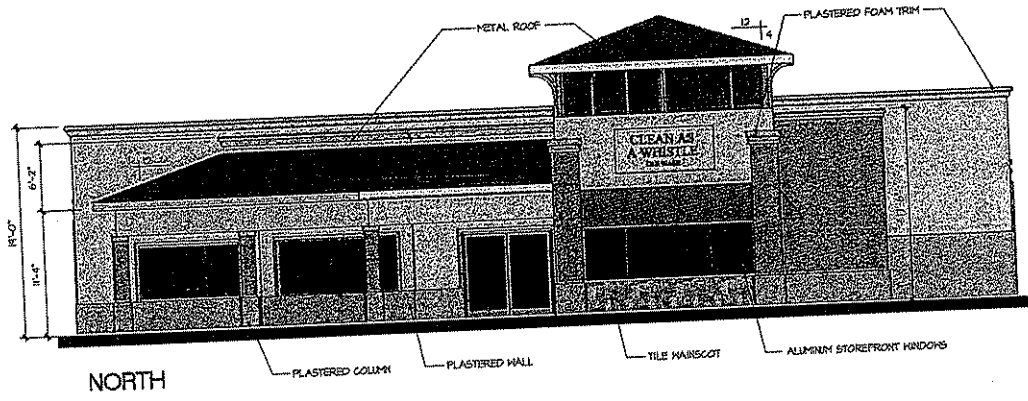
JOB NO. 2008-60 PROJECT DEMAREE

SHEET NO. 1 OF 1

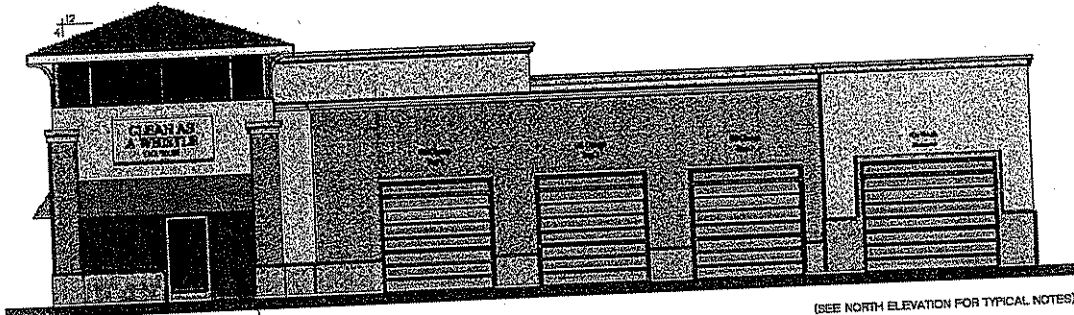
CALCULATED BY BD DATE 8/28/08

FREQ. HZ	63	125	250	500	1000	2000	4000	8000
Sonny's Car Wash Dryer								
SPL at 20'				86	2BA			
Exit Loss				-8				
DI				-8				
20 log		-8.8		-13				
		20						
SPL at P. Line				57	2BA			
With 1" Perf Metal / Fiberglass Panel								
SPL at P. Line				57	2BA			
Absorptive panels				-5				
				52	2BA			

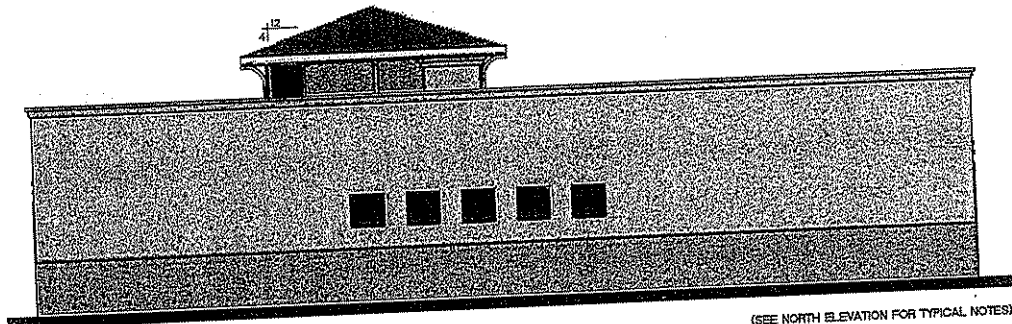
Exhibit "F"



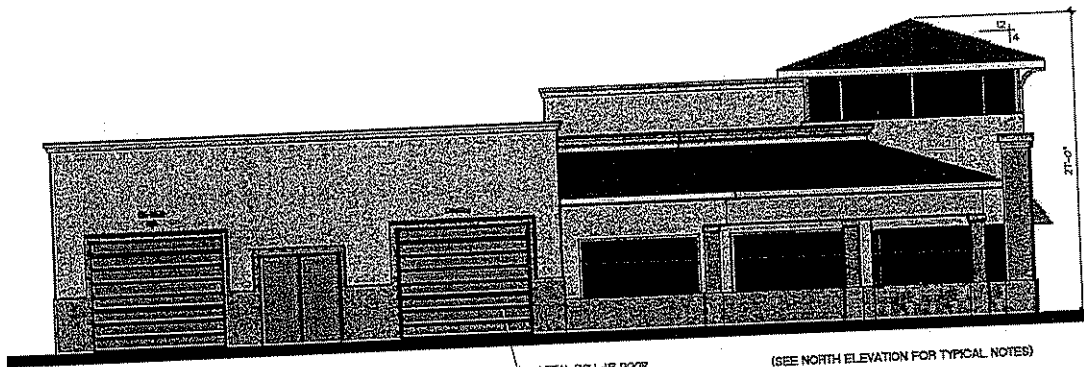
NORTH



EAST



SOUTH



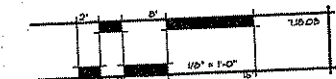
WEST

EXTERIOR ELEVATIONS

DEMAREE CAR WASH

WINCO SHOPPING CENTER, Yuba, CA

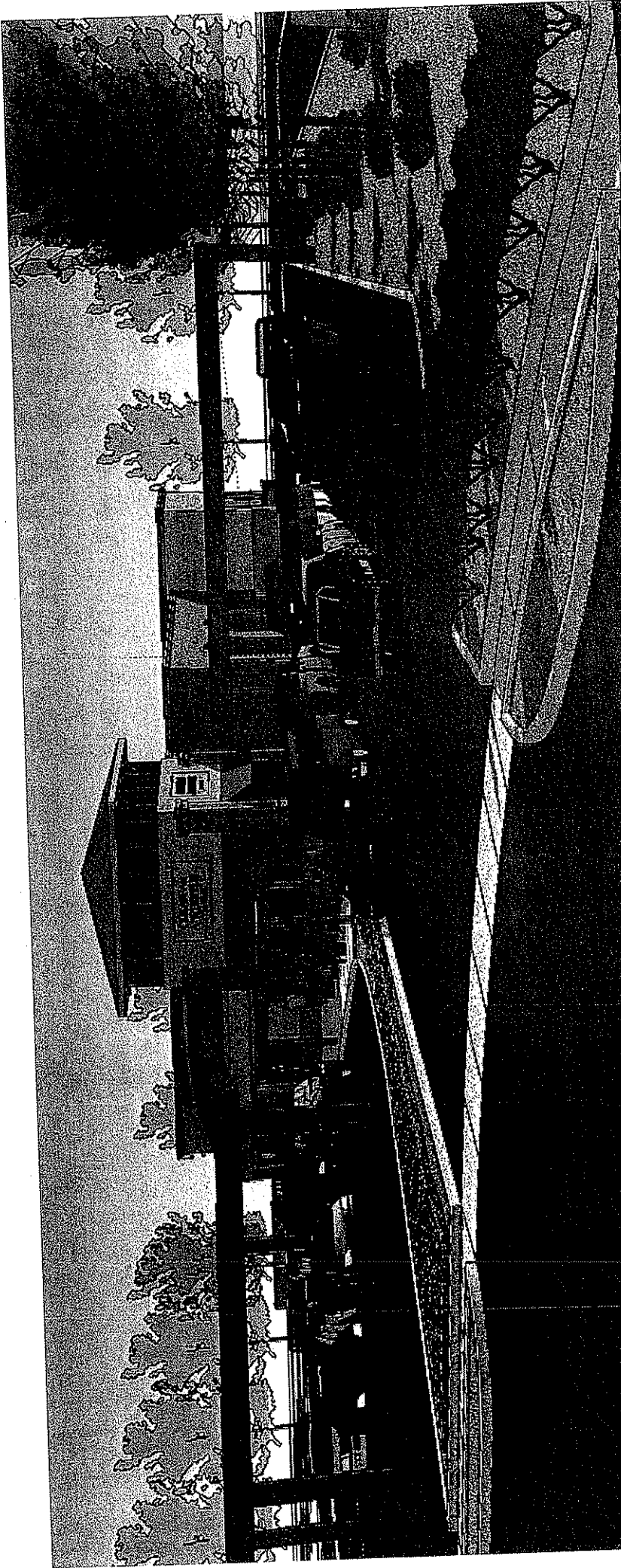
This is an unapproved copy and may not be fabricated, published or otherwise used in whole or in part without permission written consent from Getty Architectural Studio.



A-5







"E. H. H. H."

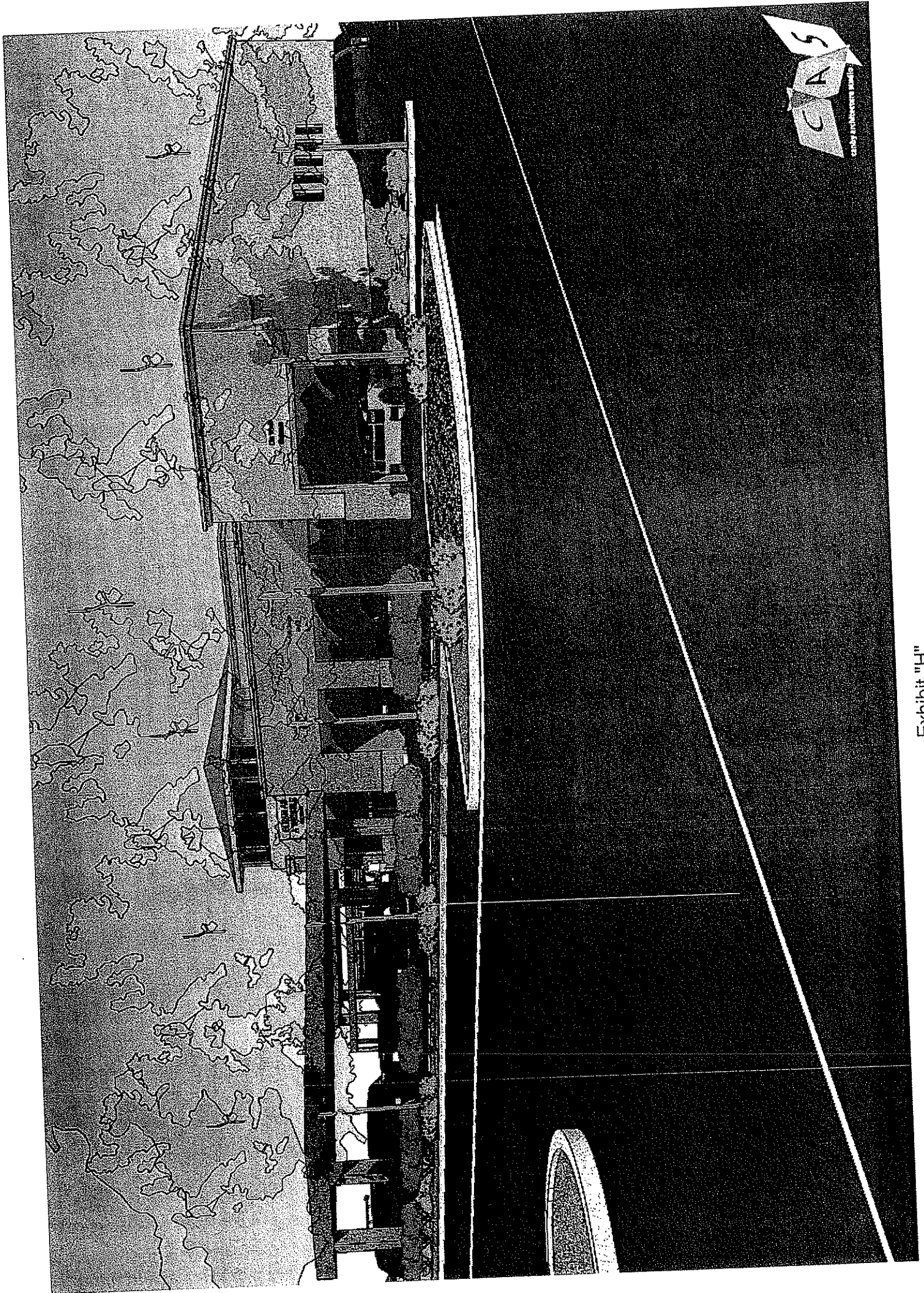


Exhibit "H"



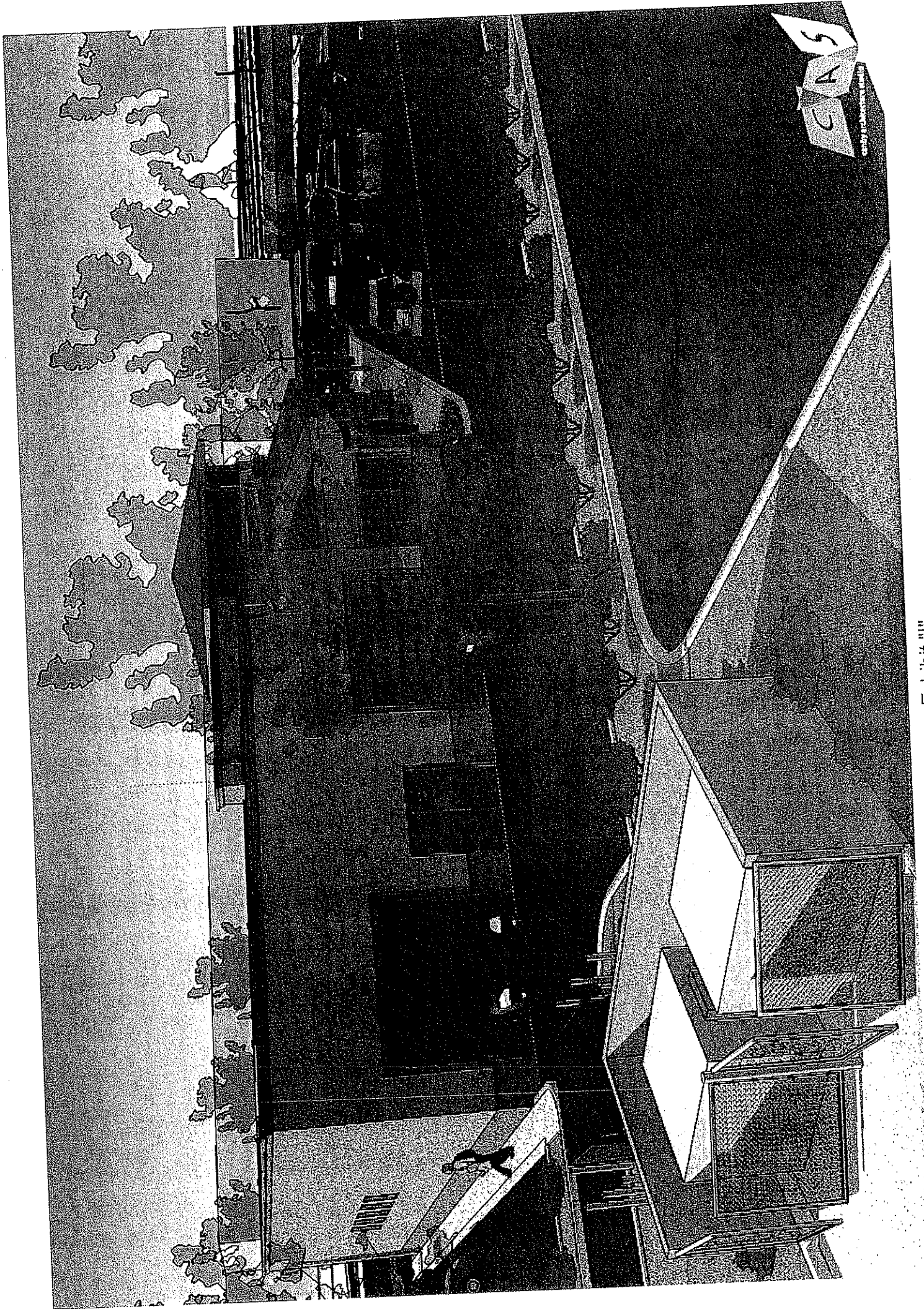


Exhibit "I"

5  
4  
3  
CITY OF HOUSTON

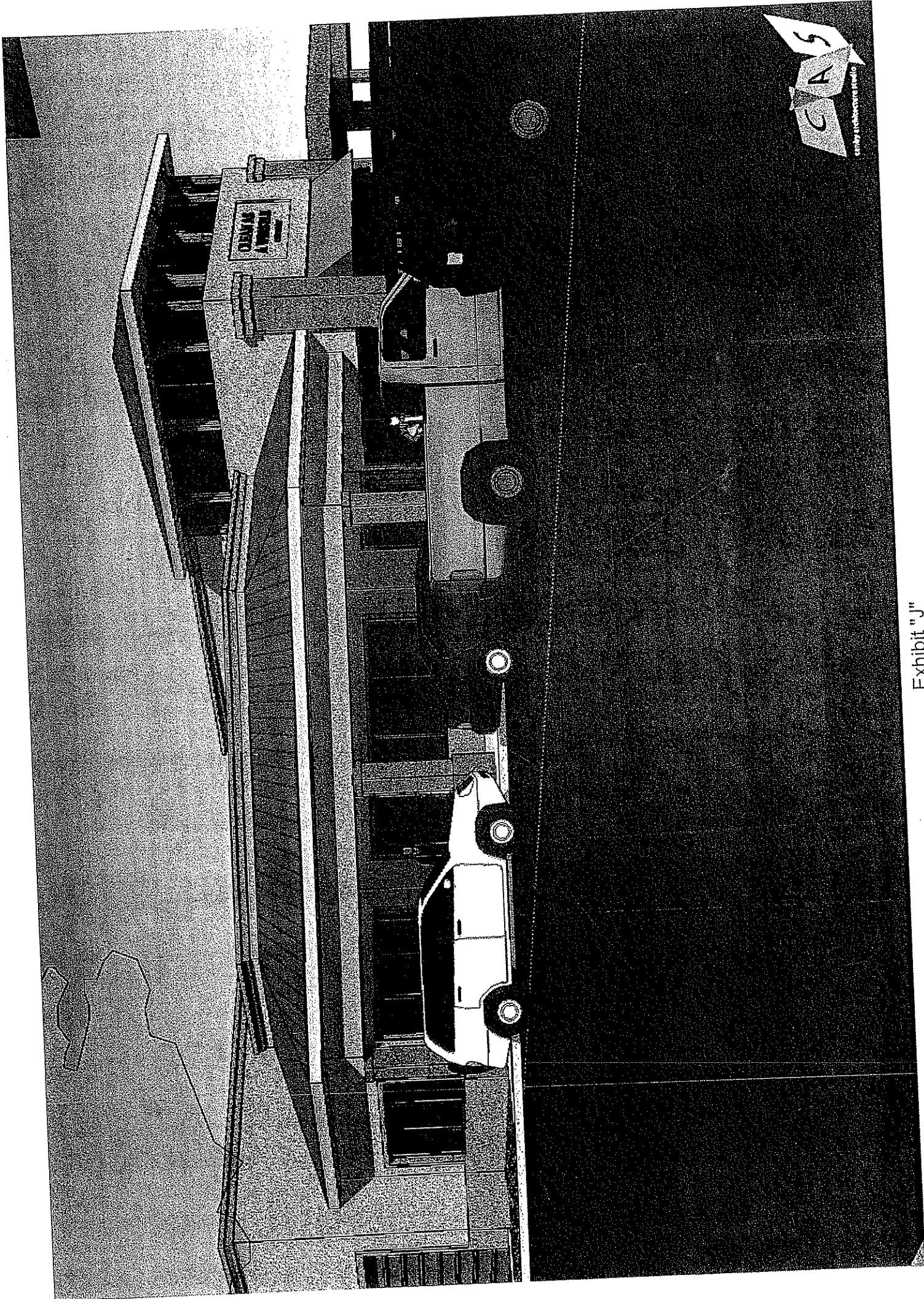
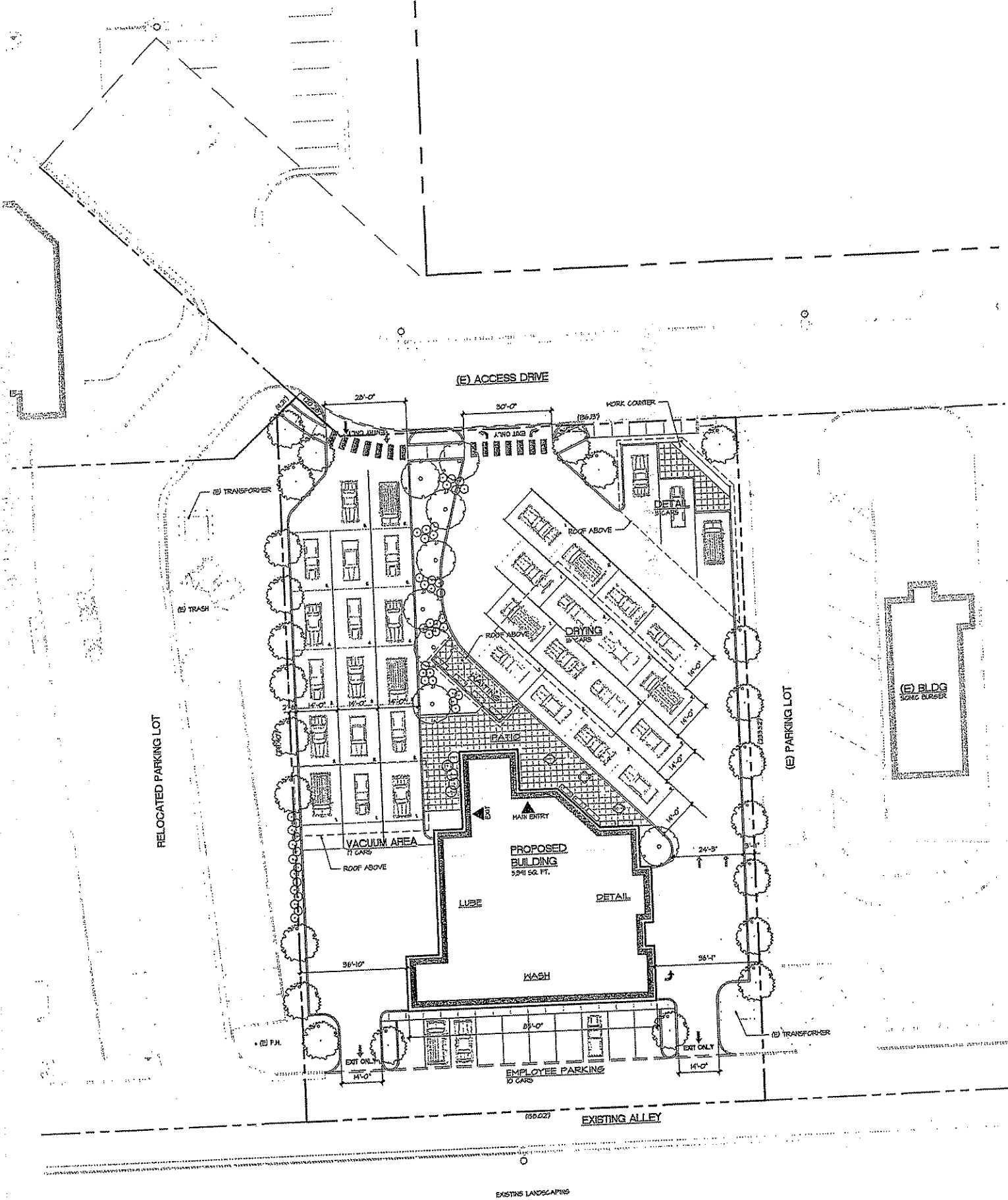


Exhibit "J"

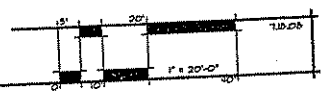


SITE PLAN

DEMAREE CAR WASH

WINCO SHOPPING CENTER Visalia, CA

This is an original uncolored work and not all its details, published or otherwise, used in whole or in part without express written consent from Geary Architecture & Design.





200 N Santa Fe Ave

Visalia, CA 93292

t 559.625.3108

f 559.732.3089

www.canbyarc.com

18 July 2008

2 September 2008 (revised)

Planning Department  
City of Visalia  
707 E. Acequia Ave  
Visalia, CA 93291

**Project:** Proposed carwash facility  
WinCo shopping Center, Caldwell & Demaree

**Subject:** Conditional Use Permit application  
Operational Statement

To whom it may concern,

The proposed carwash is on a parcel within the WinCo shopping center, and will be privately owned. The site is an infill project, with improvements complete on all edges. The building will be used to provide carwashes that are hand washed and machine rinsed with an air dryer. Also, there will be 3-lube bays for oil changes, and a bay for detailing vehicles. The site contains 17 spaces for queuing up at the vacuuming station before the carwash entry, and 16 spaces (5 covered) for hand drying near the exit. In addition, there will be 3 covered spaces for drying and detailing. Payment will be made at a cashier in the inside of the building. The interior will have the restrooms, waiting and a small selection of food, beverages and car washing supplies.

The hours of use during the week, Monday thru Friday, will be from 7:00 am to 7:00 pm and on weekends from 7:00 am to 8:00 pm. The number of employees per shift will be between 5 and 12, depending on the time of day. 1 cashier, 1-3 check-in/vacuum, 1-2 hand washing, 1-4 drying, 1-3 oil change, 1-2 detailing and 1 manager. 10 parking spaces have been provided for employees at the rear of the site. The facility can hold a maximum of 40 vehicles, and the anticipated occupants will be between 4 to 60 people depending on the time of day.

Please feel free to call me with any additional questions,

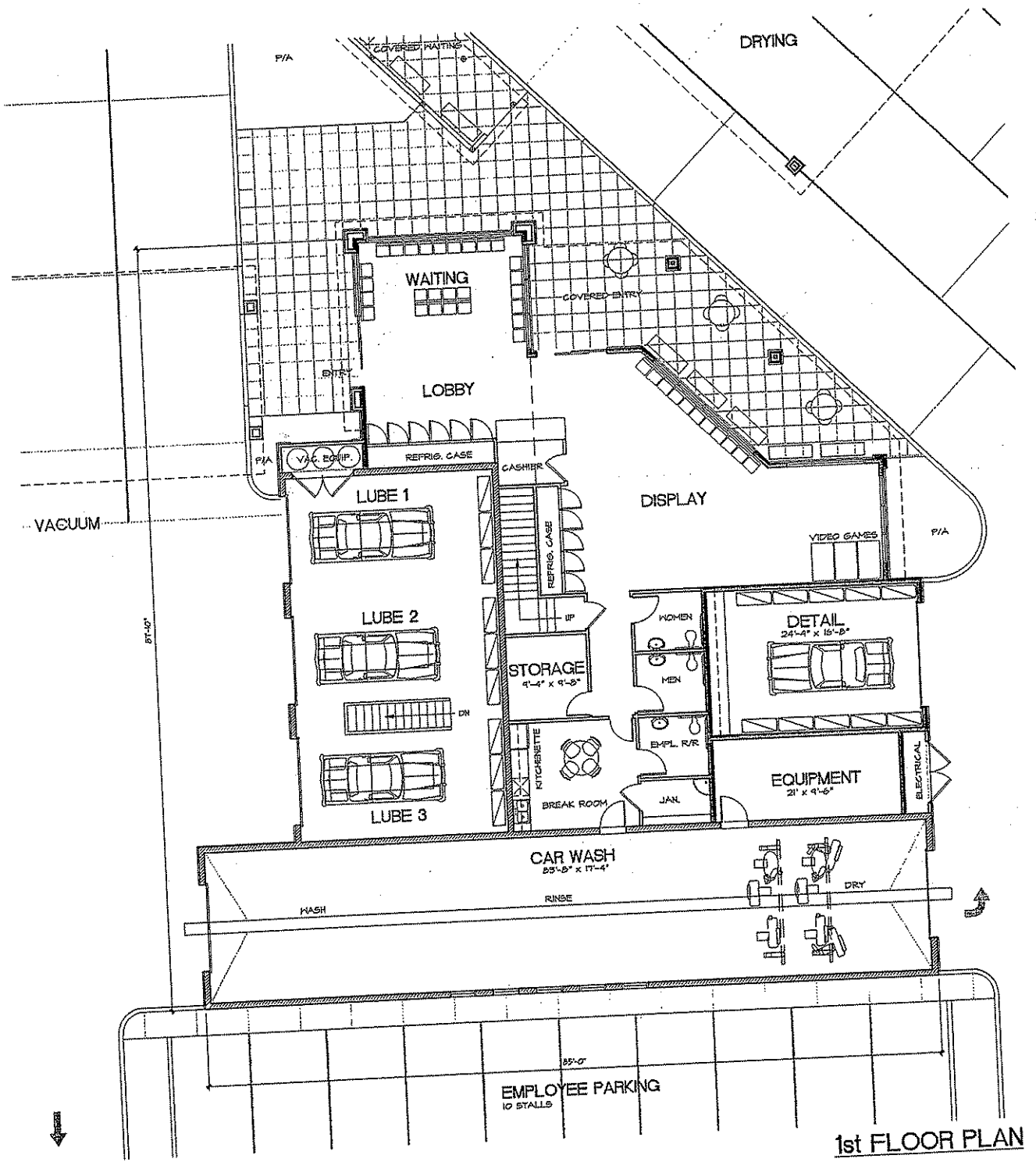
Regards,

A handwritten signature in black ink, appearing to read 'Lyle L. Munsch', followed by a horizontal line extending to the right.

Lyle L. Munsch, Project Architect



Exhibit "C"



1st FLOOR PLAN

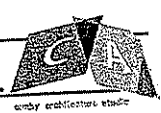
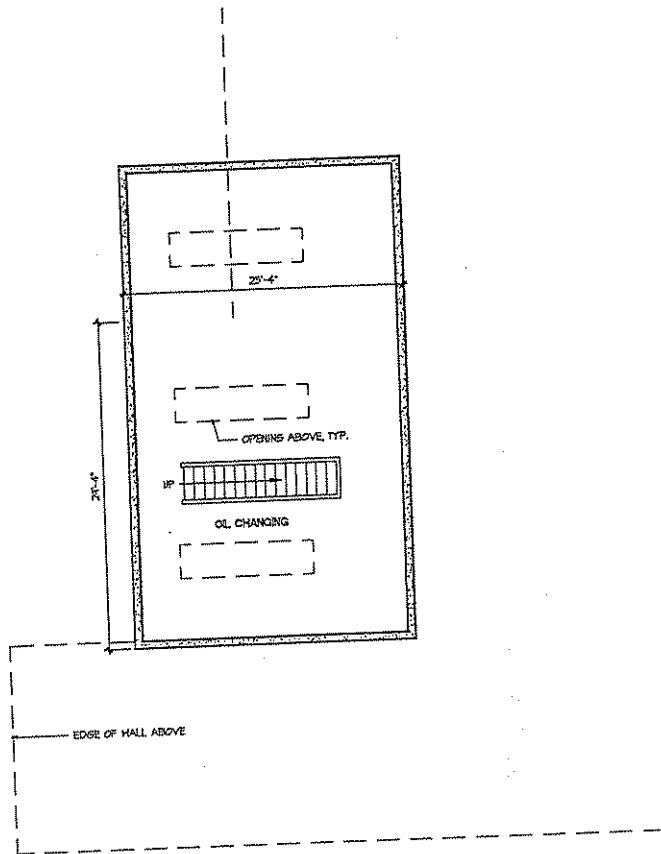
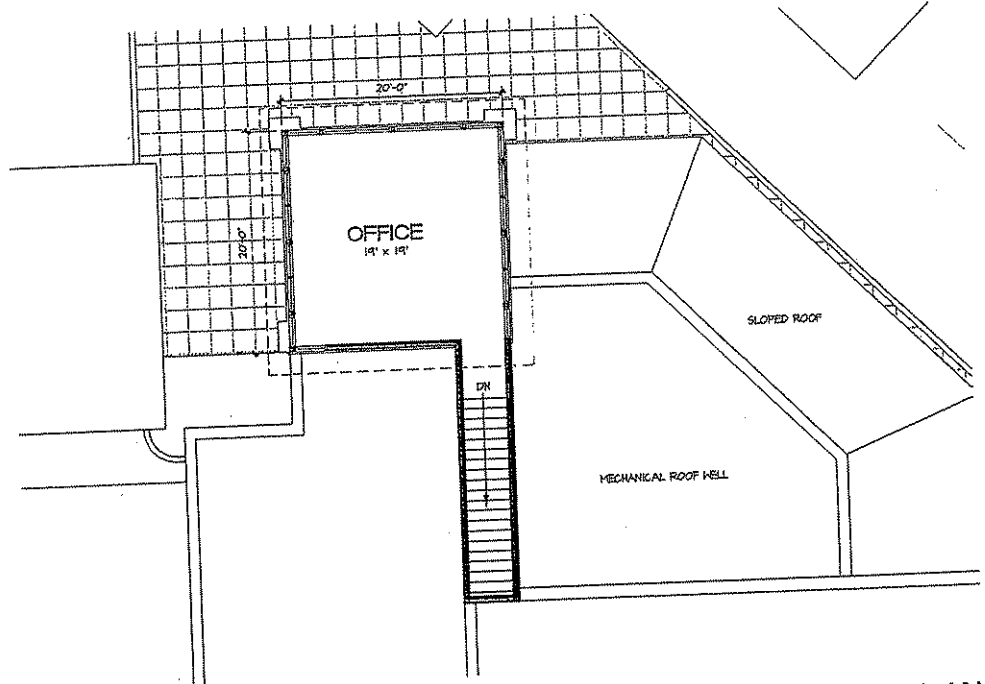


Exhibit "D"



**BASEMENT**



**2nd FLOOR PLAN**



Davy

Exhibit "E"

**& Associates, Inc.**  
*Consultants in Acoustics*

2627 Manhattan Beach Blvd., Suite 212 • Redondo Beach, CA 90278-1604 • Tel: 310-643-5161 • Fax: 310-643-5364 • Email: DavyAssoc@aol.com

JN2008-60

## **ACOUSTICAL ANALYSIS**

Demaree Car Wash  
Visalia, California

**FOR**

Mr. Edvard Grigoryan  
Glendale, California

August, 2008

## **1.0 Introduction**

At the direction of **Edvard Grigoryan, Davy & Associates, Inc.** has completed an acoustical analysis to determine compliance with the Visalia City Noise Ordinance at the lot that is zoned for multi-family development to the south of the proposed car wash in Visalia, California.

## **2.0 Project Description**

The proposed car wash tunnel will be located within a concrete block building near the south end of the site. Entrance to the car wash facility will be from the west. Cars will exit to the east. The hours of operation will be 7:00 a.m. until 6:00 p.m. The tunnel will operate as a hand washing facility with an automatic dryer system located 8 feet inside the east exit.

## **3.0 City of Visalia Noise Ordinance Requirements**

The Visalia Municipal Code Chapter 8.36 Noise sets allowable noise levels for both daytime hours (6 a.m. to 7 p.m.) and nighttime hours (7 p.m. to 6 a.m.). These allowable noise levels are adjusted for the cumulative number of minutes in any one-hour period. Allowable noise levels are increased for shorter hours of operation.

Based on our experience with several other car wash tunnels, there are usually less than 200 cars through the tunnel every day on average. This would be an average of 18 cars in any given hour. The dryers which are the major noise source will operate for 30 to 45 seconds per car. This means that the dryers will operate for no more than 14 minutes on a cumulative basis in any given hour.

An operation of 15 minutes or less in any given hour is Category 2 of the Visalia Noise Ordinance. The allowable noise level for Category 2 is 55 dBA

#### **4.0 Car Wash Noise Source Analysis**

Noise levels from the car wash dryers were analyzed at the property line of the multi-family property to the south. Noise data from Sonny's Car Wash Factory for their air dryer was used. This data indicated a noise level of 86 dBA at a distance of 20 feet.

This noise source of 86 dBA at 20 feet was corrected for diffraction effects of the tunnel exit and for directivity effects since noise will radiate to the south at 90 degrees from the tunnel exit. A distance correction was also included. The results of these calculations are summarized in Table 1.

**Table 1**

**Calculated Noise Levels in dB  
at the Property Line To The South**

<b><u>Location</u></b>	<b><u>Noise Level</u></b>
South Property Line	57 dBA

The calculated noise levels shown in Table 1 exceed the requirements of the Visalia Noise Ordinance by 2 dB.

As a mitigation measure, an analysis was then completed assuming that the walls of the tunnel from the dryers out to the exit would be covered with 1" thick perforated metal and fiberglass panels. The results of this analysis are summarized in Table 2.

**Table 2**

**Calculated Noise Levels in dB at the Property Line To The South  
with Perforated metal and Fiberglass Panels on the Walls of the Tunnel**

<b><u>LOCATION</u></b>	<b><u>NOISE LEVEL</u></b>
South Property Line	52 dBA

As can be seen from the results in Table 2 , with the proposed mitigation in place, noise levels at the property line of the multi-family property to the south will be in compliance with the requirements of the Visalia Noise Ordinance.

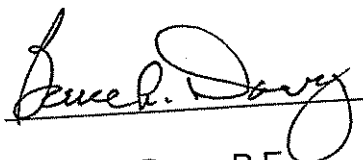
Although this analysis was based on noise data from Sonny's Car Wash Factory, dryers from any manufacturer can be used as long as they produce noise levels of 89 dBA or less at a distance of 20 feet.

## 5.0 Recommended Noise Mitigation Measures

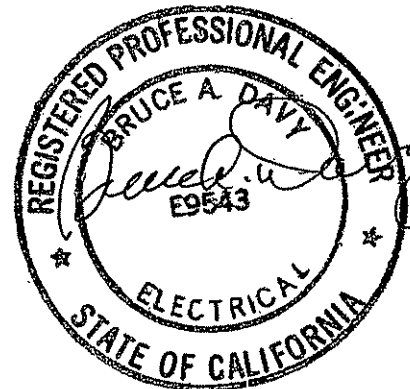
- 5.1 Install acoustical absorbing panels on the tunnel walls between the dryers and the tunnel exit. The panels should be a minimum 1" thick perforated metal panels with a fiberglass core.
- 5.2 The panels can be by:  
Eckel Industries ([www.eckelacoustic.com](http://www.eckelacoustic.com)) or  
Metal Building Interior Products Company ([www.mbiproducts.com](http://www.mbiproducts.com)) or  
Empire Acoustical Systems ([www.empireacoustical.com](http://www.empireacoustical.com))
- 5.3 If the dryers that are selected for installation produce noise levels of 84 dBA or less, then the panels described in Paragraph 5.1 will not be needed.

## 6.0 Summary of Results

The results of this analysis indicate that the noise levels generated by the proposed car wash will be in compliance with the City of Visalia Noise Ordinance with the mitigation summarized in Section 5.0 of this report.



Bruce A. Davy, P.E.  
Davy & Associates, Inc.  
I.N.C.E. Board Certified





Davy

# & Associates, Inc.

Consulting Acoustical Engineers

(310) 643-5161 Fax (310) 643-5364

JOB NO. 2008-60 PROJECT DEMAREE

SHEET NO. 1 OF 1

CALCULATED BY BD DATE 8/28/08

FREQ. HZ	63	125	250	500	1000	2000	4000	8000
Sonny's Car Wash Dryer								
SPL at 20'				86	86	86	86	86
Exit Loss				- 8				
DI				- 8				
20 log		- 8.8		- 13				
		20						
SPL at P. Line				57	57	57	57	57
With 1" Perf Metal / Fiberglass Panel								
SPL at P. Line				57	57	57	57	57
Absorptive Panels				- 5				
				52	52	52	52	52

CITY OF VISALIA  
315 E. ACEQUIA STREET  
VISALIA, CA 93291

**NOTICE OF A PROPOSED  
MITIGATED NEGATIVE DECLARATION**

Project Title: Conditional Use Permit No. 2008-29

Project Description: Conditional Use Permit No. 2008-29 is a request by Kornwasser Shopping Center Properties, LLC (Canby Architecture Studio, Agent) to construct a 6,490 sq. ft. automated and hand carwash facility with three (3) lube bays for oil changes and one bay for automobile detailing. The site is zoned C-CM (Community Shopping Center) and is located within the Pavilion Shopping Center (i.e., Winco Shopping Center).

The project site is located on the south side of W. Cameron Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002)

Contact Person: Paul Bernal, Associate Planner Phone: (559) 713-4025


Time and Place of Public Hearing: A public hearing to consider approving the project will be held before the Planning Commission on October 13, 2008 at 7:00 p.m. in the City Hall Council Chambers located at 707 W. Acequia, Visalia, CA.

Pursuant to City Ordinance No. 2388, the Environmental Coordinator of the City of Visalia has reviewed the proposed project described herein and has found that the project with mitigation will not result in any significant effect upon the environment because of the reasons listed below:

Reasons for Mitigated Negative Declaration: Initial Study No. 2008-50 has identified significant, adverse environmental impact(s) that may occur because of the project, though with mitigation the impact(s) will be reduced to a level that is less than significant. Copies of the initial study and other documents relating to the subject project may be examined by interested parties at the Planning Division in City Hall East, at 315 E. Acequia Ave., Visalia, CA.

Comments on this proposed Mitigated Negative Declaration will be accepted until October 8, 2008.

Date: September 15, 2008

Signed:   
Fred Brusuelas, AICP  
Environmental Coordinator  
City of Visalia

## MITIGATED NEGATIVE DECLARATION

**DESCRIPTION OF PROJECT:** The applicant, Canby Architecture Studio on behalf of Kornwasser Shopping Center Properties, LLC, is requesting to construct a 6,490 sq. ft. automated and hand carwash facility with three (3) lube bays for oil changes and one bay for automobile detailing.

The project site is located on the south side of W. Cameron Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002)

**Project Facts:** Refer to Initial Study for project facts, plans and policies, discussion of environmental effects and mitigation measures, and determination of significant effect.

### Attachments:

Initial Study	(X)
Environmental Checklist	(X)
Maps	(X)
Mitigation Measures	(X)
Letters	( )

### DECLARATION OF NO SIGNIFICANT EFFECT:


This project will not have a significant effect on the environment for the following reasons:

- (a) The project does not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.
- (b) The project does not have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals.
- (c) The project does not have environmental effects which are individually limited but cumulatively considerable. Cumulatively considerable means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.
- (d) The environmental effects of the project will not cause substantial adverse effects on human beings, either directly or indirectly.

The proposed project may have one or more "potentially significant impact" or "potentially significant unless mitigated" or "significant cumulative impact" on the environment, but these effects have been adequately analyzed in the Visalia Land Use Element Update EIR (SCH 2001060) pursuant to applicable legal standards, and the applicable mitigations in that EIR have been included in the project to eliminate or reduce in severity, to the maximum degree feasible.

This Mitigated Negative Declaration has been prepared by the City of Visalia Planning Division in accordance with the California Environmental Quality Act of 1970, as amended and local CEQA Guidelines Determinations have been made as to adequacy by City staff, as required by Section 15204 of CEQA. A copy of the referenced attachments, local CEQA Guidelines and state CEQA Guidelines and statutes may be obtained from the City of Visalia Planning Division Staff during normal business hours.

APPROVED

By:   
Fred Brusuelas, AICP  
Environmental Coordinator

Date Approved: September 15, 2008  
Review Period: 20 days  
(September 18, 2008 to October 8, 2008)



## INITIAL STUDY

### I. GENERAL

**A. Description of the Project:** The applicant, Canby Architecture Studio on behalf of Kornwasser Shopping Center Properties, LLC, is requesting to construct a 6,490 sq. ft. automated and hand carwash facility with three (3) lube bays for oil changes and one bay for automobile detailing.

The project site is located on the south side of W. Cameron Ave. between S. Demaree and S. Chinowth St. in between Sonic Burger to the east and La Palapa restaurant to the west, City of Visalia, County of Tulare. (APN: 119-730-002)

**B. Identification of the Environmental Setting:** The site is vacant with no structures on the site. Physical features which bound the site include a church to the north, Sonic Burger to the east, vacant property to the south and Winco Shopping Center to the west.

The surrounding zoning and land uses are as follows:

- North: C-CM (Community Commercial) – Pentecostal Church
- South: C-CM (Community Commercial) – Vacant property, however, site has been through Site Plan Review which is proposing to be developed with multi-family development
- East: C-CM (Community Commercial) – Sonic Burger
- West: C-CM (Community Commercial) – Winco Shopping Center

Fire and police protection services, street maintenance of public streets, refuse collection, and wastewater treatment will be provided by the City of Visalia upon development of the area.

**C. Plans and Policies:** The General Plan Land Use Element (LUE) and Demaree/Caldwell Specific Plan designate this site for Community Commercial. The site is zoned C-CM (Community Commercial). The proposed commercial use would be consistent with the Land Use Element of the General Plan and Demaree/Caldwell Specific Plan, with the appropriate mitigation measures.

### II. ENVIRONMENTAL IMPACTS

No significant adverse environmental impacts after mitigation have been identified for this project. The City of Visalia Land Use Element, Circulation Element and Zoning Ordinance contain land use mitigation measures that are designed to reduce/eliminate impacts to a level of non-significance. Additionally, the project design and conditions will include mitigation measures that will reduce potentially significant impacts to a level that is less than significant.

### III. MITIGATION MEASURES

**Noise** – A Noise Impact Assessment prepared for the proposed project (ref.: Acoustical Analysis, Cavy & Associates, Inc., August 2008) has concluded that an exterior noise level in excess of the daytime 65 dB DNL standard for noise-sensitive land uses, specified in the City's Noise Element, will occur during the use of the car wash components unless mitigated. To ensure that community noise standards are met for noise-sensitive land uses adjacent to the site, the Noise Assessment identifies construction practice Mitigation Measures that shall be followed. To attenuate the noise, the use of specified equipment or better, and sound attenuating construction materials, along with the placement of an existing seven-foot high masonry wall along the south property line shall be implemented.

Therefore, to ensure that community noise standards are met for the proposed project, the project site shall be developed and shall operate in substantial compliance with the Mitigation Measures 1.1 through 1.4.

The City of Visalia Zoning Ordinance contains guidelines, criteria, and requirements for the mitigation of potential impacts related to light/glare, visibility screening, noise, and traffic/parking to eliminate and/or reduce potential impacts to a level of non-significance.

**IV. MITIGATION MONITORING PROGRAM**

<u>Mitigation Measure</u>	<u>Responsible Party</u>	<u>Timeline</u>
<b>Noise Impact Mitigation Measure 1.1:</b> Install acoustical absorbing panels on the tunnel walls between the dryers and the tunnel exit. The panels shall be minimum 1-inch thick perforated metal panels with a fiberglass core. The panels can be by Eckel Industries, Metal Building Interior Products Company or Empire Acoustical Systems.	Building Division/ Planning Division	Noise Impact Mitigation for specified equipment shall be enforced through the building permit and construction inspection.
<b>Noise Impact Mitigation Measure 1.2:</b> Eliminate the use of typical end-of-tunnel blow dryers, instead using an onboard dryer located well deep inside the car wash tunnel	Building Division/ Planning Division	Noise Impact Mitigation for specified equipment shall be enforced through the building permit and construction inspection.
<b>Noise Impact Mitigation Measure 1.3:</b> Construct car wash tunnels with acoustical wall barriers to reduce noise levels by 30dB – 50dB alone. Leaving minimal noise levels for the masonry walls to reflect. – use perforated metal cladding and absorbing materials in tunnel walls	Building Division/ Planning Division	Noise Impact Mitigation for specified equipment shall be enforced through the building permit and construction inspection.
<b>Noise Impact Mitigation Measure 1.4:</b> The car wash shall be limited to the hours as stated in their operational statement (7:00 AM – 7:00 PM on weekdays, and 7:00 AM – 8:00 PM on weekends) to eliminate late night and early morning noise impacts.	Planning Division	Noise Impact Mitigation shall be enforced as a part of the daily operation for the site as a condition of the Conditional Use Permit which provides remedies for non-compliance.

**V. PROJECT COMPATIBILITY WITH EXISTING ZONES AND PLANS**

The project is compatible with the General Plan, and Zoning Ordinance as the project relates to surrounding properties and proposed land use designations of the Commercial Shopping Office zone.


**VI. SUPPORTING DOCUMENTATION**

The following documents are hereby incorporated into this Mitigated Negative Declaration by reference:

- Noise Impact Assessment prepared for the proposed project (Acoustical Analysis, Davy & Associates, Inc., August 2008)

**VII. NAME OF PERSON WHO PREPARED INITIAL STUDY**

  
 Paul Bernal  
 Associate Planner

  
 Fred Brusuelas, AICP  
 Environmental Coordinator

### INITIAL STUDY ENVIRONMENTAL CHECKLIST

Name of Proposal	Conditional Use Permit No. 2008-29	NAME OF AGENT:	Canby Architecture Studio, (Lyle Munsch)
NAME OF PROPONENT:	Kornwasser Shopping Center	Address of Agent:	200 N. Santa Fe Ave.
Address of Proponent:	2720 E. Camelback Rd Phoenix, AZ 35016	Telephone Number:	(559) 625-3108
Telephone Number:	(602) 889-2070	Lead Agency:	City of Visalia
Date of Review	September 15, 2008		

The following checklist is used to determine if the proposed project could potentially have a significant effect on the environment. Explanations and information regarding each question follow the checklist.

- 1 = No Impact
- 2 = Less Than Significant Impact
- 3 = Less Than Significant Impact with Mitigation Incorporated
- 4 = Potentially Significant Impact

#### I. AESTHETICS

Would the project:

- 1 a) Have a substantial adverse effect on a scenic vista?
- 1 b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?
- 1 c) Substantially degrade the existing visual character or quality of the site and its surroundings?
- 2 d) Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area?

#### II. AGRICULTURAL RESOURCES

Would the project:

- 1 a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency to non-agricultural use?
- 1 b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?
- 1 c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to nonagricultural use?

#### III. AIR QUALITY

Would the project:

- 2 a) Conflict with or obstruct implementation of the applicable air quality plan?
- 2 b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?
- 2 c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?
- 2 d) Expose sensitive receptors to substantial pollutant concentrations?
- 2 e) Create objectionable odors affecting a substantial number of people?

#### IV. BIOLOGICAL RESOURCES

Would the project:

- 1 a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?
- 1 b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?
- 1 c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?
- 1 d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?
- 1 e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?
- 1 f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

#### V. CULTURAL RESOURCES

Would the project:

- 1 a) Cause a substantial adverse change in the significance of a historical resource as defined in Public Resources Code Section 15064.5?
- 1 b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Public Resources Code Section 15064.5?
- 1 c) Directly or indirectly destroy a unique paleontological resource or site, or unique geologic feature?

- 1 d) Disturb any human remains, including those interred outside of formal cemeteries?

#### VI. GEOLOGY AND SOILS

Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:
- 1 i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?
- 1 ii) Strong seismic ground shaking?
- 1 iii) Seismic-related ground failure, including liquefaction?
- 1 iv) Landslides?
- 2 b) Result in substantial soil erosion or loss of topsoil?
- 1 c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?
- 1 d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?

#### VII. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

- 1 a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?
- 1 b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?
- 2 c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?
- 1 d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?
- 1 e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?
- 1 f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?
- 1 g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?
- 1 h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

#### VIII. HYDROLOGY AND WATER QUALITY

Would the project:

- 2 a) Violate any water quality standards of waste discharge requirements?

- 2 b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

- 1 c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?
- 1 d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?
- 2 e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?
- 1 f) Otherwise substantially degrade water quality?
- 1 g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?
- 1 h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?
- 1 i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?
- 1 j) Inundation by seiche, tsunami, or mudflow?

#### IX. LAND USE AND PLANNING

Would the project:

- 1 a) Physically divide an established community?
- 2 b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, project, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?
- 1 c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

#### X. MINERAL RESOURCES

Would the project:

- 1 a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?
- 1 b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, project or other land use plan?

#### XI. NOISE

Would the project:

- 3 a) Cause exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- 1 b) Cause exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?
- 2 c) Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

- 3 d) Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?
- 1 e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?
- 1 f) For a project within the vicinity of a private airstrip, would the project expose people residing or working the in the project area to excessive noise levels?

**XII. POPULATION AND HOUSING**

Would the project:

- 1 a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?
- 1 b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- 1 c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

**XIII. PUBLIC SERVICES**

Would the project:

- 1 a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:
  - 1 i) Fire protection?
  - 1 ii) Police protection?
  - 1 iii) Schools?
  - 1 iv) Parks?
  - 1 v) Other public facilities?

**XIV. RECREATION**

Would the project:

- 1 a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?
- 1 b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

**XV. TRANSPORTATION/TRAFFIC**

Would the project:

- 2 a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?
- 2 b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?

- 1 c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?
- 1 d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?
- 1 e) Result in inadequate emergency access?
- 2 f) Result in inadequate parking capacity?

**XVI. UTILITIES AND SERVICE SYSTEMS**

Would the project:

- 1 a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?
- 1 b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- 1 c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- 1 d) Have sufficient water supplies available to service the project from existing entitlements and resources, or are new or expanded entitlements needed?
- 1 e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?
- 1 f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?
- 1 g) Comply with federal, state, and local statutes and regulations related to solid waste?

**XVII. MANDATORY FINDINGS OF SIGNIFICANCE**

Would the project:

- 1 a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- 2 b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?
- 3 c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.

## DISCUSSION OF ENVIRONMENTAL EVALUATION

### I. AESTHETICS

- a. The Sierra Nevada mountain range is a scenic vista that can be seen from Visalia on clear days. This project will not adversely affect the view of this vista.
- b. There are no scenic resources on the site.
- c. The proposed project would transform a vacant site to an urbanized site. This change would be a change in the aesthetic environment, but consistent with existing and anticipated growth patterns in the immediate area.
- d. The project will result in mixed commercial development. Consisting of a automated/hand car wash, oil lube bays and auto detailing, including parking lot and security/safety lighting. The City's development standards require that any new sources of light be directed and/or shielded so it does not fall upon adjacent properties. This shall be demonstrated on building permits submitted in association with the development.

### II. AGRICULTURAL RESOURCES

- a. The Farmland Mapping and Monitoring Program of the California Resources Agency has given farmland surrounding Visalia the interim definition of Irrigated Farmland. The soil type is a Class I soil and the size of the site is such that the site should be considered prime agricultural land. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use. The City adopted urban development boundaries as mitigation measures for conversion of prime agricultural land.
- b. The site will not conflict with existing zoning for agricultural use, an Agricultural Preserve, or a Land Conservation Contract. The City of Visalia Zoning Ordinance has designated the site for Community Commercial development. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use. The City adopted urban development boundaries as mitigation measures for conversion of prime agricultural land.
- c. The project will not involve other changes in the existing environment which due to their location or nature, could result in conversion of Farmland to nonagricultural use.

### III. AIR QUALITY

- a. The project in itself does not disrupt implementation of the San Joaquin Valley Air Pollution Control District's (SJVAPCD) air quality plan.

Development of the project may be subject to the SJVAPCD Indirect Source Review (Rule 9510) procedures that became effective on March 1, 2006. The applicant will be required to obtain permits demonstrating compliance with Rule 9510, or payment of mitigation fees to the SJVAPCD.

- b. The project could result in a incremental air quality impacts, and therefore is required to adhere to requirements administered by the SJVAPCD to reduce

emissions to a level of compliance consistent with the District's regulations.

Development of the project may be subject to the SJVAPCD Indirect Source Review (Rule 9510) procedures that became effective on March 1, 2006. The applicant will be required to obtain permits demonstrating compliance with Rule 9510, or payment of mitigation fees to the SJVAPCD.

- c. The San Joaquin Valley is a region that is already at non-attainment for air quality. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion into urban development. The City adopted urban development boundaries as mitigation measures for air quality.

Development of the project may be subject to the SJVAPCD Indirect Source Review (Rule 9510) procedures that became effective on March 1, 2006. The applicant will be required to obtain permits demonstrating compliance with Rule 9510, or payment of mitigation fees to the SJVAPCD.

- d. The project does not propose any land uses or will not directly allow any known land uses that generate substantial pollutant concentrations.
- e. The project does not propose any land uses or will not directly allow any known land uses that generate objectionable odors.

### IV. BIOLOGICAL RESOURCES

- a. The site has no known species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service. City-wide biological resources were evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use.
- b. The project is not located within or adjacent to a sensitive riparian habitat or other natural community.
- c. The project is not located within or adjacent to federally protected wetlands as defined by Section 404 of the Clean Water Act.
- d. The project will facilitate for urban development, however this development will not act as a barrier to animal movement. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use.
- e. The City has a municipal ordinance in place to protect oak trees. There are no oak trees on the site that would be under the jurisdiction of this ordinance.
- f. There are no local or regional habitat conservation plans for the area.

### V. CULTURAL RESOURCES

- a. There are no known historical resources located within the project area. If some potentially historical or cultural

resource is unearthed during development all work should cease until a qualified professional archaeologist can evaluate the finding and make necessary mitigation recommendations.

- b. There are no known archaeological resources located within the project area. If some archaeological resource is unearthed during development all work should cease until a qualified professional archaeologist can evaluate the finding and make necessary mitigation recommendations.
- c. There are no known unique paleontological resources or geologic features located within the project area.
- d. There are no known human remains buried in the project vicinity. If human remains are unearthed during development all work should cease until the proper authorities are notified and a qualified professional archaeologist can evaluate the finding and make any necessary mitigation recommendations.

#### VI. GEOLOGY AND SOILS

- a. The State Geologist has not issued an Alquist-Priolo Earthquake Fault Map for Tulare County. The project area is not located on or near any known earthquake fault lines. Therefore, the project will not expose people or structures to potential substantial adverse impacts involving earthquakes.
- b. The development of this site will require movement of topsoil. A grading and drainage plan must be submitted to the City of Visalia for review and approval prior to any construction of the project.
- c. The project area is relatively flat and the underlying soil is not known to be unstable. Soils in the Visalia area have few limitations with regard to development. Due to low clay content and limited topographic relief, soils in the Visalia area generally have low expansion characteristics.
- d. Due to low clay content, soils in the Visalia area have an expansion index of 0-20, which is defined as very low potential expansion.

#### VII. HAZARDS AND HAZARDOUS MATERIALS

- a. Hazardous materials such as gasoline and pesticides will most likely be found within the project area after development of the site to commercial uses, but only in quantities typically used for residential and commercial use or application. This will not create a significant hazard.
- b. There is no reasonably foreseeable condition or incident involving the project that could result in release of hazardous materials into the environment.
- c. The project does not involve the handling of hazardous materials.
- d. The project area does not include any sites listed as hazardous materials sites pursuant to Government Code Section 65692.5.
- e. The project area is not located within any airport land use plan or within two miles of a public airport.

- f. The project area is not within the vicinity of any private airstrip.
- g. The project will not interfere with the implementation of any adopted emergency response plan or evacuation plan.
- h. There are no wildlands within or near the project area.

#### VIII. HYDROLOGY AND WATER QUALITY

- a. The project will not violate any water quality standards. The project will require storm drainage improvements that are required to accommodate the proposed on-site improvements. Improvements will be consisted with the adopted City Storm Drain Master Plan.
- b. The project will not substantially deplete groundwater supplies in the project vicinity. The Project addresses water by identifying improvements to water live which are required to accommodate the proposed on-site improvements.
- c. The project will not result in substantial erosion on- or off-site.
- d. The project addresses storm drainage by identifying improvements to storm drain lines which are required to accommodate the proposed on-site improvements. Improvements will be consisted with the County Club Estates plan and the adopted City Storm Drain Master Plan.
- e. The project addresses storm drainage by identifying improvements to storm drain lines which are required to accommodate the proposed on-site improvements. Improvements will be consisted with the adopted City Storm Drain Master Plan.
- f. There are no reasonably foreseeable reasons why the project would result in the degradation of water quality.
- g. The project area is located within Zone X. Sites designated as being within Zone X are areas potentially subject to 500-year flood incidents.
- h. Sites designated as being within Zone X are areas potentially subject to 500-year flood incidents.
- i. The project would not expose people or structures to risks from failure of levee or dam.
- j. Seiche and tsunami impacts do not occur in the Visalia area. The site is relatively flat, so there will be no impacts related to mudflow.

#### IX. LAND USE AND PLANNING

- a. The project will not physically divide an established community.
- b. The site is within the current Urban Development Boundaries of the City of Visalia, and would commonly be referred to as an "Infill Site", vacant with development and all infrastructure present at this time. The proposed project is consistent with all other elements of the General Plan. The carwash facility is proposed within an existing shopping center (i.e., Visalia Pavilion Shopping Center) which is 90% developed with the exception of a few



outpads. The construction of the carwash facility will not impact the shopping centers internal circulation nor will it be incompatible with surrounding commercial uses.

- c. The project does not conflict with any applicable conservation plan.

#### X. MINERAL RESOURCES

- a. No mineral areas of regional or statewide importance exist within the Visalia area.
- b. There are no mineral resource recovery sites delineated in the Visalia area.

#### XI. NOISE

- a. The project proposes land uses that are in accordance with the underlying General Plan land use and zoning, but are considered to be noise sources as discussed in the following sections.
- b. The Visalia Noise Element and Ordinance contain criterion for acceptable noise levels inside and outside residential living spaces. This standard is 65 dB DNL for outdoor activity areas associated with residences and 45 dB DNL for indoor areas.
- c. A Noise Mitigation Analysis prepared for the proposed project (Acoustical Analysis from Davy & Associates, Inc., dated August 2008) has concluded that the project will generate an exterior noise level which is in excess of the exterior residential standard of 65 dB DNL or interior noise level in excess of 45dB DNL standard for noise-sensitive land uses, specified in the City's Noise Element, will occur during daily operations associated with the project. Therefore, to ensure that community noise standards are met for the proposed project, the project site shall be developed and shall operate in substantial compliance with the Mitigation Measures contained in the "Mitigation Measures" section.
- d. The project will not result in ground-borne vibration or ground-borne noise levels. There are no existing uses near the project area that create ground-borne vibration or ground-borne noise levels.
- e. The development of the property to commercial uses will cause noise levels to increase beyond current levels. These levels will be typical of noise levels associated with urban development as mitigated through the required mitigation measures
- f. Noise levels will temporarily increase in this area during the construction of the project. The City's Noise Ordinances already contains standards and guidelines for the use of construction equipment.  
  
The project area is not within an airport land use plan, nor is it within 2 miles of a public airport.
- g. There is no private airstrip near the project area.

#### XII. POPULATION AND HOUSING

- a. Development of the site will not result in increased housing in the area. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for urban residential use.

- b. Development of the site will not displace residences or individuals.
- c. Development of the site will not displace residences or individuals.

#### XIII. PUBLIC SERVICES

- a.
  - i. Current fire protection facilities can adequately serve the site without a need for alteration.
  - ii. Current police protection facilities can adequately serve the site without a need for alteration.
  - iii. Current school facilities can adequately serve the site without a need for alteration.
  - iv. Current park and recreation facilities can adequately serve the site without a need for alteration.
  - v. Other public facilities can adequately serve the site without a need for alteration.

#### XIV. RECREATION

- a. The proposed project will not affect the use of existing neighborhood and regional parks or other recreational facilities.
- b. The project does not require the construction or expansion of recreational facilities within the area that might have an adverse physical effect on the environment.

#### XV. TRANSPORTATION AND TRAFFIC

- a. The project may cause average annual daily traffic levels to increase in the vicinity, though not beyond levels identified in the 2001 Circulation Element. Therefore, the increase in traffic generated by the project will be less than significant.
- b. The project is consistent with General Plan Circulation Element.
- c. The project will not result in nor require a need to change air traffic patterns.
- d. There will be no increased hazards.
- e. Adequate emergency access is present.
- f. The project will be required to meet the City's parking requirements for residential and commercial development where applicable.

#### XVI. UTILITIES AND SERVICE SYSTEMS

- a. The site is projected for urban development by the City General Plan. The project is not proposed to exceed what has already been planned for in this area.
- b. The project will facilitate development which will utilize an existing sewer trunk. Usage of the trunk line and the extension of service onto the commercial site are consistent with the City Sewer Master Plan. Visalia' wastewater treatment plant has more than sufficient capacity to accommodate impacts associated with the proposed project.



- c. The City has an adopted storm water master plan which will provide for the proposed project.
- d. California Water Service Company has determined that there are sufficient water supplies to support the site, and that services can be extended to the site.
- e. The City has determined that there is adequate capacity existing to serve the site's projected wastewater treatment demands at the City wastewater treatment plant.
- f. Current solid waste disposal facilities can adequately serve the site without a need for alteration.
- g. The project should be able to meet the applicable regulations for solid waste.

The City adopted mitigation measures for conversion to urban development. Where effects were still determined to be significant a statement of overriding considerations was made.

- b. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use. The City adopted mitigation measures for conversion to urban development. Where effects were still determined to be significant a statement of overriding considerations was made.
- c. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use. The City adopted mitigation measures for conversion to urban development. Where effects were still determined to be significant a statement of overriding considerations was made.

**XVII. MANDATORY FINDINGS OF SIGNIFICANCE**

- a. This site was evaluated in the EIR for the City of Visalia Land Use Element Update for conversion to urban use.

**DETERMINATION OF REQUIRED ENVIRONMENTAL DOCUMENT**

On the basis of this initial evaluation:

- I find that the proposed project **COULD NOT** have a significant effect on the environment. **A NEGATIVE DECLARATION WILL BE PREPARED.**
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on the attached sheet have been added to the project. **A MITIGATED NEGATIVE DECLARATION WILL BE PREPARED.**
- I find the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required
- I find that as a result of the proposed project no new effects could occur, or new mitigation measures would be required that have not been addressed within the scope of the Program Environmental Impact Report (SCH No. 90020160). The Environmental Impact Report prepared for the City of Visalia Land Use Element (Amendment No. 90-04) was certified by Resolution No. 91-105 adopted on September 3, 1991. **THE PROGRAM ENVIRONMENTAL IMPACT REPORT HAS BEEN UTILIZED.**

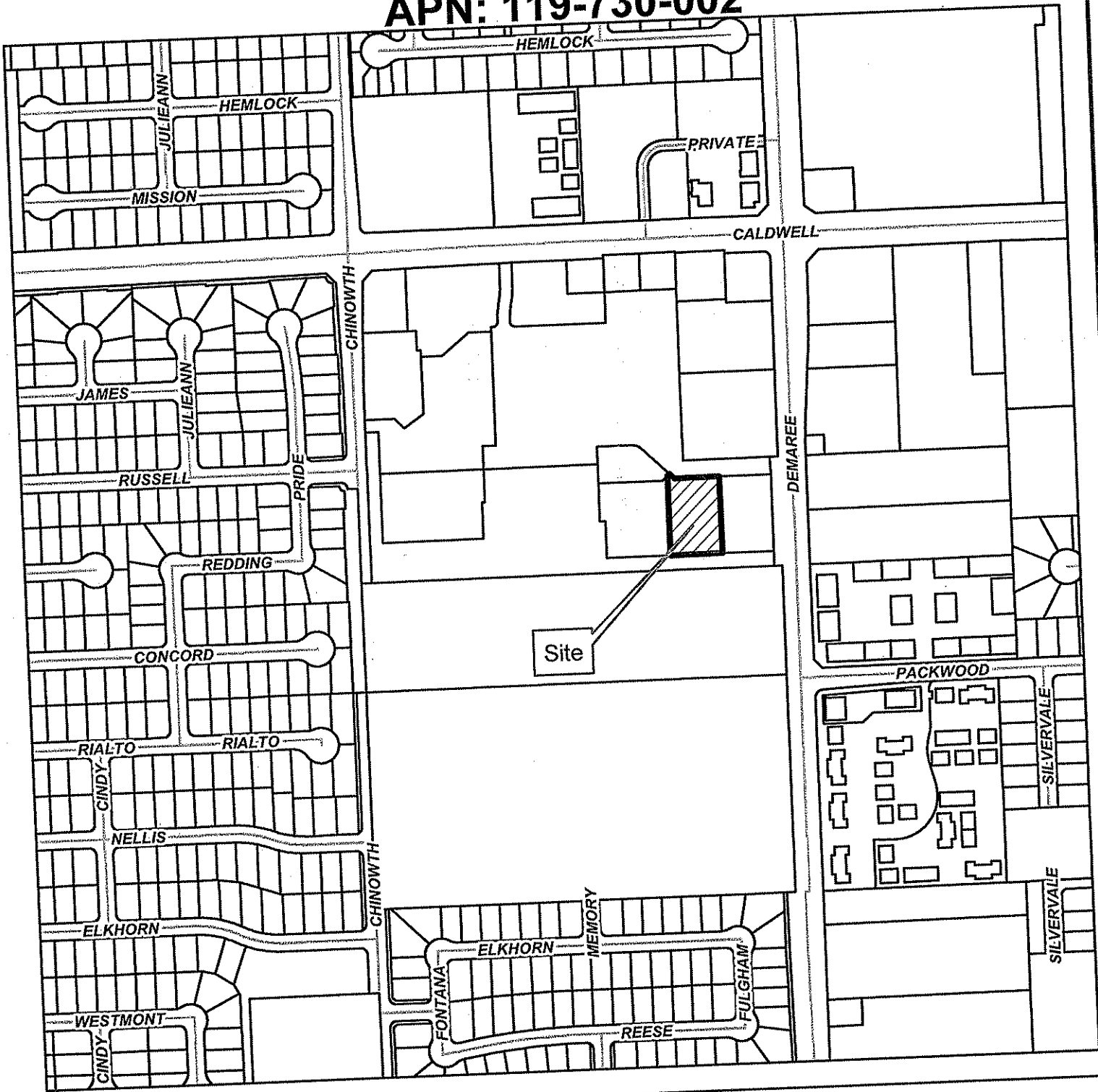
\_\_\_\_\_  
City of Visalia

\_\_\_\_\_  
Date

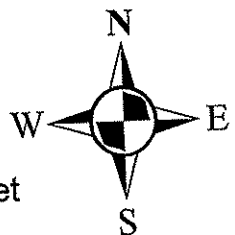
*[Signature]* 9.15.08

# Conditional Use Permit No. 2008-29

## APN: 119-730-002



# Vicinity Map



Davy

**& Associates, Inc.**  
*Consultants in Acoustics*

2627 Manhattan Beach Blvd., Suite 212 • Redondo Beach, CA 90278-1604 • Tel: 310-643-5161 • Fax: 310-643-5364 • Email: DavyAssoc@aol.com

JN2008-60

## **ACOUSTICAL ANALYSIS**

Demaree Car Wash  
Visalia, California

**FOR**

Mr. Edvard Grigoryan  
Glendale, California

August, 2008

## **1.0 Introduction**

At the direction of **Edvard Grigoryan, Davy & Associates, Inc.** has completed an acoustical analysis to determine compliance with the Visalia City Noise Ordinance at the lot that is zoned for multi-family development to the south of the proposed car wash in Visalia, California.

## **2.0 Project Description**

The proposed car wash tunnel will be located within a concrete block building near the south end of the site. Entrance to the car wash facility will be from the west. Cars will exit to the east. The hours of operation will be 7:00 a.m. until 6:00 p.m. The tunnel will operate as a hand washing facility with an automatic dryer system located 8 feet inside the east exit.

## **3.0 City of Visalia Noise Ordinance Requirements**

The Visalia Municipal Code Chapter 8.36 Noise sets allowable noise levels for both daytime hours (6 a.m. to 7 p.m.) and nighttime hours (7 p.m. to 6 a.m.). These allowable noise levels are adjusted for the cumulative number of minutes in any one-hour period. Allowable noise levels are increased for shorter hours of operation.

Based on our experience with several other car wash tunnels, there are usually less than 200 cars through the tunnel every day on average. This would be an average of 18 cars in any given hour. The dryers which are the major noise source will operate for 30 to 45 seconds per car. This means that the dryers will operate for no more than 14 minutes on a cumulative basis in any given hour.

An operation of 15 minutes or less in any given hour is Category 2 of the Visalia Noise Ordinance. The allowable noise level for Category 2 is 55 dBA

#### 4.0 Car Wash Noise Source Analysis

Noise levels from the car wash dryers were analyzed at the property line of the multi-family property to the south. Noise data from Sonny's Car Wash Factory for their air dryer was used. This data indicated a noise level of 86 dBA at a distance of 20 feet.

This noise source of 86 dBA at 20 feet was corrected for diffraction effects of the tunnel exit and for directivity effects since noise will radiate to the south at 90 degrees from the tunnel exit. A distance correction was also included. The results of these calculations are summarized in Table 1.

**Table 1**

**Calculated Noise Levels in dB  
at the Property Line To The South**

<u>Location</u>	<u>Noise Level</u>
South Property Line	57 dBA

The calculated noise levels shown in Table 1 exceed the requirements of the Visalia Noise Ordinance by 2 dB.

As a mitigation measure, an analysis was then completed assuming that the walls of the tunnel from the dryers out to the exit would be covered with 1" thick perforated metal and fiberglass panels. The results of this analysis are summarized in Table 2.

**Table 2**

**Calculated Noise Levels in dB at the Property Line To The South  
with Perforated metal and Fiberglass Panels on the Walls of the Tunnel**

<u>LOCATION</u>	<u>NOISE LEVEL</u>
South Property Line	52 dBA

As can be seen from the results in Table 2 , with the proposed mitigation in place, noise levels at the property line of the multi-family property to the south will be in compliance with the requirements of the Visalia Noise Ordinance.

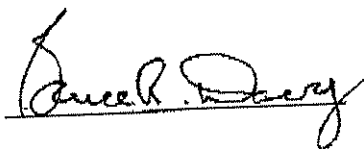
Although this analysis was based on noise data from Sonny's Car Wash Factory, dryers from any manufacturer can be used as long as they produce noise levels of 89 dBA or less at a distance of 20 feet.

### **5.0 Recommended Noise Mitigation Measures**

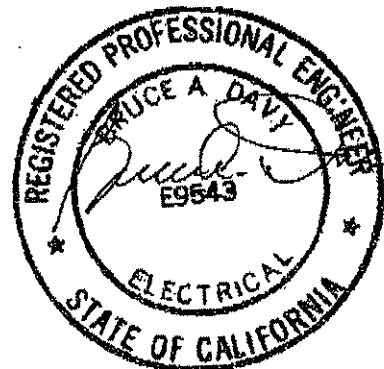
- 5.1 Install acoustical absorbing panels on the tunnel walls between the dryers and the tunnel exit. The panels should be a minimum 1" thick perforated metal panels with a fiberglass core.
- 5.2 The panels can be by:  
Eckel Industries ([www.eckelacoustic.com](http://www.eckelacoustic.com)) or  
Metal Building Interior Products Company ([www.mbiproducts.com](http://www.mbiproducts.com)) or  
Empire Acoustical Systems ([www.empireacoustical.com](http://www.empireacoustical.com))
- 5.3 If the dryers that are selected for installation produce noise levels of 84 dBA or less, then the panels described in Paragraph 5.1 will not be needed.

### **6.0 Summary of Results**

The results of this analysis indicate that the noise levels generated by the proposed car wash will be in compliance with the City of Visalia Noise Ordinance with the mitigation summarized in Section 5.0 of this report.



Bruce A. Davy, P.E.  
Davy & Associates, Inc.  
I.N.C.E. Board Certified





Davy

# & Associates, Inc.

Consulting Acoustical Engineers

(310) 643-5161 Fax (310) 643-5364

JOB NO. \_\_\_\_\_ PROJECT \_\_\_\_\_

SHEET NO. \_\_\_\_\_ OF \_\_\_\_\_

CALCULATED BY \_\_\_\_\_ DATE \_\_\_\_\_

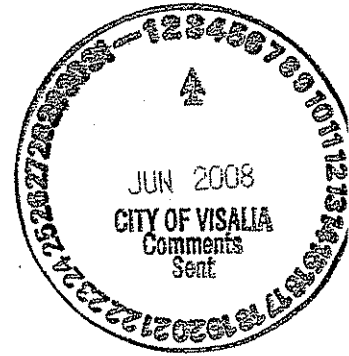
FREQ. HZ	63	125	250	500	1000	2000	4000	8000
Sonny's Car Wash Dryer								
SPL at 20'				86	86			
Exit Loss				- 8				
DI				- 8				
20 log		- 8.8		- 13				
		20						
SPL at P. Line				57	57			
With 1" Perf Metal / Fiberglass Panel								
SPL at P. Line				57	57			
Absorptive panels				- 5				
				52	52			



Scanned

4/30/2008

08-074



MEETING DATE  
SITE PLAN NO.  
PARCEL MAP NO.  
SUBDIVISION  
LOT LINE ADJUSTMENT NO.

Enclosed for your review are the comments and decisions of the Site Plan Review committee. Please review all comments since they may impact your project.

- RESUBMIT** Major changes to your plans are required. Prior to accepting construction drawings for building permit, your project must return to the Site Plan Review Committee for review of the revised plans.
  - During site plan design/policy concerns were identified, schedule a meeting with
    - Planning  Engineering prior to resubmittal plans for Site Plan Review.
    - Solid Waste  Parks and Recreation  Fire Dept.

**REVISE AND PROCEED** (see below)

- A revised plan addressing the Committee comments and revisions must be submitted for O Agenda Review and approval prior to submitting for building permits or discretionary actions.
- Submit plans for a building permit between the hours of 8 a.m. and 5 p.m., Monday through Friday.
- Your plans must be reviewed by:
  - CITY COUNCIL
  - PLANNING COMMISSION
  - HISTORIC PRESERVATION
  - REDEVELOPMENT
  - PARK/RECREATION
  - OTHER \_\_\_\_\_

**ADDITIONAL COMMENTS** \_\_\_\_\_

If you have any questions or comments, please call Dennis Lehman, Building Official, Site Plan Chair: 713-4495.

Site Plan Review Committee







MEETING DATE 7-30-08  
SITE PLAN NO. 08-074  
PARCEL MAP NO.  
SUBDIVISION  
LOT LINE ADJUSTMENT NO.

Enclosed for your review are the comments and decisions of the Site Plan Review committee. Please review all comments since they may impact your project.

- RESUBMIT** Major changes to your plans are required. Prior to accepting construction drawings for building permit, your project must return to the Site Plan Review Committee for review of the revised plans.
- During site plan design/policy concerns were identified, schedule a meeting with
- |                                      |   |                                     |
|--------------------------------------|---|-------------------------------------|
| <input type="checkbox"/> Planning    | <input type="checkbox"/> Engineering          | <input type="checkbox"/> Fire Dept. |
| <input type="checkbox"/> Solid Waste | <input type="checkbox"/> Parks and Recreation |                                     |



**REVISE AND PROCEED** (see below)

- A revised plan addressing the Committee comments and revisions must be submitted for Off-Agenda Review and approval prior to submitting for building permits or discretionary actions.
- Submit plans for a building permit between the hours of 8 a.m. and 5 p.m., Monday through Friday.
- Your plans must be reviewed by:
- |   |  |
|---|--|
| <input type="checkbox"/> CITY COUNCIL                   | <input type="checkbox"/> REDEVELOPMENT   |
| <input checked="" type="checkbox"/> PLANNING COMMISSION | <input type="checkbox"/> PARK/RECREATION |
| <input type="checkbox"/> HISTORIC PRESERVATION          | <input type="checkbox"/> OTHER _____     |
- cup*

**ADDITIONAL COMMENTS** \_\_\_\_\_

If you have any questions or comments, please call Dennis Lehman, Building Official; Site Plan Chairman at 713-4495.

*Site Plan Review Committee*



# Building Site Plan Review Comments

ITEM NO: 2  
 SITE PLAN NO:  
 PROJECT:  
 APPLICANT TITLE:  
 LOCATION TITLE:

DATE: APRIL 30, 2008  
 08-074  
 NEW CAR WASH  
 NEW 3,951 SQ. FT. CAR WASH ON  
 37,024 SQ. FT. AREA (CCM ZONED)  
 CANBY ARCHITECTURE, HERMITAGE  
 VILLAS LLC., (PROP. OWNER)  
 CALDWELL, S.  
 8767

- Submit 3 sets if engineered plans and 2 sets of calculations.
- Indicate abandoned wells, septic systems and excavations on construction plans.
- Meet city and state requirements for the physically handicapped. *PARKING + ACCESS*
- Submit 3 sets of plans signed by an architect or engineer. Must comply with 2007 California Building Code Sec. 2308 for conventional light-frame construction or submit 2 sets of engineered calculations.
- Maintain sound transmission control between units. *SEE PLANNING*
- Maintain fire-resistive requirements at property lines.
- Obtain required permits for Air Pollution Board, Tulare County.
- Location of cashier must provide clear view of gas pump island
- Calculations of free-standing carport.
- Treatment connection charge to be assessed based on use. *Retail \$523 per 1000, CAR wash - 17.064.64*
- Must comply with state energy requirements. *HVAC / LIGHTING*
- Plans must be approved by the Tulare County Health Department.
- Common area must comply with requirements for access by the handicapped.
- Project is located in flood zone \_\_\_\_\_. Minimum finished floor elevation requires \_\_\_\_\_.
- All accessible units required to be adaptable for the physically handicapped.
- Acceptable as submitted  Arrange for an on-site inspection.
- Hazardous materials report.  A demolition permit is required.
- School Development fees. *Commercial \$0.42 per square foot. Residential \$3.48 per square foot.*
- Park Development fee \$ \_\_\_\_\_, per unit collected with building permits.
- Existing address must be changed to be consistent with city address policy.

\_\_\_\_\_  
 \_\_\_\_\_  
 Signature

**Site Plan Review Comments For:**

Visalia Fire Department  
Charles Norman, Fire Marshal  
707 W Acequia  
Visalia, CA 93291  
559-713-4486 office  
559-713-4808 fax

ITEM NO: 2  
SITE PLAN NO:  
PROJECT:  
APPLICANT TITLE:  
LOCATION TITLE:

DATE: APRIL 30, 2008  
08-074  
NEW CAR WASH  
NEW 3,951 SQ. FT. CAR WASH ON  
37,024 SQ. FT. AREA (CCM ZONED)  
CANBY ARCHITECTURE, HERMITAGE  
VILLAS LLC., (PROP. OWNER)

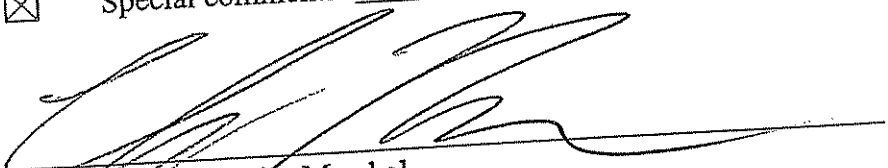
APN TITLE:  
APN TITLE:

CALDWELL, S.  
8767

The following comments are applicable when checked:

- No comments at this time for this project.
- Refer to previous comments dated
- No fire protection items required for parcel map or lot line adjustment; however, any future projects will be subject to fire protection requirements.
- Address numbers must be placed on the exterior of the building in such a position as to clearly and plainly visible from the street. Numbers will be at least six inches (6") high and shall be of a color to contrast with their background. If multiple addresses served by a common driveway, the range of numbers shall be posted at the roadway/driveway.
- No additional fire hydrants are required for this project; however, additional fire hydrants may be required for any future development.
- There is/are fire hydrants required for this project.
- The turning radius for emergency fire apparatus is 20 feet inside diameter and 35 feet outside diameter. Ensure that the turns identified to you during site plan comply with the requirements. An option is hammer-head constructed to City standards.
- An access road is required and shall be a minimum of 20 feet wide. The road shall be an all-weather driving surface accessible prior to and during construction.
- A fire lane is required for this project. The location will be given to you during the site plan meeting.
- A Knox Box key lock system is required. Applications are available at the Building Department counter.
- The security gates, if to be locked, shall be locked with a typical chain and lock that can be cut with common bolt cutter, or the developer may opt to provide a Knox Box key lock system. Applications available at the Building Department counter.

- That portion of the building that is built upon a property line shall be constructed as to comply with Section 503.4 and Table 5-A of the California Building Code.
- Commercial dumpsters with 1.5 cubic yards or more shall not be stored or placed within 5 feet of combustible walls, openings, or a combustible roof eave line except when protected by a fire sprinkler system.
- If you handle hazardous material in amounts that exceed the exempt amounts listed on Table 3-D of the California Building Code, you are required to submit an emergency response plan to the Tulare County Health Department. Prior to the building final inspection, we will want a copy of the plan and any Material Safety Data Sheets.
- An automatic fire sprinkler system will be required for this building. A fire hydrant is required within 50 feet of the fire department connection. The fire hydrant, fire department connection and the PIV valve should be located together and minimum 25' from the building, if possible. The caps on the FDC shall be Knox locking caps.
- An automatic fire extinguishing system for protection of the kitchen grease hood and ducts is required.
- Fire Department Impact Fee - \$1433.90 per acre.
- Fire Department Permit Fee - complete application during Building Department permit process.
- Special comments: Show Existing Hydrant Location

  
 Charles Norman, Fire Marshal

**City of Visalia  
Police Department**

303 S. Johnson St.  
Visalia, Ca. 93292  
(559) 713-4233

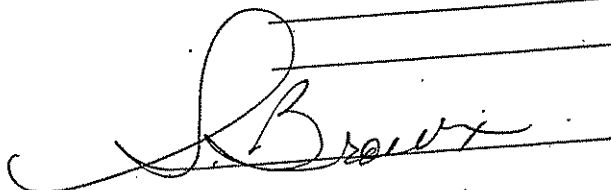
**Site Plan Review Comments**

- No Comment at this time.
- Request opportunity to comment or make recommendations as to safety issues as plans are developed.

- Public Safety Impact fee:  
Ordinance No. 2001-11 Chapter 16.48 of Title 16 of the Visalia Municipal Code  
Effective date - August 17, 2001

Impact fees shall be imposed by the City pursuant to this Ordinance as a condition of or in conjunction with the approval of a development project. "New Development or Development Project" means any new building, structure or improvement of any parcels of land, upon which no like building, structure of improvement previously existed. \*Refer to Engineering Site Plan comments for fee estimation.

- Not enough information provided. Please provide additional information pertaining to:  
\_\_\_\_\_
- Territorial Reinforcement: Define property lines (private/public space).  
\_\_\_\_\_
- Access Controlled / Restricted etc:  
\_\_\_\_\_
- Lighting Concerns:  
\_\_\_\_\_
- Landscaping Concerns:  
\_\_\_\_\_
- Traffic Concerns:  
\_\_\_\_\_
- Surveillance Issues:  
\_\_\_\_\_
- Line of Sight Issues:  
\_\_\_\_\_
- Quality of life / other Concerns:  
\_\_\_\_\_



Visalia Police Department

ITEM NO: 2  
SITE PLAN NO:  
PROJECT:  
APPLICANT TITLE:  
LOCATION TITLE:

APN TITLE:  
APN TITLE:

DATE: APRIL 30, 2008

08-074  
NEW CAR WASH  
NEW 3,951 SQ. FT. CAR WASH ON  
37,024 SQ. FT. AREA (CCM ZONED)  
CANBY ARCHITECTURE, HERMITAGE  
VILLAS LLC., (PROP. OWNER)

CALDWELL, S.

8767

# SITE PLAN REVIEW COMMENTS

Paul Bernal, Planning Division (559) 713-4025

Date: April 30, 2008

SITE PLAN NO: 08-074  
PROJECT: NEW CAR WASH  
NEW 3,951 SQ. FT. CAR WASH ON 37,024 SQ. FT. AREA (CCM ZONED)  
APPLICANT TITLE: CANBY ARCHITECTURE, HERMITAGE VILLAS LLC. (PROP. OWNER)  
LOCATION TITLE: 3821 CALDWELL, W.  
APN TITLE: 8767

General Plan: CCM – Community Commercial  
Existing Zoning: CCM – Community Commercial

## Planning Division Recommendation:

- Revise and Proceed  
 Resubmit

## The project will require the following:

Building Permits  
Conditional Use Permit (CUP)

## PROJECT SPECIFIC INFORMATION: 04/30/2008

1. A noise study will be required for the proposed uses which demonstrate that Community Noise levels can be met. The car wash and vacuums do not appear to be far enough from property lines to meet community Noise Standards.
2. Over-spray from the car wash may not fall upon any adjacent property. Over-spray can travel up to 50 feet in light breeze.
3. A lighting plan may be required for any discretionary permit for the site. Site, building, parking, advertising, security lighting must be designed and installed so as to prevent any direct or indirect light or glare from falling upon an adjacent residential property, or properties with residential uses.
4. Provide an operational statement to give staff a better picture of the days and hours of operation, along with numbers of employees.
5. Any wall height increase over seven (7) feet requires a variance, and exact location of the wall and a cross section of the wall relative to the site and adjacent residential area.
6. Provide building elevations for the CUP.
7. The canopy structure over the detail area located along the northeast portion of the site shall match the building materials used for the main building.
8. Provide building elevations with the CUP application submittal.

## CITY GENERAL PLAN CONSISTENCY

Staff initial finding is that the proposed site plan IS CONSISTENT with the City General Plan. Because this project requires discretionary approval by the City Council and/or Planning Commission the final determination of consistency will be made by the Planning Commission and/or City Council.

## Design District: "J" [17.30.260]

Properties situated within design district J are those within community centers. Comply with the development standards established per the Demaree/Caldwell Specific Plan.

## Parking:

1. Parking has been provided within the shopping center development. The entire site is required to have park one parking space per 250 square feet of gross floor area. A copy of the Covenants, Conditions and Restrictions

- is on file with the Community Development Department. See prior SPR and CUP approvals for the Winco Shopping Center.
- 30% of the required parking stalls may be compact and shall be evenly distributed in the lot. (See Zoning Ordinance Section 17.34.030.I)
  - No repair work or vehicle servicing allowed in a parking area. (See Zoning Ordinance Section 17.34.030.L)
  - It is highly recommended that bicycle rack(s) be provided on site plan.
  - Design/locate parking lot lighting to deflect any glare away from abutting residential areas. (See Zoning Ordinance Section 17.34.030.J)

#### Fencing and Screening:

- Provide screening for roof mounted equipment (Zoning Ordinance Section 17.30.130.F).
- Provide screened trash enclosure with solid screening gates (Zoning Ordinance Section 17.30.130.F).
- Outdoor retail sales prohibited.
- All outdoor storage areas are to be identified on the site plan and they are to be shown with screening (fencing). No materials may be stored above the storage area fence heights (Zoning Ordinance Section 17.30.130.F).
- NOTE: The maximum height of block walls and fences is 7-feet in the appropriate areas; this height is measured on the tallest side of the fence. If the height difference is such that the fence on the inside of the project site is not of sufficient height, the fence height should be discussed with Planning Staff prior to the filing of applications to determine if an Exception to fence/wall height should also be submitted.

#### Landscaping:

- All landscape areas to be protected with 6-inch concrete curbs. (See Zoning Ordinance Section 17.30.130.F)
  - All parking lots to be designed to provide a tree canopy to provide shade in the hot seasons and sunlight in the winter months.
  - Provide a detailed landscape and irrigation plan as a part of the building permit package. (See Zoning Ordinance Section 17.34.040)
  - Provide a conceptual landscape plan for resubmittal or planning commission review.
- Maintenance of landscaped areas. - A landscaped area provided in compliance with the regulations prescribed in the title or as a condition of a use permit or variance shall be planted with materials suitable for screening or ornamentation of the site, whichever is appropriate, and plant materials shall be maintained and replaced as needed, to screen or ornament the site. (Prior code § 7484)

#### Lighting:

- Building and security lights need to be shielded so that the light element is not visible from the adjacent residential properties, if any new lights are added or existing lights relocated.
- NOTE: Failure to meet these lighting standards in the field will result in no occupancy for the building until standards are met.
- In no case shall more than 0.5 lumens be exceeded at any property line, and in cases where the adjacent residential unit is very close to the property line, 0.5 lumens may not be acceptable.

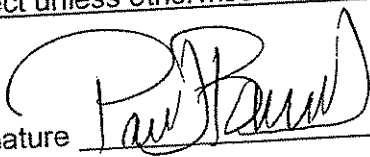
**Noise:** Must meet City noise standards as prescribed by the Noise Element.

**Signage:** All signs require a separate building permit.

The comments found on this document pertain to the site plan submitted for review on the above referenced date. Any changes made to the plan submitted must be submitted for additional review.

**NOTE:** Staff recommendations contained in this document are not to be considered support for a particular act or project unless otherwise stated in the comments.

Signature



**TRAFFIC SAFETY**

<input checked="" type="checkbox"/> Eric Bons	713-4350
<input type="checkbox"/> Myron Rounsfull	713-4412
<input type="checkbox"/>	

ITEM NO: <u>002</u>	DATE: <u>APRIL 30, 2008</u>
SITE PLAN NO.: PROJECT:	08-074 NEW CAR WASH NEW 3,951 SQ. FT. CAR WASH ON 37,024 SQ. FT. AREA (CCM ZONED)
APPLICANT:	CANBY ARCHITECTURE, HERMITAGE VILLAS LLC. (PROP. OWNER)
LOCATION: APN:	3821 CALDWELL, S. 8767

**SITE PLAN REVIEW COMMENTS**

**THE TRAFFIC DIVISION WILL PROHIBIT ON-STREET PARKING AS DEEMED NECESSARY**

- No Comments
- See Previous Site Plan Comments
- Install Street Light(s) on Marbelite Standards.
- Install Street Name Blades at Locations.
- Install Stop Signs at Locations.
- Construct parking per City Standards PK-1 through PK-4.
- Construct drive approach per City Standard C-17 or C-18.

**Additional Comments:**

  
Eric Bons



CITY OF VISALIA  
SOLID WASTE DIVISIO  
336 N. BEN MADDOX  
VISALIA CA. 93291  
713 - 4500

ITEM NO: 2  
SITE PLAN NO:  
PROJECT:  
APPLICANT TITLE:  
LOCATION TITLE:

DATE: / 11 30, 2008  
08-074  
NEW CAR WASH  
NEW 3,951 SQ. FT. CAR WASH ON  
37,024 SQ. FT. AREA (CCM ZONED)  
CANBY ARCHITECTURE, HERMITAGE  
VILLAS LLC., (PROP. OWNER)

COMMERCIAL BIN SERVICE

APN TITLE:  
APN TITLE:

CALDWELL, S.

8767

No comments.

Same comments as as

Revisions required prior to submitting final plans. See comments below.

Resubmittal required. See comments below.

Customer responsible for all cardboard and other bulky recyclables to be broken down before disposing of in recycle containers.

ALL refuse enclosures must be T-3 or T-4

Customer must provide combination or keys for access to locked gates/bins

Type of refuse service not indicated.

Location of bin enclosure not acceptable. See comments below.

Bin enclosure not to city standards double.

Inadequate number of bins to provide sufficient service. See comments below.

Drive approach too narrow for refuse trucks access. See comments below.

Area not adequate for allowing refuse truck turning radius of :  
Commercial ( X ) 50 ft. outside 36 ft. inside; Residential ( ) 35 ft. outside, 20 ft. inside.

Paved areas should be engineered to withstand a 55,000 lb. refuse truck.

Bin enclosure gates are required

Hammerhead turnaround must be built per city standards.

Cul - de - sac must be built per city standards.

Bin enclosures are for city refuse containers only. Grease drums or any other items are not allowed to be stored inside bin enclosures.

Area in front of refuse enclosure must be marked off indicating no parking

Enclosure will have to be designed and located for a STAB service (DIRECT ACCESS)

Customer will be required to roll container out to curb for service.

Must be a concrete slab in front of enclosure as per city standards  
The width of the enclosure by ten(10) feet, minimum of six(6) inches in depth.

Roll off compactor's must have a clearance of 3 feet from any wall on both sides and there must be a minimum of 53 feet clearance in front of the compactor to allow the truck enough room to provide service.

Bin enclosure gates must open 180 degrees and also hinges must be mounted in front of post see page 2 for instructions

Comments

Javier Hernandez, Solid Waste Front Load Supervisor 713-4338

**BUILDING/DEVELOPMENT PLAN  
REQUIREMENTS  
ENGINEERING DIVISION**

- Andrew Benelli 713-4340
- Doug Damko 713-4268
- Ken McSheehy 713-4447
- Peter Spiro 713-4256
- Norm Goldstrom 713-4638
- Greg Dais 713-4164
- Jason Huckleberry 713-4259
- Adrian Rubalcaba 713-4164

ITEM NO: 2 DATE: April 30, 2008

SITE PLAN NO.: 08-074  
 PROJECT: NEW CAR WASH (CCM ZONED)  
 APPLICANT: CANBY ARCH., HERMITAGE VILLAS LLC  
 LOCATION: 3821 S. CALDWELL  
 APN: 8767

**SITE PLAN REVIEW COMMENTS**

REQUIREMENTS (indicated by checked boxes)

Install curb return with ramp, with \_\_\_\_\_ radius;

Install curb, \_\_\_\_\_ gutter

Drive approach size: \_\_\_\_\_  Use radius return;

Sidewalk width, \_\_\_\_\_ parkway width at \_\_\_\_\_

Repair and/or replace any sidewalk across the public street frontage(s) of the subject site that has become uneven, cracked or damaged and may constitute a tripping hazard.

Replace any curb and gutter across the public street frontage(s) of the subject site that has become uneven and has created areas where water can stand

Right-of-way dedication required;

Deed required prior to issuing building permit;

City Encroachment Permit Required.

Insurance certificate with general & auto liability (\$1 million each) and workers compensation (\$1 million), valid business license, and appropriate contractor's license must be on file with the City, and valid Underground Service Alert # provided prior to issuing the permit.

CalTrans Encroachment Permit required.  CalTrans comments required prior to issuing building permit. Contacts: Al Dias (planning) 488-7306;

Landscape & Lighting District/Home Owners Association required prior to approval of Final Map. Landscape & Lighting District will maintain common area landscaping, street lights, street trees and local streets as applicable. Submit completed Landscape and Lighting District application and filing fee a min. c 75 days before approval of Final Map. Contact Doug Damko, 713-4268, 315 E. Acequia Ave.

Landscape & Irrigation improvement plans to be submitted for each phase. Landscape plans will need to comply with the City's street tree ordinance. The locations of street trees near intersections will need to comply with Plate SD-1 of the City improvement standards. A street tree and landscape master plan for all phases of the subdivision will need to be submitted with the initial phase to assist City staff in the formation of the landscape and lighting assessment district.

Grading & Drainage plan required.  Prepared by registered civil engineer or project architect.  Storm Water Discharge permit is required.  All elevations shall be based on the official City of Visalia datum. Storm run-off from the site needs to be directed to the City's storm drainage system.

Grading permit is required for clearing and earthwork performed prior to issuance of the building permit.

Show finish elevations. (Minimum slopes: A.C. pavement = 1%, Concrete pavement = 0.25%. Curb & Gutter = .020%, V-gutter = 0.25%)

Show adjacent property grade elevations. A retaining wall will be required for grade differences greater than 0.5 feet at the property line.

All public streets within the project limits and across the project frontage shall be improved to their full width subject to available right of way, in accordance with City policies, standards and specifications.

Traffic indexes per city standards

Install street striping as required by the City Engineer.

Install landscape curbing (typical at parking lot planters)

Minimum paving section for parking: 2" asphalt concrete paving over 4" Class 2 Agg. Base, or 4" concrete pavement over 2" sand.

- Design Paving section to traffic index of 5.0 min. for solid waste truck travel path.
- Provide "R" value tests: each at \_\_\_\_\_
- Written comments required from ditch company \_\_\_\_\_ Contacts: James Silva 747-1177 for Modoc, Persian, Watson, Oakes, Flemming, Evans Ditch and Peoples Ditch; Jerry Hill 686-3425 for Tulare Irrigation Canal; Packwood and Cameron Creeks; Bruce George 747-5601 for Mill Creek and St. John's River.
- Access required on ditch bank, 15' minimum  Provide \_\_\_\_\_ wide riparian dedication from top of bank.
- Show Oak trees with drip lines and adjacent grade elevations.  Protect Oak trees during construction in accordance with City requirements.
- A permit is required to remove oak trees. Contact David Pendergraft at 713-4295 for an Oak tree evaluation or permit to remove.  A pre-construction conference is required.
- Ponding basin required ( \_\_\_\_\_ maximum slope).  Fence required;  Provide access to bottom for maintenance.
- Relocate existing utility poles and/or facilities.
- Underground all existing overhead utilities within the project limits. Existing overhead electrical lines over 50kV shall be exempt from undergrounding.
- Subject to existing Reimbursement Agreement to reimburse prior developer.
- Dust control is required on site during construction and for all material excavated, graded, and/or transported.

Comply with prior comments.  Resubmit with additional information.  Redesign required.  Summary of Estimated Engineering Fees is attached.

**Additional Comments:**

1. The process of recycling wash bay water will result in a reduction of the sewer impact fees listed on Sheet 3.
2. Sewer lateral does not exist, Engineer shall adequately size a new sewer lateral to parcel to handle the wash bay water & sewer needs of the commercial retail facility.

# SUMMARY OF APPLICABLE DEVELOPMENT IMPACT FEES

Site Plan No: 08-074  
 Date: April 30, 2008

Summary of applicable Development Impact Fees to be collected at the time of building permit:  
 (Preliminary estimate only! Final fees will be based on the development fee schedule in effect at the time of building permit issuance.)

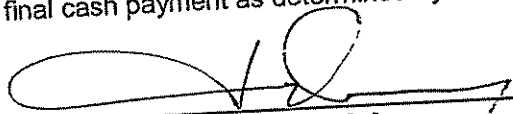
(Fee Schedule Date: 8-6-07)  
 (Project type for fee rates: Commercial Shop)

Existing uses may qualify for credits on Development Impact Fees.

FEE ITEM	FEE RATE
<input checked="" type="checkbox"/> Groundwater Overdraft Mitigation Fee	\$1,035 per Acre
<input checked="" type="checkbox"/> Transportation Impact Fee	\$16,716.94 per 1,000sf of building
<input checked="" type="checkbox"/> Trunk Line Capacity Fee	\$15,672.21 per wash bay
<input checked="" type="checkbox"/> Sewer Front Foot Fee	Treatment Plant Fee = \$17,064.64 per wash bay
<input checked="" type="checkbox"/> Storm Drain Acq/Dev Fee	\$5,799.63 per Acre
<input type="checkbox"/> Park Acq/Dev Fee	
<input type="checkbox"/> Northeast Specific Plan Fees	
<input checked="" type="checkbox"/> Waterways Acquisition Fee	\$5,334.04 per Acre
<input checked="" type="checkbox"/> Public Safety Impact Fee: Police	\$6,933.54 per Acre
<input checked="" type="checkbox"/> Public Safety Impact Fee: Fire	\$1,517.07 per Acre
<input checked="" type="checkbox"/> Public Facility Impact Fee	\$444.85 per 1,000sf
<input type="checkbox"/> Parking In-Lieu	

## Reimbursement:

- 1.) Reimbursement is available for the development of arterial/collector streets as shown in the City's Circulation Element and funded in the City's transportation impact fee program. The developer will be reimbursed for construction costs and right of way dedications associated with the full width development of these streets. Reimbursement unit costs will be subject to those unit costs utilized as the basis for the transportation impact fee. Reimbursement will be paid in the form of impact fee credits and a final cash payment as determined by the City. Impact fee credits are applied at the time of building permit issuance.
- 2.) Reimbursement is available for the construction of storm drain trunk lines and sanitary sewer trunk lines shown in the City's Storm Water Master Plan and Sanitary Sewer System Master Plan. The developer will be reimbursed for construction costs associated with the installation of these trunk lines. Reimbursement unit costs will be subject to those unit costs utilized as the basis for the storm drainage and sanitary sewer impact fees. Reimbursement will be paid in the form of impact fee credits and a final cash payment as determined by the City. Impact fee credits are applied at the time of building permit issuance.

  
 \_\_\_\_\_  
 Jason Huckleberry

**QUALITY ASSURANCE DIVISION  
SITE PLAN REVIEW COMMENTS**

<b>ITEM NO:</b> 2	<b>DATE:</b> APRIL 30, 2008
<b>SITE PLAN NO:</b>	08-074
<b>PROJECT:</b>	NEW CAR WASH
<b>APPLICANT TITLE:</b>	NEW 3,951 SQ. FT. CAR WASH ON 37,024 SQ. FT. AREA (CCM ZONED)
<b>LOCATION TITLE:</b>	CANBY ARCHITECTURE, HERMITAGE VILLAS LLC., (PROP. OWNER)
<b>APN TITLE:</b>	CALDWELL, S.
<b>APN TITLE:</b>	8767

YOU ARE REQUIRED TO COMPLY WITH THE CITY OF VISALIA WASTEWATER ORDINANCE 13.08 RELATIVE TO CONNECTION TO THE SEWER, PAYMENT OF CONNECTION FEES AND MONTHLY SEWER USER CHARGES. THE ORDINANCE ALSO RESTRICTS THE DISCHARGE OF CERTAIN NON-DOMESTIC WASTES INTO THE SANITARY SEWER SYSTEM.

YOUR PROJECT IS ALSO SUBJECT TO THE FOLLOWING REQUIREMENTS:

Submission of a Nonsignificant Wastewater Discharge Permit Application. This is to be completed and submitted by the generator prior to the startup of the business.

- PRETREATMENT PROGRAM \_\_\_\_\_
- RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) \_\_\_\_\_
- SAND AND GREASE TRAP - 3 COMPARTMENT \_\_\_\_\_
- GREASE TRAP \_\_\_\_\_ CAPACITY \_\_\_\_\_
- GARBAGE GRINDER - 3/4 HP. MAXIMUM \_\_\_\_\_
- SUBMISSION OF A DRY PROCESS DECLARATION \_\_\_\_\_
- NO SINGLE PASS COOLING WATER IS PERMITTED \_\_\_\_\_
- OTHER \_\_\_\_\_

CALL THE QUALITY ASSURANCE DIVISION AT (559) 713-4529 IF YOU HAVE ANY QUESTIONS.

CITY OF VISALIA  
PUBLIC WORKS DEPARTMENT  
QUALITY ASSURANCE DIVISION  
7579 AVE. 288 336 N. BEN MADDOX WAY  
VISALIA, CA 93292  
93277

*Dr. N. Knight*  
\_\_\_\_\_  
AUTHORIZED SIGNATURE  
4-25-08  
\_\_\_\_\_  
DATE



# CITY OF VISALIA NONSIGNIFICANT WASTEWATER DISCHARGE PERMIT APPLICATION

Agency Use:
Permit No: _____
Code No: _____
Data Entry By: _____

**PLEASE PRINT OR TYPE**

APPLICANT BUSINESS NAME: \_\_\_\_\_ PHONE: \_\_\_\_\_

BUSINESS ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

BUSINESS OWNER: \_\_\_\_\_ PHONE: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ TITLE: \_\_\_\_\_

NATURE OF BUSINESS: \_\_\_\_\_ (auto repair, car wash, machine shop, painting, battery dealer, etc.)

Does your facility have a grease, oil or grit trap installed before discharge to sewer?	YES	NO
Does your facility conduct automotive servicing operations that involve the exchange or replacement of fluids (e.g. oil, transmission or brake fluid, radiator coolant etc.)?	YES	NO
Does your facility have any floor drains?	YES	NO
Does your facility have a steam cleaner?	YES	NO
Does your facility wash vehicles on site?	YES	NO

**If generated, how do you dispose of the following:**

Grease, oil and sand interceptor contents \_\_\_\_\_

I hereby affirm that all information furnished is true and correct to the best of my knowledge.

\_\_\_\_\_  
Signature Date

Public Works Department  
Quality Assurance Division  
7579 Ave. 288  
Visalia CA 93277  
(559) 713-4487

CITY OF VISALIA  
ORDINANCE 13.08

**13.08.570 Traps required.**

Grease, oil and sand traps shall be provided when, in the opinion of the City, they are necessary for the protection of the sewerage system from liquid wastes containing grease in excessive amounts, or any flammable wastes, sand and other harmful ingredients; except that such traps shall not be required for buildings used solely for residential purposes. Such traps shall be required for example, on discharges from all service stations, automotive repair garages, car washes, restaurants, eating establishments and food preparation establishments, and such other commercial or industrial establishments as the city may designate. (Prior code § 4254)

**13.08.580 Construction of traps.**

All traps shall be of a type and capacity approved by the city, and shall be so located as to be readily and easily accessible for cleaning and inspection. Restaurant traps shall be gas-tight, of a type approved for restaurant use by the division of building safety. Traps for all other facilities, including service stations and garages, shall be in accordance with the adopted plan of the city for such traps or shall be the approved equal thereof as determined by the director. (Prior code § 4255)

**13.08.590 Maintenance of traps.**

When installed, all grease, oil and sand traps shall be maintained by the owner, at owner's expense, in continuously efficient operation at all times. (Prior code § 4256)

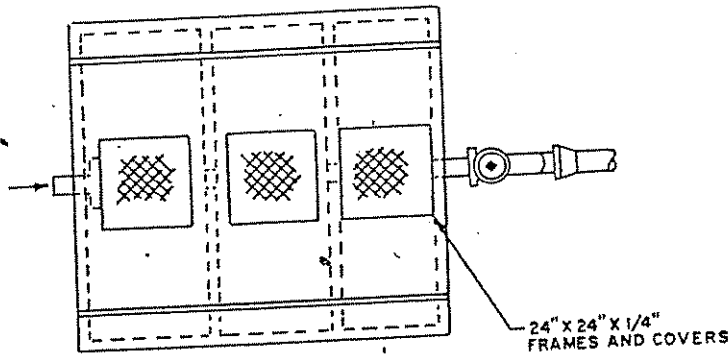


**TYPICAL PRECAST 1000 GAL.**

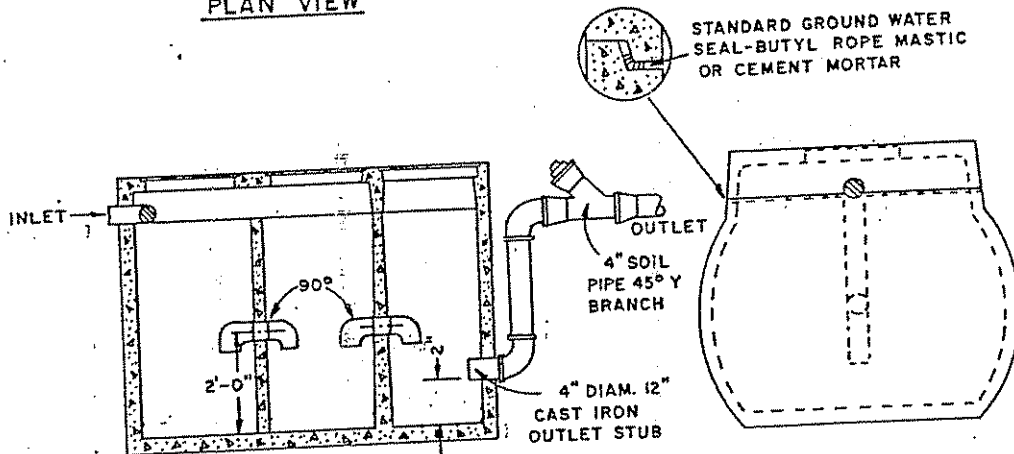
NO SCALE

(SEE DETAIL S-9A FOR NOTES)

SIZE PLAN 08-074

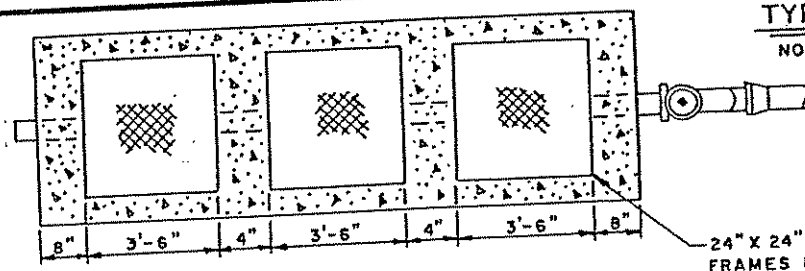


**PLAN VIEW**



**LONGITUDINAL SECTION**

**END VIEW**



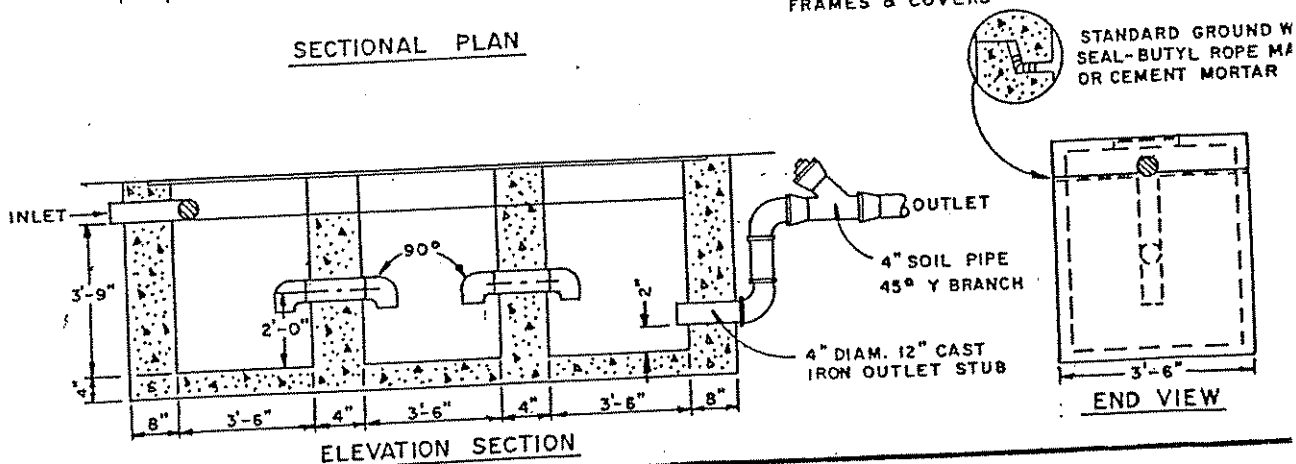
**TYPICAL POUR-IN-PLACE**

NO SCALE

**1000 GAL.**

(SEE DETAIL S-9A FOR NOTES)

**SECTIONAL PLAN**



**ELEVATION SECTION**

**END VIEW**

Approved by Visalia City Council on \_\_\_\_\_ DATE

**City of Visalia  
Improvement Standards**

**Standard Outside Industrial Sand,  
Grease & Oil Interceptor**

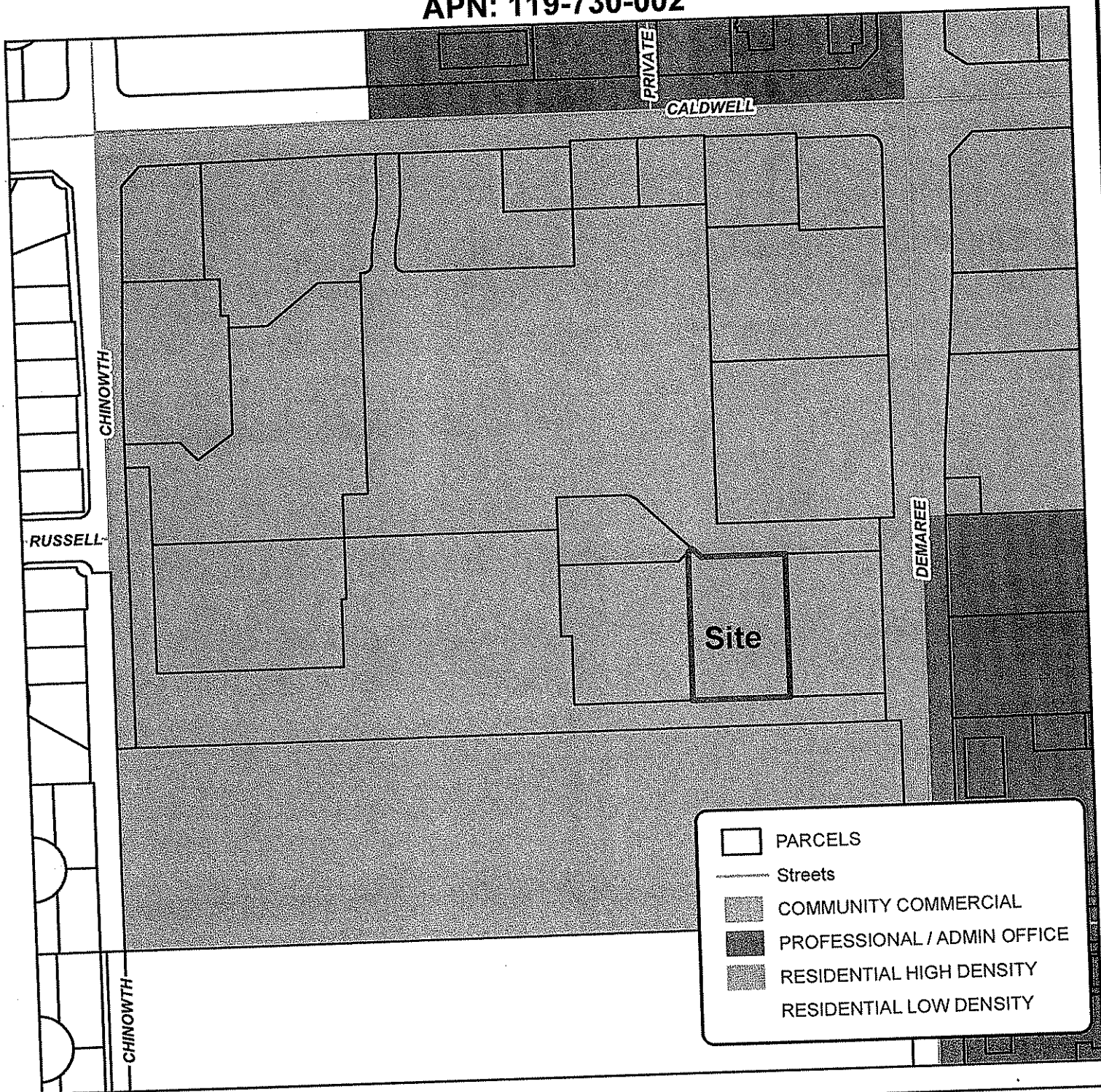
REVISIONS

**S-9**

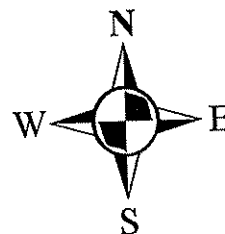
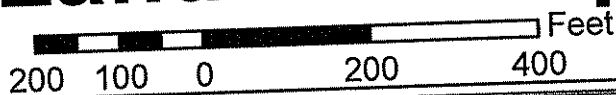


# Conditional Use Permit No. 2008-29

APN: 119-730-002

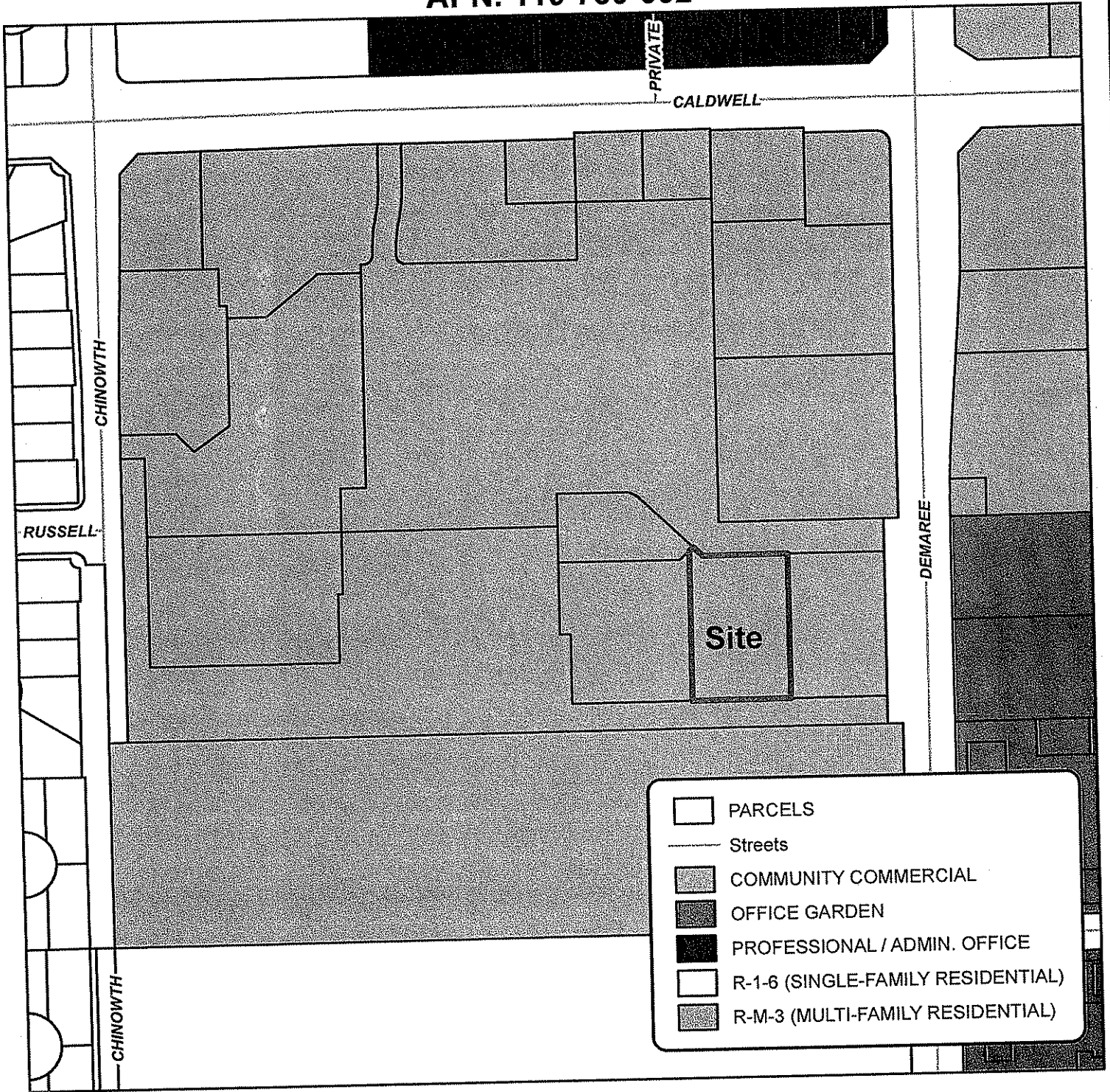


## General Plan Land Use Map

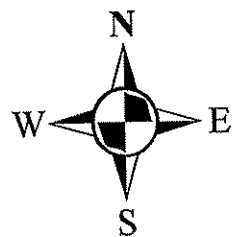
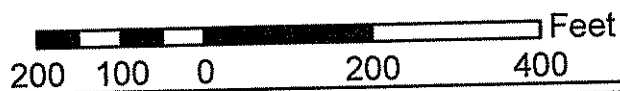


# Conditional Use Permit No. 2008-29

APN: 119-730-002



## Zoning Map



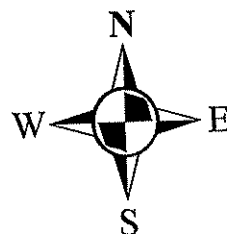


# Conditional Use Permit No. 2008-29

APN: 119-730-002

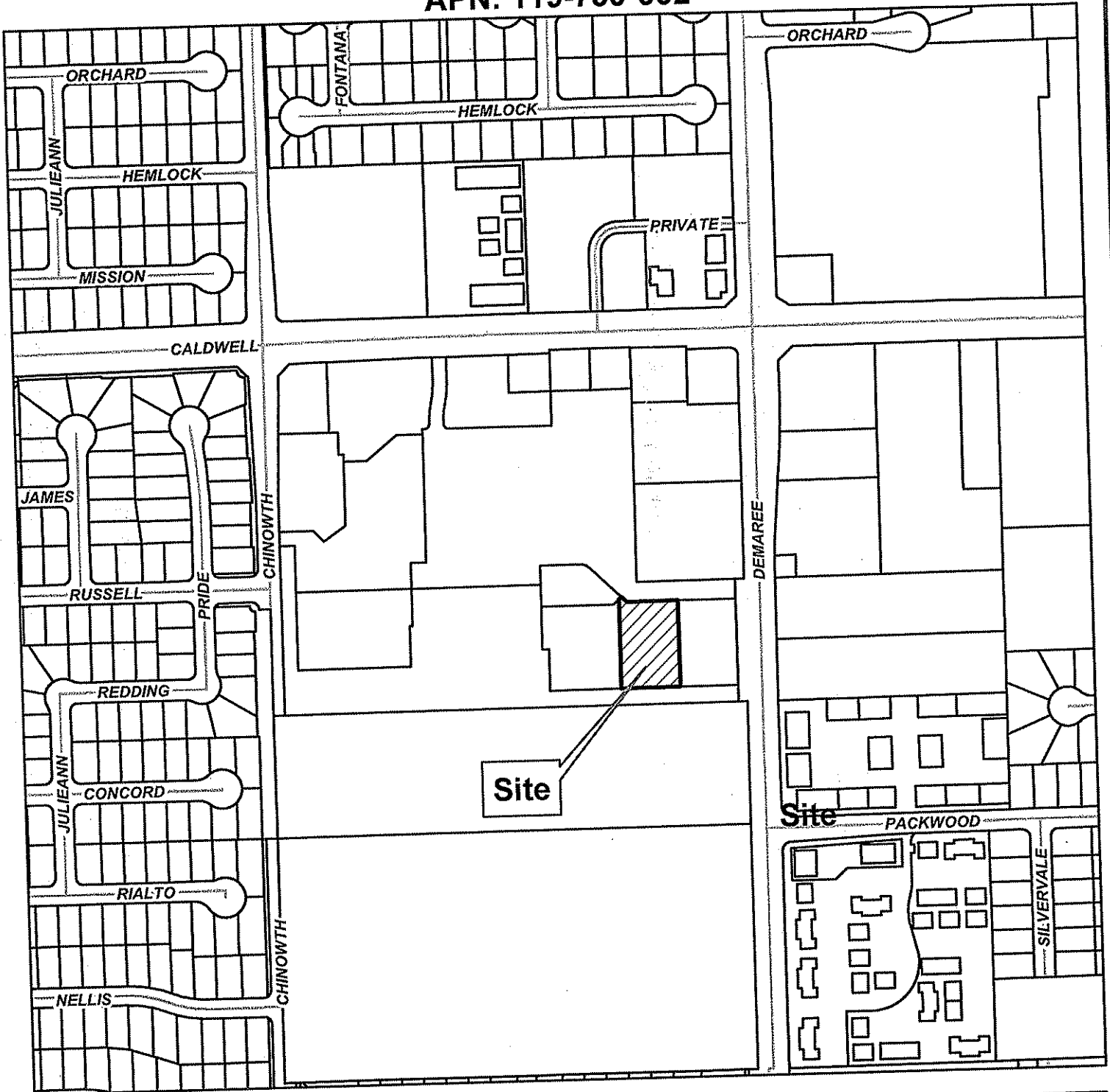


## Aerial Photo

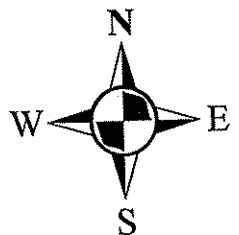


# Conditional Use Permit No. 2008-29

APN: 119-730-002

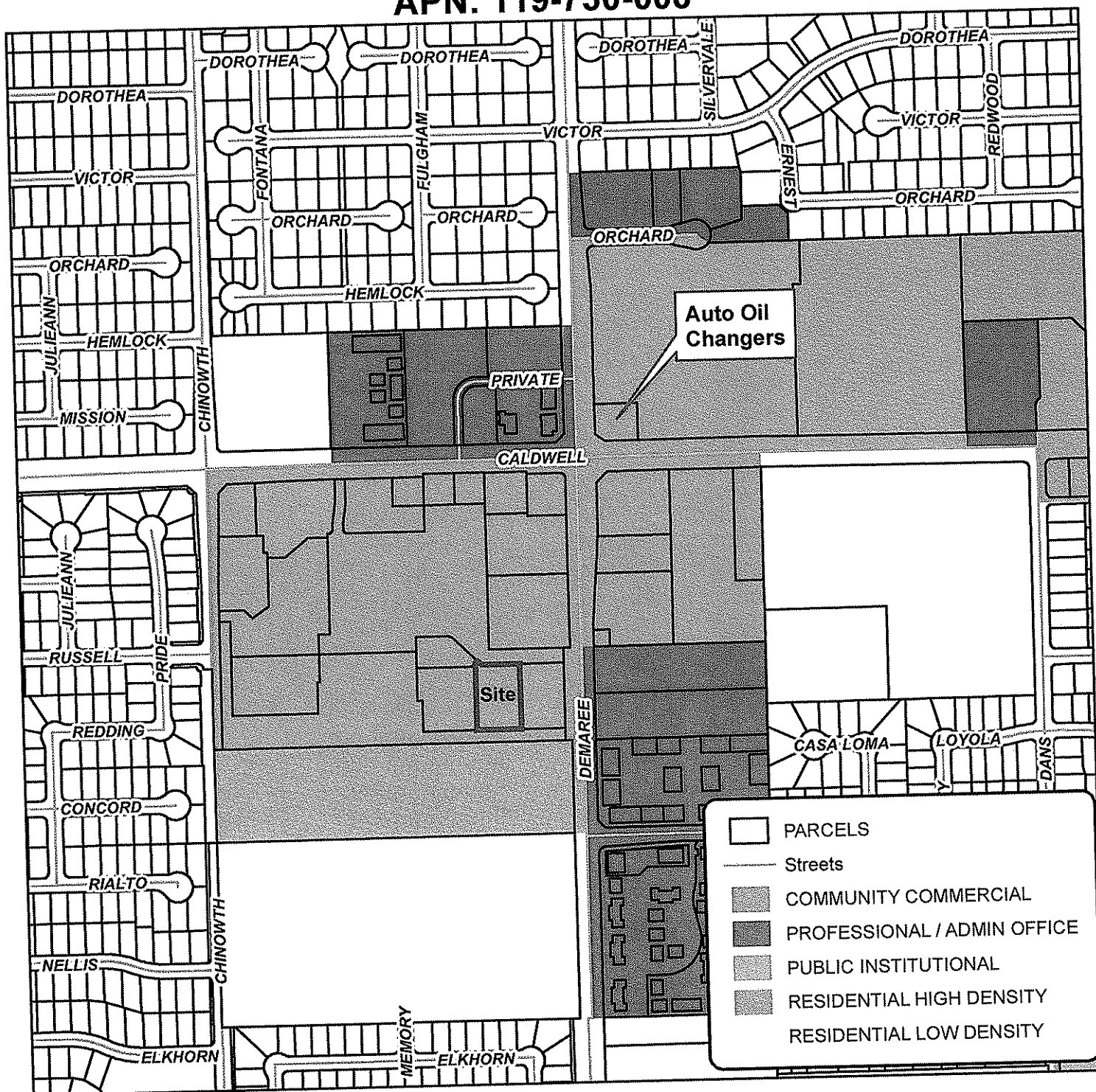


## Vicinity Map

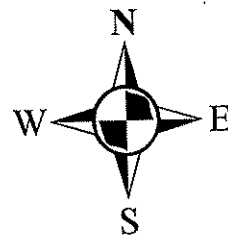


# Conditional Use Permit No. 2008-29

APN: 119-730-008



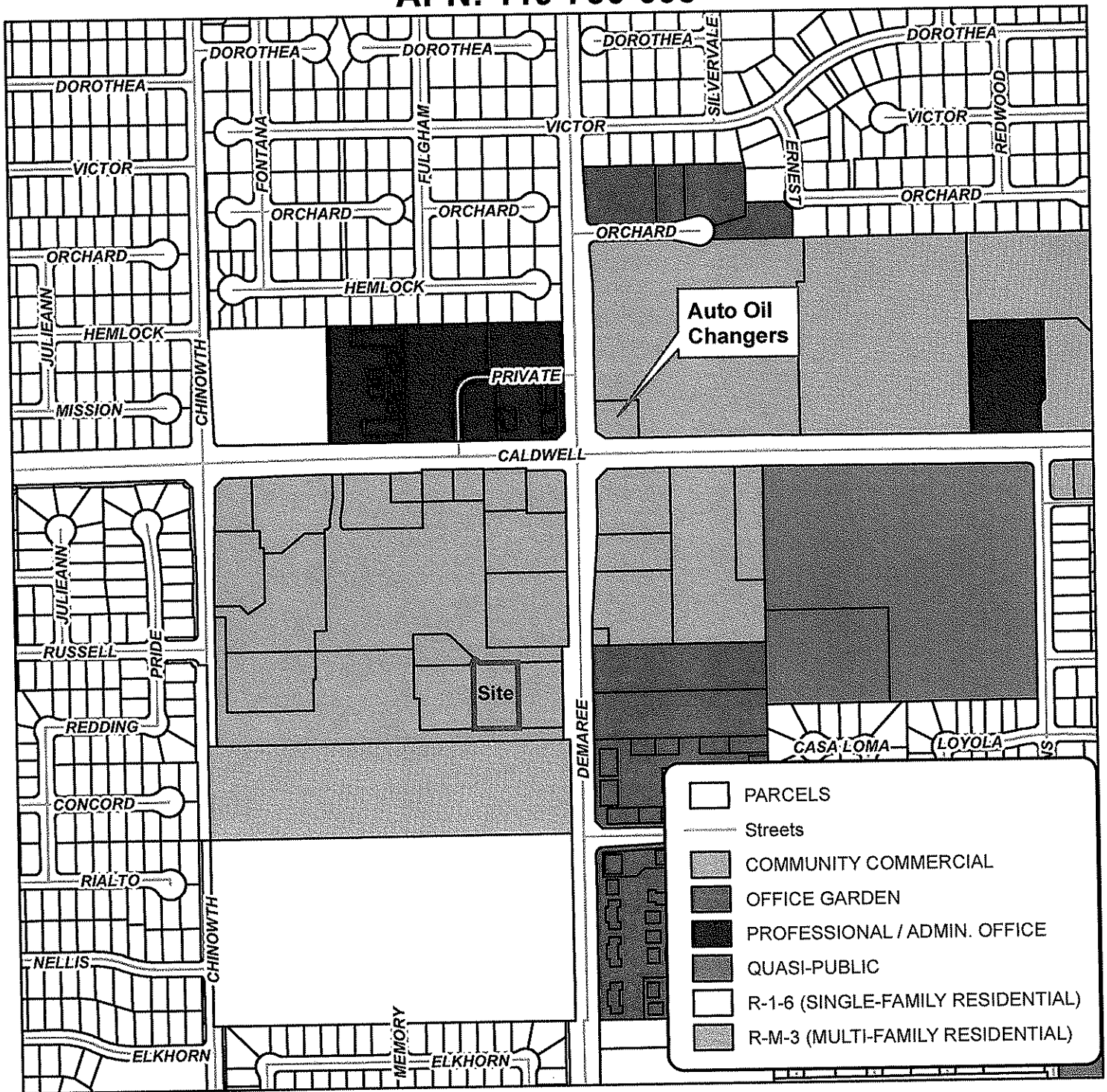
## General Plan Land Use Map



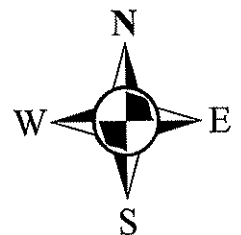


# Conditional Use Permit No. 2008-29

APN: 119-730-008

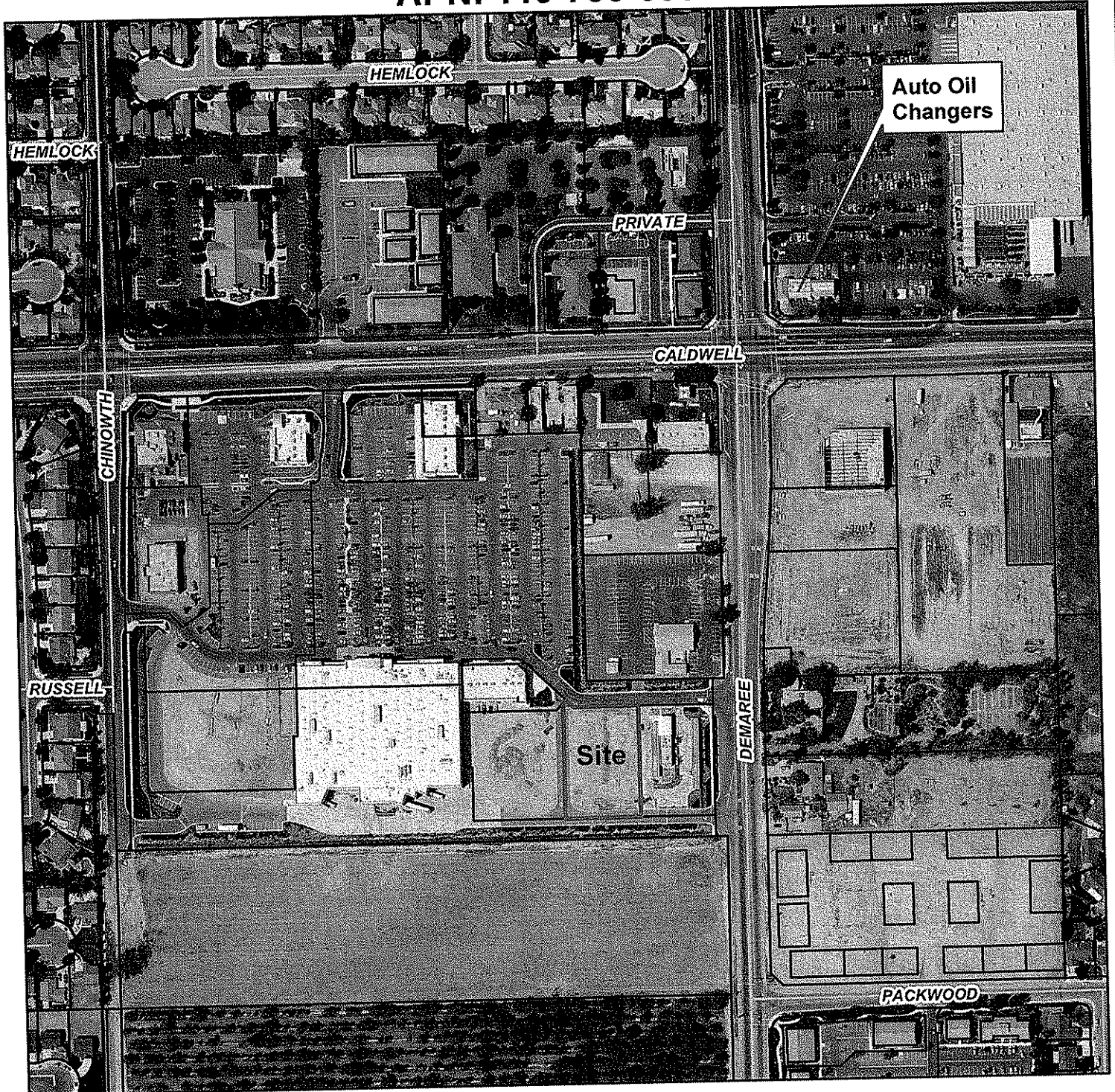


## Zoning Map

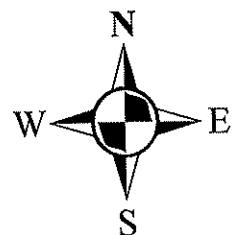


# Conditional Use Permit No. 2008-29

APN: 119-730-008



## Aerial Photo



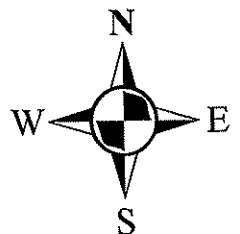


# Conditional Use Permit No. 2008-29

APN: 119-730-008



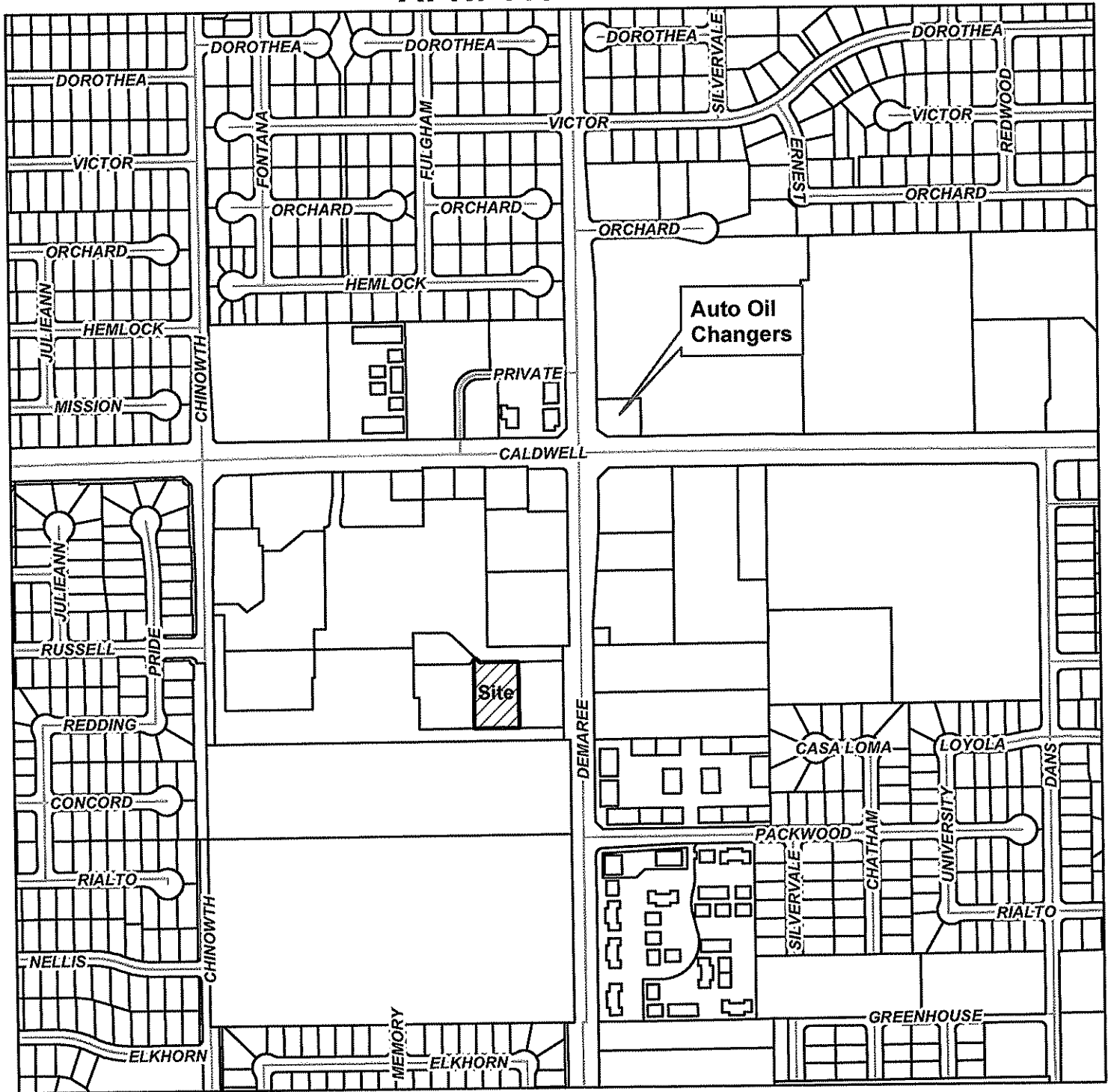
## Aerial Photo



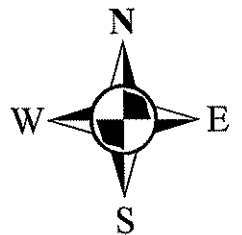


# Conditional Use Permit No. 2008-29

APN: 119-730-008



## Vicinity Map



**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number (Assigned by City Clerk):** 11

**Agenda Item Wording:**

1. Acknowledgement of staff's efforts to develop comprehensive recommendations on water reuse.
2. Authorization to allocate \$25,000 for the engineering firm of Atkins to perform a peer review of the Water Conservation Plant Master Plan.

**Deadline for Action:**

**Submitting Department:** Public Works

**Contact Name and Phone Number:** Andrew Benelli, Public Works Director 713-4340; Jim Ross, Public Works Manager 713-4466

**Department Recommendation:**

1. Staff recommends that Council acknowledge and approve of staff's efforts to develop comprehensive recommendations on water reuse.
2. Staff further recommends Council allocate \$25,000 for a peer review of the Water Conservation Plant Master Plan recommendations and the six design proposals received in response to RFP No. 07-08-66, and authorize the engineering firm of Atkins to do the review.

**Summary/background:**

Beginning March 2011, the Water Conservation Plant (WCP) must meet increasingly stringent standards in order to continue the current practice of discharging treated effluent to Mill Creek. These standards will require that the WCP treat to a disinfected tertiary standard, which will produce water suitable for any use other than for drinking water.

Continuing to discharge to Mill Creek would also require monthly chronic and acute toxicity testing of plant effluent. In this test, a number of three specific species (a minnow, a water flea, and an algae) are exposed to the effluent. If a certain percentage of them die, the sample is considered toxic. If this happens, "Pandora's box" is opened and the City must identify the

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.):\_10\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

cause of the toxicity and take measures to eliminate it. This could potentially be a very cumbersome and expensive undertaking.

It is because of this possibility that the Master Plan recommended eliminating the WCP's discharge to Mill Creek and instead discharging the effluent to ponding basins for irrigation reuse.

The Master Plan evaluated various options for non-Mill Creek discharge, including construction of new ponding basins on city owned land or on newly acquired land adjacent to the treatment plant. The Master Plan identified utilization of the existing Basin 4 to be the preferred option. This option would avoid the conversion of 160 acres of prime ag land to non-ag uses and would be the least expensive ponding option. In addition, it would form the backbone of an extensive irrigation distribution network.

Council authorized our consultants to obtain a Master Reclamation Permit from the Regional Board that would allow the City to permit individual property owners along the effluent pipeline to utilize effluent for irrigation uses. Staff has already met with several of the property owners, representing approximately 2600 acres, and interest in effluent reuse is high.

### **Effluent Reuse**

However, it was clear that Council's acceptance of a pipeline to Basin 4 was lukewarm. It was also clear that Council had a genuine interest in utilizing treated effluent to offset groundwater use within the City. To this end, Council directed staff to move forward with an optional component of the Master Plan that would supply tertiary treated effluent to the Airport, Plaza Park, and golf course areas. Additionally, the City has acquired approximately 150 acres of ag land within the airport approach path that could be permitted to utilize treated effluent.

To build on this effort, staff from various departments, including Community Development, Public Works, Engineering, Administration, and Natural Resources is working to develop a long term effluent management strategy, with the goal of expanding the City's water resources.

While effluent is currently used to irrigate farmland near the WCP, this has no impact on Visalia's water supply. However, reuse up gradient (east and northeast) of the City would have a positive impact, and could serve to slow or possibly reverse the city's declining ground water level. A thorough vetting of specific reuse sites up gradient of the City should be undertaken.

Staff is also working to identify areas within the city where water reuse may be feasible. Satellite treatment plants offer the possibility of water reuse without the cost of installing a vast distribution network. This technology, while expensive, may be beneficial in areas with a high irrigation demand.

The timeframe for fully implementing a major water recycling program is likely to be on the order of 5-10 years. This includes one year for study, one year for design, one or two years for environmental work, one year of administrative legwork, and phased construction over several years. Of course, it is possible to do some less technical portions of a larger project on a much more immediate basis and even incremental progress in water reuse will have an immediate positive impact on Visalia's water supply.

### **Peer Review of Master Plan and RFP Proposals.**

To ensure that the Master Plan recommendations do not contradict the City's move toward water recycling, staff recommends Council authorize a peer review of the document. In addition, several of the proposals presented a treatment approach different than that contained in the Master Plan document.

However, it should be said that NONE of the proposals took issue with the recommendation to discontinue discharge to Mill Creek or to the concept of the pipeline to Basin 4. Because the nature of the proposals is very technical, the City does not have the staff expertise to evaluate the merits of the various approaches.

Due to time constraints imposed by the Regional Board, staff has contacted the engineering firm of Faithful + Gould, which is the world's eighth largest design firm. Their affiliate firm, Atkins, has recently performed a peer review of the City of Tulare's Wastewater Treatment Plant Master Plan. City of Tulare staff states that the work done by Atkins has already resulted in a significant savings during the current plant expansion.

For a fee of \$25,000, Atkins will:

- Perform an extensive review of the WCP to determine its operation;
- Review the discharge permit;
- Review the Master Plan and its recommendations;
- Evaluate the technical elements of the six proposals;
- Evaluate the need for the Basin 4 pipeline in light of the City's reuse efforts;
- Prepare a report on the suitability of the Master Plan as a basis for design as well as the technical merits of the approaches contained in the proposals; and
- Participate in the interview of short-listed consultants.

It will take four weeks for Atkins to perform these tasks.

With the City poised to spend upwards of \$60 million over the next few years, a "second opinion" is surely a prudent course of action.

**Prior Council/Board Actions:** Approval of Master Plan

**Committee/Commission Review and Actions:**

**Alternatives:**

**Attachments:** none

**Recommended Motion (and Alternative Motions if expected):**

Move to acknowledge and approve of staff's efforts to develop comprehensive recommendations on water reuse.

Further move to allocate \$25,000 for a peer review of the Water Conservation Plant Master Plan and design proposals, and authorize Atkins to perform said review.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** November 17, 2008

**Agenda Item Number:** 12

**Agenda Item Wording:** Public Hearing on the Midterm Review of the Five Year Implementation Plan Update (2005-10) for the Community Redevelopment Agency of the City of Visalia; Adoption of Resolutions relating to use of Redevelopment Funds and Loan for Payment of State Take-away Funds.

**Deadline for Action:** December 31, 2008

**Submitting Department:** Housing and Economic Development Division

**Contact Name and Phone Number:**

Ricardo Noguera, Housing and Economic Development Director, 713-4190; Ruth Peña, Financial Analyst, 713-4327

For action by:

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

For placement on which agenda:

Work Session  
 Closed Session  
 Regular Session:  
 Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 20

**Recommendation:**

Staff recommends the Agency Board hold a public hearing on the Midterm Review of the Five-Year Implementation Plan Update (2005-10) for the City of Visalia Redevelopment Agency and for aggregating new or substantially rehabilitated dwelling units amongst the four Project Areas and approve the following:

1. Adopt Resolution No. RDA 2008-02 approving the Midterm Review of the Five-Year Implementation Plan for the Visalia Redevelopment Agency and making findings that the Agency may meet its affordable housing requirements in the aggregate amongst, the four (4) project areas pursuant to Section 33413(b)(2)(v) of the California Redevelopment Law (CRL);
2. Adopt Resolution No. RDA 2008-03 approving the loaning of East Visalia RDA low/mod funds to cover its' pro rata share for the 2008 State Take-away and to be repaid through General RDA funds in ten (10) years.

**Intent of an Implementation Plan.** The Agency Board is required to hold a public hearing in order to share and gain input on the proposed Midterm review of the Five Year Implementation Plan for the period 2005-10. The Implementation Plan was completed in December 2004. The purpose of Implementation Plans are to summarize the following:

- Summarize expenditures of RDA funds (both general and affordable housing);
- Provide projections for both revenues and expenditures;
- Highlight non-housing activities planned in the future;
- Highlight affordable housing activities completed and proposed.

**Summary of the Midterm Review for the Implementation Plan 2005-09.** This Plan summarizes the activities which have commenced and those proposed for the future. As part of the Midterm Review, staff will complete a Ten-Year Housing Compliance Plan to ensure the Agency is adequately fulfilling its' affordable housing production, replacement housing and proportional expenditure obligations as required by Section 333490 of the CRL.

**Goals and Activities.** The key goals and activities for the four project areas are as follows:

1. Promote mixed-use and higher density development in East, Central & Mooney Project Areas;
2. Develop more parking in the Central and East Project Areas;
3. Promote historic preservation activities in the Central Project Area;
4. Support the acquisition, rehabilitation and redevelopment of obsolete properties in the Central, East & Mooney Project Areas;
5. Support infill housing development and rehabilitate as well as acquire foreclosed and abandoned properties.

**Summary of Non-Housing Activities.** Between 2005-09, the Agency is projected to generate approximately \$34 million in revenues within the four project areas (does not include loan proceeds). It is also projected to generate \$33 million in expenditures. This includes almost \$8 million to support low/mod funding and nearly \$4 million in repayment of various loans and bond debt. Although the Downtown Project Area is not required to contribute to tax sharing agreements, pass through agreements for the remaining three project areas represent more than fifty-five (55) percent or approximately \$18 million in expenses over the five year period. Therefore, there are limited funds available to support new non-housing activities. Many of the proposed activities will be supported by non-redevelopment funding sources such as: Measure R, Civic Center Funds, Measure T, CDBG and private sources. There is more than \$30 million encumbered.

**State Take-away Impact.** On September 23, 2008, the Governor signed the State Budget for 2008/09. This called for a \$350 million statewide take away from local and county RDA agencies. Locally, the impact will be \$450,000. The Agency will consider borrowing the funds from its' low/mod budget and repay in ten (10) years from its' eighty (80) percent funds. A resolution is attached to this staff report. An additional \$400 million take away annually is now being proposed because of the State's ongoing fiscal crisis.

**Housing Compliance Review.** The ten-year housing compliance portion of the Plan covers the period 2005-14 and identifies current and planned activities as well as expenditures.

Staff are recommending approval of a resolution which will allow the aggregation of affordable housing activities amongst the four project areas. Over this ten-year period, the Agency should have a total of \$18.5 million to support affordable housing activities. Approximately, \$6 million has already been spent or is earmarked for current projects leaving a balance of \$12 million available for future projects. In light of the current economic market, these projections may be more aggressive than the actual outcome. Additionally, there is no way to determine potential future takes by the State and its' impact on local resources.

**Future Housing Activities.** The foreclosure crisis has forced communities across the nation to take a more strategic examination of its' housing stock and how public funds will be utilized. In the past few years, the City/Agency has supported the acquisition of vacant properties and construction of both rental and homeownership units as well as the financing of first time homebuyers and rehabilitation of homes. However, the foreclosure crisis has resulted in a surplus of abandoned and vacant units as well as new homes which homebuilders cannot sell.

The City/Agency will continue to support the construction of a senior rental housing development (Sierra Meadows); fulfill homeownership for low-income buyers (Habitat for Humanity) and rehabilitation of both homes and mobile homes. However, opportunities exist to utilize the \$2.38 million in Neighborhood Stabilization Program (NSP) funds to acquire between 20 and 50 homes utilizing the City's successful First Time Homebuyer Program as a model to recycle funds. There are also opportunities to purchase new and foreclosed homes from homebuilders and banks at a discounted price with the use of RDA low/mod funds. These homes will have affordability covenants placed on them.

**Committee/Commission Review and Actions:**

**Prior Council/Board Actions:**

Approval of 2005-2009 Implementation Plan, December 2004

Approval of 1999-2004 Implementation Plan, December 1999

**Alternatives:**

None recommended

**Attachments:**

- Midterm Review for the Implementation Plan 2005-09
- Exhibit A
- Resolution No. RDA 2008-02
- Resolution No. RDA 2008-03



**Recommended Motion (and Alternative Motions if expected):** Staff recommends the Agency Board hold a public hearing on the Midterm Review of the Five-Year Implementation Plan Update (2005-10) for the City of Visalia Redevelopment Agency and for aggregating new or substantially rehabilitated dwelling units amongst the four Project Areas and approve the following:

1. Adopt Resolution No. RDA 2008-02 approving the Midterm Review of the Five-Year Implementation Plan for the Visalia Redevelopment Agency and making findings that the Agency may meet its affordable housing requirements in the aggregate amongst, the four (4) project areas pursuant to Section 33413(b)(2)(v) of the California Redevelopment Law (CRL);

2. Adopt Resolution No. RDA 2008-03 approving the loaning of RDA low/mod funds from the East Visalia Project Area to cover its' pro rata share of 2008 State Take-away and to be repaid through General RDA funds in ten (10) years.

***Financial Impact***

There is no Financial Impact based on the acceptance of this Midterm Implementation Plan Update.

***Environmental Assessment Status***

**CEQA Review:** No

**NEPA Review:** No

RESOLUTION RDA NO. 2008-02

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPROVING A MID-TERM REVIEW OF THE FIVE-YEAR IMPLEMENTATION PLAN FOR THE AGENCY'S DOWNTOWN, EAST VISALIA, MOONEY BOULEVARD, AND CENTRAL REDEVELOPMENT PROJECT AREAS; AND MAKING FINDINGS THAT THE AGENCY MAY MEET ITS AFFORDABLE HOUSING REQUIREMENTS IN THE AGGREGATE AMONGST ALL OF THE AGENCY'S PROJECT AREAS.**

**WHEREAS**, Section 33490(a)(1)(A) of the California Community Redevelopment Law, Health and Safety Code 33000 et. seq. ("Law") requires all redevelopment agencies to adopt an Implementation Plan every five years, following a duly noticed public hearing; and

**WHEREAS**, Section 33490(a)(1)(A) of the Law requires that the Implementation Plan contain the specific goals and objectives of the Agency for the project areas, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project areas and implement the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413 of Law; and

**WHEREAS**, Section 33490(c) of the Law requires all redevelopment agencies to conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the Redevelopment Plan and corresponding Implementation Plan(s) at least once during the five-year term of the Implementation Plan, following a duly noticed public hearing; and

**WHEREAS**, pursuant to Section 33490 of the Law, the Redevelopment Agency of the City of Visalia ("Agency") adopted a Five-Year Implementation Plan on December 16, 2004, including a Ten Year Affordable Housing Compliance Plan for the Downtown, East Visalia, Mooney Boulevard, and Cental Redevelopment Projects; and

**WHEREAS**, Section 33413(b)(2)(A)(v) authorizes the Agency to aggregate new or substantially rehabilitated dwelling units in one or more project areas if the Agency finds, based on substantial evidence, after a public hearing, that the aggregation will not cause or exacerbate racial, ethnic or economic segregation; and

**WHEREAS**, the Agency has conducted, a dulely noticed public hearing on November 17, 2008, and

**WHEREAS**, The Agency determined that aggregation of new or substantially rehabilitated dwelling units amongst the Downtown, East Visalia, Mooney Boulevard, and Central Redevelopment Projects would not cause or exacerbate racial, ethnic or

economic segregation based on substantial evidence presented to the Agency which demonstrates that:

- A. The statistics presented in Attached Exhibit B, documenting the percent change in population by racial category for 2000 through 2008 for the Project Areas show that the population changes in each Project Area are reasonably consistent with that of the other Project Areas and of the City as a whole and do not demonstrate that aggregation is exacerbating racial or ethnic segregation.
- B. The statistics presented in Attached Exhibit B, documenting the median household income and percentage of families living below the median income for the City of Visalia for 2000 through 2008 for the Project Areas show that the changes in each Project Area are reasonably consistent with that of the other Project Areas and of the City as a whole and do not demonstrate that aggregation is exacerbating racial or ethnic segregation.

**WHEREAS**, Agency staff has determined review of the Mid-Term Review of the Implementation Plan and the finding for aggregation of new and substantially rehabilitated dwelling units is exempt from review under the California Environmental Quality Act (California Public Resources Code Section 2100 et seq.) (“CEQA”) pursuant to State CEQA Guidelines Section 15061 (b)(3), because it can be seen with certainty that there is no possibility that the review of the Mid-Term Review of the Implementation Plan will have a physical effect on the environment.

**NOW, THEREFORE, BE IT RESOLVED** BY THE GOVERNING BOARD OF THE THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA AS FOLLOWS:

**SECTION 1.** The Agency hereby approves the Mid-Term Review for the Five-Year Implementation Plan and Housing Compliance Plan for the Downtown, East Visalia, Mooney Boulevard, and Cental Redevelopment Projects, attached herewith as Exhibit A.

**SECTION 2.** In accordance with California Health and Safety Code Section 33413(b)(2)(A)(v), the Agency finds that the aggregation of new or substantially rehabilitated dwelling units amongst the Downtown, East Visalia, Mooney Boulevard, and Cental Redevelopment Projects will not cause or exacerbate racial, ethnic or economic segregation.

**SECTION 3.** The approval of the Mid-Term Review for the Implementaion Plan and the finding for aggregation of new and substantially rehabilitated dwelling units in one or more project areas does not constitute approval of an specific program, project, or expenditure, and does not change the need to obtain any required approval of a specific program, project, or expenditure form the Agency or the City.

I, Steve Saloman, City Manager/City Clerk of the of the City of Visalia, hereby certify that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly passed and adopted by the Governing Board of the Redevelopment Agency of the City of Visalia at a meeting thereof held on the 17th day of November 2008, and that the foregoing is a full and correct copy of said resolution.

\_\_\_\_\_  
City Manager/City Clerk

**PASSED AND ADOPTED** this 17<sup>th</sup> day of November, 2008, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Chairperson

**ATTEST:**

\_\_\_\_\_  
Steve Saloman, City Manager/City Clerk

RESOLUTION RDA NO. 2008-03

**A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPROVING FINANCING AND PAYMENT OF FISCAL YEAR 2008/09 EDUCATION REVENUE AUGMENTATION FUND OBLIGATIONS.**

**WHEREAS**, on September 23, 2008, the Governor signed the State budget, which called for a \$350 Million ERAF shift from redevelopment agencies for fiscal year 2008/09; and

**WHEREAS**, it is estimated that the Community Redevelopment Agency for the City of Visalia (hereinafter "Agency") will incur a total Education Revenue Augmentation Fund (hereinafter "ERAF") payment obligation of \$449,082 under the approved State budget, based on the 2006/07 fiscal year's tax increment as calculated by the California Redevelopment Association based upon information provided by the State Department of Finance; and

**WHEREAS**, the estimated ERAF payments have been apportioned and incorporated into the cash flow projects for each Project Area; and

**WHEREAS**, pursuant to Health and Safety Code Section 33685, the Agency will be required to remit an amount, prior to May 10, 2009, as determined by the Director of Finance on or before November 15, 2008, to the County auditor for deposit into the County ERAF; and

**WHEREAS**, Health and Safety Code Section 33685 allows the Agency to make the allocation required thereunder by borrowing up to fifty percent (50%) of the amount required to be allocated to the Low and Moderate Income Housing Fund (hereinafter "LMIHF"), pursuant to Sections 33334.2, 33334.3, and 33334.6; and

**WHEREAS**, the total estimated LMIHF deposit by the Agency for fiscal year 2008/09 is \$1.662 million; and

**WHEREAS**, Health and Safety Code Section 33685 requires that Agency make the finding that there are insufficient other monies to meet its requirements in the East Visalia Project Area; and

**WHEREAS**, Agency has determined, after meeting all of its existing, binding financial obligations, there is insufficient revenue available to meet the ERAF obligations for the East Visalia Project Area required by Health and Safety Code Section 33685; and

**WHEREAS**, Agency's borrowing of LMHIF for payment of its obligations required by Health and Safety Code Section 33685 must be paid in full within ten (10) years following the date on which the monies were remitted to the County auditor for deposit into the ERAF; and

**WHEREAS**, the amount owed by the Agency pursuant to Health and Safety Code Section 33685 are an indebtedness of the redevelopment project to which they relate, and are payable from taxes allocated to the Agency pursuant to Section 33670; and

**WHEREAS**, the Agency will, within ten years from the date it borrows funds from the LMHIF for payment of the obligations required by Health and Safety Code Section 33685, repay those funds with funds from general redevelopment fund taxes collected pursuant to Health and Safety Code Section 33670.

**NOW, THEREFORE, BE IT RESOLVED** BY THE GOVERNING BOARD OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF VISALIA AS FOLLOWS:

**SECTION 1.** The Agency hereby approves the borrowing of funds from its East Visalia LMHIF for the payment of its proportional share (\$126,680) of financial obligations required pursuant to Health and Safety Code Section 33685. The exact amount to be borrowed from Agency's LMHIF has yet to be confirmed, and shall be set by the Director of Finance on or before November 15, 2008. The Agency has determined and hereby finds and declares that: (1) the amount to be borrowed is less than or equal to fifty (50%) of the amount required to be allocated to the LMHIF pursuant to Sections 33334.2, 33334.3, and 33334.6, and (2) there are insufficient other funds available to the Agency to make the payments required by Health and Safety Code Section 33685.

**SECTION 2.** The Agency hereby approves the payment of funds borrowed from its East Visalia Project Area's LMHIF pursuant to Section 1 above, to the County auditor on or before May 10, 2009, in order to satisfy its obligations required under Health and Safety Code Section 33685.

**SECTION 3.** The Agency hereby approves the repayment of the funds authorized for borrowing by Section 1 above, with funds from its general redevelopment fund tax income within ten (10) years of the date the Agency transfers its funds to the County auditor as required by Health and Safety Code Section 33685.

I, Steve Salomon, City Manager/City Clerk of the of the City of Visalia, hereby certify that the foregoing Resolution No. \_\_\_\_\_ was duly and regularly passed and adopted by the Governing Board of the Redevelopment Agency of the City of Visalia at a meeting thereof held on the 17th day of November 2008, and that the foregoing is a full and correct copy of said resolution.

\_\_\_\_\_  
City Manager/City Clerk

**PASSED AND ADOPTED** this 17<sup>th</sup> day of November, 2008, by the following vote:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

---

Chairperson

**ATTEST:**

---

Steve Salomon, City Manager/City Clerk



EXHIBIT A

Midterm Review of the  
Visalia Redevelopment Agency's  
Implementation Plan  
(2005 through 2009)  
November 17, 2008

Adopted \_\_\_\_\_  
Resolution No. \_\_\_\_\_



**ROSENOW SPEVACEK GROUP INC.**  
309 WEST 4TH STREET  
SANTA ANA, CALIFORNIA  
92701-4502

**T** 714 541 4585  
**F** 714 541 1175  
**E** INFO@WEBRSG.COM  
WEBRSG.COM

## TABLE OF CONTENTS

INTRODUCTION .....	1
Background.....	1
Map.....	2
Midterm Review .....	3
Redevelopment Agency Goals and Objectives .....	3
Changes to California Redevelopment Law.....	5
NON HOUSING REDEVELOPMENT ACTIVITIES.....	6
Available Funds .....	6
State Take-Away Impacts.....	8
Agency Indebtedness.....	9
City/Agency Role in Fostering Private Investment.....	9
Non Housing Programs and Projects Review.....	10
Projects Underway & Accomplishments to Date .....	10
New Programs and Proposed Projects.....	13
HOUSING COMPLIANCE REVIEW .....	15
Available Funds .....	16
Proportional Expenditure Obligations .....	17
Replacement and Inclusionary Housing Requirements .....	18
Housing Programs and Projects Review .....	19
New Programs and Proposed Projects .....	20

## INTRODUCTION

### Background

The City Council of the City of Visalia adopted Ordinance No. 2085 on September 3, 1968 to establish the Community Redevelopment Agency of the City of Visalia (“Agency”). With this action the Agency embarked on a comprehensive effort to eliminate blighting and adverse conditions within the City. The focus of the Agency’s revitalization efforts have been channeled through the adoption and implementation of its Redevelopment Plans. The Agency’s first redevelopment project area, the Visalia Downtown Project Area, was adopted in 1970. Since then, the agency has adopted three additional redevelopment project areas, the East Visalia Project Area (July 16, 1986), the Mooney Boulevard Project Area (July 6, 1987), and the Central Visalia Project Area (November 21, 1998). The four redevelopment project areas are collectively referred to as the Project Areas. Over the past forty years, the Agency has accomplished numerous redevelopment, development, and infrastructure projects that have assisted in revitalizing properties within the Project Areas. The Agency continues to pursue the revitalization of the Project Areas by invoking the tools, mechanisms, and powers provided by California Community CRL (“CRL”).

On December 16, 2004, the Redevelopment Agency of the City of Visalia adopted the Third Five-Year Implementation Plan (“Implementation Plan”) for the period 2005 through 2009 for the Project Areas. The Implementation Plan identified the Agency’s overall goal to eliminate constraints on private investment to remove physical, economic, and social blight through continued growth of industrial, commercial, infrastructure, and residential development. The Agency’s priorities were identified for projects that:

1. Leverage new and revitalized commercial development leading to increased local employment and fiscal resources.
2. Leverage additional private investment funds and public funds for housing.
3. Provide future program income and generate capacity to fund additional projects.
4. Directly result in new private investment for public improvement projects.
5. Meet the needs for housing programs in the areas of homeownership, rental housing, housing rehabilitation, replacement housing, if needed, and neighborhood residential conservation.

The Visalia Redevelopment Project Areas are delineated on the map on the following page.

Specific goals and objectives for each Project Area are identified and discussed in the following sections of this Midterm Review.



## Midterm Review

Section 33490(c) of the CRL requires that at least once within the five-year term of the Implementation Plan, the Agency shall conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the Redevelopment Plans and the corresponding Implementation Plan and evaluating the progress of the redevelopment project. The midterm review must occur no earlier than two years and no later than three years following the adoption of the Implementation Plan.

This report summarizes the actions and activities that have taken place since the Implementation Plan was adopted, and identifies new programs and proposed projects that the Agency staff recommends be added. In addition, revisions to CRL, if any, since the adoption of the current Five-Year Implementation Plan are identified and addressed in this midterm review.

As a part of the Midterm Review, the Agency will, under a separate section, review and update, if necessary, the Implementation Plan's Ten-Year Housing Compliance Plan to discuss its progress in fulfilling its affordable housing production, replacement housing and proportional expenditure obligations, as required by Section 33490 of CRL.

## Redevelopment Agency Goals and Objectives

The primary reason for the establishment of the Project Areas is the need to eliminate blight within Project Area boundaries including problems relative to circulation, inadequate community infrastructure, and to assist the private sector in providing the type of development that will maximize the development of property within the Project Area boundaries and prevent the recurrence of the blight conditions. The following identifies the goals and objectives of the Agency identified in the Implementation Plan for each Project Area to alleviate blight conditions.

### Downtown

- Promote mixed-use and higher density development.
- Promote building and public improvement projects.
- Promote historic preservation projects.
- Increase the economic vitality of the Downtown Project Area.

### East Visalia

- Promote mixed-use and higher density development.
- Develop additional downtown parking.
- Promote building and public improvement projects.
- Increase the economic vitality of the East Visalia Project Area.
- Rehabilitate and construct new housing.

- Support and promote the conversion of vacant or underutilized parcels into higher and more efficient uses.

### Mooney Boulevard

- Promote mixed-use and higher density development north of Walnut Avenue.
- Promote building and public improvement projects.
- Improve infrastructure deficiencies such as storm drainage, sanitary sewer, and other infrastructure.
- Increase the economic vitality of the Mooney Boulevard Project Area.
- Promote the reuse and redevelopment of antiquated buildings and shopping centers.
- Promote the reuse and redevelopment of the Sequoia Mall.
- Promote the reuse and redevelopment of the former Costco and Homebase buildings.
- Eliminate or mitigate blighting conditions or influences, and incompatible land uses.
  - Remedy inadequate public facilities and infrastructure.
  - Redevelop and reuse small and land locked parcels.
  - Enhance retail activity.
  - Attract new retailers to the area.
  - Remedy traffic circulation capacity deficiencies on Mooney Boulevard.

### Central Visalia

- Encourage private rehabilitation and reuse of underutilized upper floors in downtown buildings.
- Pursue development of additional public parking facilities in conjunction with efforts by property owners.
- Consider the renovation of Main Street building facades to comply with existing code and to preserve its historical architecture.
- Beautify downtown including landscaping and streetscape.
- Mitigate and eliminate land use and design conflicts including those between heavy and service commercial and adjoining residential uses.

- Street improvements on Goshen Avenue and Murray Street.
- Eliminate railroad track conflicts with urban uses and vehicular traffic.
- Encourage residential conservation through rehabilitation and home maintenance assistance programs.
- Mitigate land use conflicts in the Historic Downtown.
- Provide needed public improvements.
- Encourage the expansion of Kaweah Delta Healthcare Corporation.
- Support neighborhood rezoning efforts in the Oval Park and Washington School neighborhoods by encouraging appropriate conversions from residential to office along the corridors.
- Support acquisition and rehabilitation of dilapidated residential and commercial properties in the Oval Park and Washington School neighborhoods.
- Support infill single family homeownership opportunities.
- Participate in widening of Court Street and Houston Avenue (Mooney to McAuliff).
- Encourage new commercial development at Ben Maddox Way and Houston Avenue.
- Provide improvements to the Oval Park area neighborhood.
- Encourage high density multifamily developments near the downtown area..

## Changes to CRL

Among the changes to the CRL to be addressed in this midterm review is the requirement that implementation plans must include a detailed description of the Redevelopment Plan’s regulatory limits, as well as changes to limitations on proportional expenditures (Section 33334.4(b)). The adopted Implementation Plan currently reflects the detailed description of the Redevelopment Plan’s regulatory limits, which are summarized in Table 1 below.

Table 1 - Redevelopment Plans Regulatory Limits

	Redevelopment Project Areas				
	Downtown <sup>1</sup>	East Visalia	Mooney Boulevard	Mooney Amendment	Central Visalia
Adopted	August 3, 1970	July 16, 1986	July 6, 1987	July 16, 1990	November 20, 1989
Incur Indebtedness	January 1, 2004	July 9, 2006	July 1, 2007	July 11, 2010	November 15, 2009
Effectiveness Date	July 24, 2013	July 16, 2017	June 28, 2018	July 8, 2021	November 10, 2030
Receive Tax Increment	July 21, 2023	July 16, 2027	June 26, 2028	July 6, 2031	November 10, 2040
Bonded Indebtedness	n/a	\$25,000,000	\$40,000,000	\$60,000,000	\$130,000,000
Cumulative Tax Increment	\$6,000,000	\$125,000,000	\$140,000,000	\$211,000,000	\$575,000,000

<sup>1</sup> Cumulative tax increment limit for the Downtown Project Area begins with revenue received after December 7, 1974.

Source: Fraser & Associates

Changes to Section 33334.4(b), serve to modify the previous limitation that each agency expend over the duration of each implementation plan, the monies in its Low and Moderate Income Housing Fund “in at least the same proportion as the low-income population under





age 65 bears to the total low-income population of the community as reflected in the most recent census”. The new language provides a higher level of specificity as follows: “in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent census”. The potential impact of the change is difficult to assess in that the census bureau does not provide a data set that reflects the new requirement leaving the burden on local jurisdictions to determine. As a practical matter, the prior language may continue to be applied since the available data set for seniors age 65 and over could arguably reflect only households comprised of such seniors.

In addition, AB 987 (effective January 1, 2008) expanded the monitoring and notification requirements under CRL Section 33418(c) to require the agencies compile and maintain annually a database of all existing new and substantially rehabilitated units assisted by the Agency or otherwise counted toward fulfilling the Agency’s affordable housing production obligations. Accordingly, the Visalia Redevelopment Agency will ensure compliance with the provisions of AB 987 no later than December 31, 2008.

## NON HOUSING REDEVELOPMENT ACTIVITIES

The following provides a description of non housing redevelopment activities in the Project Area, including a review of the programs and proposed projects identified in the Implementation Plan and any related activities to date.

### Available Funds

The Midterm Review identifies the updated and revised non housing gross cumulative tax increment revenues of \$2.7 million for the Downtown Project Area, \$2.9 million for the East Visalia Project Area, \$12.5 million for the Mooney Project Area (for which there is an additional \$6.2 million reflected in the cumulative total amount from \$6.2 million in 2006-07 bond proceeds), and \$16.5 for the Central Project Area during the five-year period. While the Project Areas tax increment revenues were increasing more rapidly than originally projected, this is not expected to continue in the current economic environment.

Tables 2 through 5 depict each Project Area’s cash flow for the five-year period reflecting actual gross tax increment revenue and expenditure amounts for fiscal years 2005-06 through 2007-08 and estimated amounts through the remaining Implementation Plan planning period. Estimated total expenditures include, but are not limited to, pass-through payments to taxing agencies, Low and Moderate Income Housing Fund (LMIHF) deposits, debt obligations and loan payments, and administrative/planning expenses, as well as the State ERAF payment for 2008-09 (discussed in the following section).

The Downtown Project Area receives very little tax increment revenue on an annual basis, which essentially only covers total expenditures. As reflected in Table 2 below, after total estimated expenditures, the Agency is expected to have an available fund balance of about \$1.2 million to fund redevelopment programs and projects through 2009-10. These funds won’t go away but there’s no plan for expending these funds currently.

**Table 2 - Downtown Project Area Non- Housing Cash Flow**

	Actual			Estimated		5-Year Total
	2005-06	2006-07	2007-08	2008-09	2009-10	
<b>Beginning Fund Cash Balance<sup>1</sup></b>	\$1,460,834	\$1,112,097	\$1,176,655	\$1,252,107	\$1,224,391	
TOTAL TAX INCREMENT REVENUE	\$202,000	\$251,401	\$323,143	\$244,000	\$255,000	\$2,736,378
Less: LMIHF Deposits			\$49,601	\$55,453	\$51,000	
Tax Sharing Payments			\$0	\$0	\$0	
80% DEBT SERVICE REVENUE			\$273,542	\$188,547	\$204,000	
TOTAL EXPENDITURES	\$550,737	\$186,843	\$198,090	\$216,263	\$185,000	\$1,336,933
<b>Ending Fund Balance</b>	<b>\$1,112,097</b>	<b>\$1,176,655</b>	<b>\$1,252,107</b>	<b>\$1,224,391</b>	<b>\$1,243,391</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>\$1,112,097</b>	<b>\$1,176,655</b>	<b>\$1,252,107</b>	<b>\$1,224,391</b>	<b>\$1,243,391</b>	

<sup>1</sup> Beginning Fund Balance was adjusted in Financial Statements for FY2006-07.  
Notes: 2006-07 Beginning Fund Balance reflects remaining Bank Loan balance; 2008-09 Revenue reflects LMIHF ERAF Loan.  
Source: Tulare County Auditor-Controller, Fraser & Associates, Operating & Capital Detail Budgets 2008-09 and 2009-10, Financial Statements

The East Visalia Project Area receives a relatively large amount of tax increment revenue annually; however, the net amounts after expenditures must be applied to paying down the approximately \$4.6 million remaining balance on the City Loan. The City Loan was used for the acquisition of properties in East Downtown. As reflected in Table 3 below, there are no available fund balances to support redevelopment programs and projects through 2009-10. The East Visalia Project Area is in need of private investment in order to pay off the City Loan and generate positive tax increments..

**Table 3 - East Visalia Project Area Non-Housing Cash Flow**

	Actual			Estimated		5-Year Total
	2005-06	2006-07	2007-08	2008-09	2009-10	
<b>Beginning Fund Cash Balance<sup>1</sup></b>	(\$4,688,797)	(\$4,689,216)	(\$4,674,640)	(\$4,658,796)	(\$4,658,796)	
TOTAL TAX INCREMENT REVENUE	\$1,158,838	\$1,290,312	\$1,707,705	\$1,760,680	\$1,752,000	\$2,980,738
Less: LMIHF Deposits			\$321,609	\$327,000	\$350,000	
Tax Sharing Payments			\$524,901	\$533,000	\$569,000	
80% DEBT SERVICE REVENUE			\$861,195	\$900,680	\$833,000	
TOTAL EXPENDITURES	\$1,305,889	\$1,275,736	\$845,351	\$900,680	\$833,000	\$5,160,656
<b>Ending Fund Balance</b>	<b>(\$4,835,848)</b>	<b>(\$4,674,640)</b>	<b>(\$4,658,796)</b>	<b>(\$4,658,796)</b>	<b>(\$4,658,796)</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>(\$4,835,848)</b>	<b>(\$4,674,640)</b>	<b>(\$4,658,796)</b>	<b>(\$4,658,796)</b>	<b>(\$4,658,796)</b>	

<sup>1</sup> Beginning Fund Balance was adjusted in Financial Statements for FY2006-07.  
Notes: 2006-07 Beginning Fund Balance reflects the remaining City Loan balance payable from net revenues; 2008-09 Revenue reflects LMIHF ERAF Loan.  
Source: Tulare County Auditor-Controller, Fraser & Associates, Operating & Capital Detail Budgets 2008-09 and 2009-10, Financial Statements

The Mooney Boulevard Project Area also has relatively strong tax increment revenues with cumulative gross tax increment revenues totaling about \$18.7 million through FY 2009-10. The Project Area has the largest available fund balances, which is due to the 2006-07 bond proceeds in the amount of \$6.2 million. As reflected in Table 4 below, after total estimated expenditures, the Agency is expected to have an available fund balance of about \$6.5 million to fund redevelopment programs and projects through 2009-10.

**Table 4 - Mooney Project Area Non-Housing Cash Flow**

	Actual			Estimated		5-Year Total
	2005-06	2006-07	2007-08	2008-09	2009-10	
<b>Beginning Fund Cash Balance<sup>1</sup></b>	\$102,631	\$93,548	\$6,467,750	\$6,585,623	\$6,483,356	
TOTAL TAX INCREMENT REVENUE	\$1,687,123	\$8,082,413	\$2,975,714	\$2,793,000	\$2,938,000	\$18,578,881
Less: LMIHF Deposits			\$538,350	\$555,000	\$584,000	
Tax Sharing Payments			\$1,366,383	\$1,361,000	\$1,435,000	
80% DEBT SERVICE REVENUE			\$1,070,981	\$877,000	\$919,000	
TOTAL EXPENDITURES	\$1,696,206	\$1,708,211	\$953,108	\$979,267	\$865,000	\$6,201,792
<b>Ending Fund Balance</b>	<b>\$93,548</b>	<b>\$6,467,750</b>	<b>\$6,585,623</b>	<b>\$6,483,356</b>	<b>\$6,537,356</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>\$93,548</b>	<b>\$6,467,750</b>	<b>\$6,585,623</b>	<b>\$6,483,356</b>	<b>\$6,537,356</b>	

<sup>1</sup> Beginning Fund Balance was adjusted in Financial Statements for FY2006-07.  
Notes: FY 2006-07 Beginning Balance reflects addition of \$6.2 million in bond proceeds; 2008-09 Revenue reflects LMIHF ERAF Loan.  
Source: Tulare County Auditor-Controller, Fraser & Associates, Operating & Capital Detail Budgets 2008-09 and 2009-10, Financial Statements

The Central Project Area is financially the healthiest in the City, generating the highest amount of tax increment revenue annually with cumulative revenues of about \$16.3 million through 2009-10. As reflected in Table 5 below, after total estimated expenditures the Agency is expected to have an available fund balance of about \$3.1 million to fund redevelopment programs and projects through 2009-10.

**Table 5 - Central Project Area Non-Housing Cash Flow**

	Actual			Estimated		5-Year Total
	2005-06	2006-07	2007-08	2008-09	2009-10	
<b>Beginning Fund Cash Balance<sup>1</sup></b>	\$778,985	\$1,111,661	\$1,014,101	\$1,798,292	\$2,332,420	
TOTAL TAX INCREMENT REVENUE	\$2,114,581	\$2,669,519	\$3,725,554	\$3,731,000	\$4,130,000	\$16,370,654
Less: LMIHF Deposits			\$719,531	\$731,000	\$809,000	
Tax Sharing Payments			\$1,883,595	\$1,904,000	\$2,100,000	
80% DEBT SERVICE REVENUE			\$1,122,428	\$1,096,000	\$1,221,000	
TOTAL EXPENDITURES	\$1,798,830	\$2,767,079	\$338,237	\$561,872	\$416,000	\$5,882,018
<b>Ending Fund Balance</b>	<b>\$1,094,736</b>	<b>\$1,014,101</b>	<b>\$1,798,292</b>	<b>\$2,332,420</b>	<b>\$3,137,420</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>\$1,094,736</b>	<b>\$1,014,101</b>	<b>\$1,798,292</b>	<b>\$2,332,420</b>	<b>\$3,137,420</b>	

<sup>1</sup> Beginning Fund Balance was adjusted in Financial Statements for FY2006-07.  
Notes: 2008-09 Revenue reflects LMIHF ERAF Loan.  
Source: Tulare County Auditor-Controller, Fraser & Associates, Operating & Capital Detail Budgets 2008-09 and 2009-10, Financial Statements

### State Take-Away Impacts

On September 23, 2008, the Governor signed the State Budget for 2008-09. The Budget includes a total state-wide \$350 million Education Reimbursement Augmentation Fund (ERAF) shift from redevelopment agencies for the fiscal year of 2008-09. Similar to the previous ERAF shifts for the fiscal years of 2003-04, 2004-05, and 2005-06, this shift is for one year but future shifts are possible. These funds also do not represent a loan to the State.

It is estimated that the Agency will incur a total ERAF payment obligation of \$449,082 under the approved 2008-09 State Budget, based on the 2006-07 fiscal year's tax increment



(information provided by the California Redevelopment Association based on information provided by the State Department of Finance). As indicated previously, the estimated ERAF payment is proposed to be allocated from the four project areas. Only the East Visalia Project Area will require the Agency to borrow LMIHF to cover its' pro rata share for 2008-09 ERAF and to be repaid by 80 percent funds within ten years.

Future State General Fund budget deficits could give rise to future ERAF payment legislation affecting redevelopment agencies, which could be material to the Agency and its ability to conduct its redevelopment activities. There is no way to predict whether the State Legislature will, in future years, enact legislation requiring shifts of tax increment revenues to the State or to schools, whether through an arrangement similar to ERAF or by any other arrangement. It is also not known whether any future shifts in revenue would be limited or affected (such as by an offset of amounts required to be shifted) by pre-existing agreements between redevelopment agencies and school districts, community college districts and county superintendents of schools.

### Agency Indebtedness

As of June 30, 2007, the Agency's bonded indebtedness totaled \$20.79 million. The Agency currently has the following outstanding debt obligations:

- East Visalia Project Area – 2003 Tax Allocation Refunding Bonds - \$4.42 million.
- East Visalia Project Area – City Loan - \$4.65 million
- Mooney and Central Project Areas – 2005 Bank Loan - \$4.26 million.
- Downtown Project Area – 2003 Bank Loan - \$1.22 million.
- Mooney Project Area – 2007 Bank Loan - \$6.24 million

The Agency pays approximately \$370,000 annually for bond debt service and \$1.1 million on City and other loan repayments. The Agency generates sufficient revenue to pay for debt service obligations.

### City/Agency Role in Fostering Private Investment

For several decades, the City has served as a partner to the Downtown business community. It has strategically sought to lay the ground work to attract private investment while supporting and enhancing the existing economic base in Downtown. This has been achieved through the development of the Convention Center, Marriott Hotel and the Willow Plaza. Additionally, the funding of public infrastructure such as the two parking structures; acquisition and construction of surface parking lots; construction of an administration building to support transit services and preparation of the East Downtown Visioning Plan were possible through the City's efforts and collaboration with local property owners and businesses. This ground work laid out by the City has resulted in the construction and rehabilitation of more than a dozen projects by the private sector. It is anticipated that the East Downtown Parks & Infrastructure Master Plan will serve to foster private investment in the area.

## Non Housing Programs and Projects Review

The following provides a description of the Implementation Plan's proposed programs and projects and the related progress and accomplishments to date in each of the Project Areas.

### Projects Underway and Accomplishments to Date

#### Downtown Project Area

1. **Downtown Visioning/Master Plan:** This Plan has been completed by the Downtown Visalians & PBID. They are now pursuing funding to commence implementation.

Estimated Budget: Private Sources

2. **Furniture Store Rehabilitation:** The furniture store on Main Street located immediately adjacent to Garden Street Plaza is being converted to a Brazilian restaurant.

Estimated Budget: Private Sources

3. **Downtown Parking:** Over the past five years, the City has constructed two public parking structures along Acequia Avenue. The East Garage contains more than 400 parking spaces and supports the Convention Center, Comfort Inn Suites, City Hall East, Regal Cinemas Theater and several shops in the area, reflecting an estimated cost of \$5.3 million (\$400,000 in RDA Funds). The West Garage opened in 2007 and supports the hospital and several offices and shops along Main and Center streets, reflecting an estimated cost of \$16.6 million (\$800,000 in RDA Funds).

Estimated Budget: \$21,900,000 [RDA Funds; Other Public/Private Sources]

Redevelopment activities and tax increment expenditures in the Downtown Project Area have been prioritized with the near-term focus placed on the projects and programs listed above. While other programs and projects are identified in the current Implementation Plan, they are expected to be funded from sources other than tax increment revenues.

#### East Visalia Project Area

1. **Civic Center Design & Infrastructure:** Following the completion of the Civic Center Master Plan and Parks & Infrastructure Master Plan, the City has begun design and implementation of the infrastructure and roads for the Civic Center block. Provost & Pritchard Engineers is finalizing design of the roadways and infrastructure and the acquisition of right-of-way properties to support the extension of School and Oak streets is underway.

Estimated Budget: \$2,500,000 [Measure R and Civic Center Funds for land acquisition, design and construction]

2. **Environmental Contamination:** The City has retained the services of environmental consultants to test and remove contaminants from portions of East Downtown.

Estimated Budget: \$600,000 [USEPA Grant]

3. **Buckman Mitchell Office Building:** This 30,000 square foot two-story office building was completed in 2007 and serves one user; an insurance firm. It represents the first new development in East Visalia.

Estimated Budget: Private Sources

4. **Tipton/Oak Parking Lot:** This City-owned parking lot is in the process of being upgraded to include lighting, striping, drainage and landscaping.

Estimated Budget: \$100,000 (Transit Funds)

Redevelopment activities and tax increment expenditures in the East Visalia Project Area have been prioritized with the near-term focus placed on the projects and programs listed above. While other proposed programs and projects are identified in the current Implementation Plan, they are expected to be funded from sources other than tax increment revenues.

#### Central Project Area

1. **Kaweah Delta Hospital Expansion:** The hospital recently completed the construction of approximately 160,000 square feet of hospital space and an administration building. The hospital has a long-range plan to add more medical space in the coming years.

Estimated Budget: \$100 million and other public sources

2. **Tulare County Public Library:** This library was completely renovated to add 40,000 square feet and a new Children's section.

Estimated Budget: State Grants, Visalia CDBG, County Millenium Funds

3. **Sciacca Two-Story Mixed-Use Building:** A local developer purchased this building and converted it into a two-story mixed-use facility with a dress shop on the ground floor and residential unit on the upper floor. This property is located on Main Street near Court Street. The total size of the development is 4,000 square feet.

Estimated Budget: Private Sources

4. **Paloma Building:** This one story office building located at the corner of Garden & Oak streets is 15,000 square feet and was completed in 2006. This was developed as a result of land purchased from the City.

Estimated Budget: Private Sources

5. **Family Healthcare Network:** This two-story 15,000 square foot building was completed in 2005 and is a fully-rated medical clinic. This site is located on Oak Street between Santa Fe and Bridge streets.

Estimated Budget: Private Sources

6. **Chamber of Commerce Building:** This 7,000 square foot office building is located on Santa Fe Street and was completed in 2007. This was land purchased from the City.

Estimated Budget: Private Sources

7. **Transit Building:** The City of Visalia financed the construction of this public facility with the use of transit funds. It is three stories and provides both transit and administrative city offices with a restaurant on the ground floor.

Estimated Budget: \$5 million

8. **210 Club:** The neighboring Presbyterian Church acquired a former nightclub and converted it into a café with meeting rooms and a small theater.

Estimated Budget: Private Sources

9. **Locust & Oak Office Rehabilitation:** A private contractor purchased a dilapidated house and converted it into offices for construction-related businesses in 2007.

Estimated Budget: Private Sources

10. **Razzari Building:** This former auto dealership building was purchased by the Mangano Company and converted to an office building which required major building upgrades to support the administrative offices for the Family Healthcare Network and corporate offices for Provost & Pritchards Engineering firm in 2008.

Estimated Budget: Private Sources

11. **John Barbis Building:** This is a 20,000 square foot two-story medical office building completed in 2006 and located directly across the street from City Hall West. This land was purchased from the City.

Estimated Budget: Private Sources

12. **Farley Building:** This two-story office building was restored with seismic upgrades to support legal offices in 2007.

Estimated Budget: Private Sources

13. **Crawdaddy's Restaurant:** This three-story mixed-use building with a private residence on the third floor contains two floors of restaurant space on the lower levels. This site was purchased from the City.

Estimated Budget: Private Sources

14. **The Teeter/Allen Building:** This 4,500 square foot office building was constructed in 2005 to house an architectural firm. This site was purchased from the City.

Estimated Budget: Private Sources

15. **Suncrest Bank:** This former mortuary was renovated and converted into a bank and other offices in 2008.

Estimated Budget: Private Sources

16. **Santa Fe & Center Mixed-Used Building:** This one story building was renovated to support an architecture firm and a Mexican restaurant in 2006.

Estimated Budget: Private Sources

Redevelopment activities and tax increment expenditures in the Central Boulevard Project Area have been prioritized with the near-term focus placed on the projects and programs listed above. While other programs and projects are identified in the current Implementation Plan, they are expected to be funded from sources other than tax increment revenues.

#### New Programs and Proposed Projects

The following identifies new programs and proposed projects approved by the Agency or recommended by Staff since adoption of the Implementation Plan.

#### Downtown Project Area

1. **Sequoia Visitor Center:** Plans call for the construction of the Center within the City's Convention Center. It will serve to draw customers downtown while offering transit services to Sequoia National Park.

Estimated Budget: TBD [Local Transportation Funds, Proposition 1B Funds, RDA Funds]

2. **Garden Street Pedestrian Plaza:** Staff will continue to explore ways to increase utilization of the plaza to benefit downtown activities.

Estimated Budget: TBD

#### East Visalia Project Area

1. **Public Safety Facility:** The City will soon enlist the services of both a construction manager and architect to design a new public safety facility to support both police and fire administrative services.

Estimated Budget: TBD [Measure T, Civic Center Funds, and Public Safety Funds]



2. **Civic Center Park:** A park is envisioned on the south side of Oak Avenue between the right-of-way and Mill Creek. There is potential for the relocation of the creek but further investigations are required.

Estimated Budget: \$1,500,000 [State Waterway Funds, Trail Funds, Measure R and Federal Grant Funds]

3. **City Hall:** Funding permitting, a new city hall will be constructed adjacent to the public safety facility. This will not occur within this Midterm Update.

Estimated Budget: TBD

4. **Mixed-Use Community:** Approximately 30 acres of land is located between Burke, Ben Maddox, Goshen and Mill Creek. Eventually, the City plans to coordinate the development of residential, office and retail along with a park along the Jennings Ditch which should include a water feature.

Estimated Budget: TBD [Private Sources and Other Public Funds]

5. **Kugler Mixed Use Property:** The City plans to sell this City-owned land when additional infrastructure is built for a potential mixed-use project immediately adjacent to the Civic Center Park.

Estimated Budget: TBD [Private Sources]

6. **Downtown Parking:** The City continues to look for opportunities to acquire lots for more parking and to finance parking structures possibly through private/public ventures.

Estimated Budget: TBD

7. **Downtown PBID:** The Downtown Alliance represents owners in the Central, East and Downtown Project Areas. The Alliance is considering ways to expand its' boundaries and prepare for a new election to extend the life of the assessment district beyond the June 30, 2009 expiration date.

Estimated Budget: Private Sources

8. **Upper Floor Rehabilitation:** Property owners continue to explore ways to convert upper floors to residential and office use. However, challenges exist with respect to seismic and building code upgrades required as well as the availability of parking immediately adjacent to the structures. City staff will continue to work with property owners and developers to address financial, structural and parking challenges.

Estimated Budget: Private Sources

9. **Two story building at Main and Bridge Streets:** This two story building is in escrow to be acquired by a local developer. Plans call for either the refurbishment or demolition and construction of a new mixed-use facility on the site. The building currently has one tenant.

Estimated Budget: Private Sources

10. **Santa Fe Overpass:** The City will construct a new bridge over Highway 198 which will improve circulation north-south in the City.

Estimated Budget: TBD [Measure R Funds]

11. **Development Plan for Caltrans Site:** The City will enlist the services of an architectural firm to complete a development plan for the future use of the City-owned former Caltrans site which is approximately seven acres in size.

Estimated Budget: \$75,000 (RDA)

#### Mooney Boulevard Project Area

1. **Urban Design Plan:** A planning study is to be completed for the Corridor to consider opportunities for a mixed-use development overlay district which could support a combination of retail, residential and office; and street trees and furnishings.

Estimated Budget: \$100,000 [RDA]

2. **Cameron Avenue Retail Development:** The City is currently in discussions with the property owner of approximately 28 acres of land surrounding the new Costco to develop a new retail center. The site lies immediately outside of the Project Area boundary.

Estimated Budget: TBD [Private Sources]

3. **Sequoia Mall:** The owner of the mall is in the process of renegotiating leases with existing viable tenants and is proposing to develop a lifestyle center in 2009/10.

Estimated Budget: TBD [Private/Other Public Sources]

4. **Reuse & Renovations Former Costco and Homebase Buildings:** The City plans to coordinate redevelopment of these properties with a future developer.

Estimated Budget: TBD [Private/Other Public Sources]

#### Central Project Area

1. **Caltrans Oval Park Traffic Study:** The City has received a Caltrans Grant in the amount of \$135,000 added to \$15,000 from the City's General Fund to improve traffic and safety in the area surrounding the Oval Park.

Estimated Budget: \$150,000 [State Grant and General Fund]

2. **Façade Program:** While there is currently no downtown façade program, Staff is exploring ways to assist in funding such a program possibly in concert with the PBID.

Estimated Budget: TBD [Private/Other Public Sources]

3. **Acequia & Conyer Mixed-Use Project:** The City is in the process of selecting a developer to acquire city-owned parking lots and develop a medical/office facility with a hotel, parking structure and mixed-use residential/retail building.

Estimated Budget: TBD [Private/Other Public Sources]

4. **Reuse Study for City Hall West and Public Safety Facility:** A Study will be performed to determine the costs related to retaining the public safety facility or a severing a portion of it.

Estimated Budget: \$25,000 [RDA]

5. **Fox Theater Rehabilitation:** The City is in the process of assisting the Fox Theater in the rehabilitation of the exterior of their building.

Estimated Budget: \$30,000 [CDBG Funds]

6. **Downtown Traffic Study:** The City will complete a traffic study to examine circulation and parking issues which will lead to the continued vitality in the area.

Estimated Budget: \$220,000 (RDA)

## HOUSING COMPLIANCE REVIEW

The ten-year housing compliance portion of the Implementation Plan identified the Agency's estimated deposits to the Low and Moderate Income Housing Fund ("LMIHF") and a projection of the Agency's housing production requirements during the period from 2005 through 2014 ("Planning Period"), as well as proposed affordable housing programs, projects, and estimated expenditures to fulfill the Agency's obligations under the CRL.

Along with approval this midterm review of the Implementation Plan staff is recommending the Agency's approval of recommendations and findings to aggregate the housing activities of the Visalia Central, Downtown, East Visalia, and Mooney Redevelopment Project Areas, which will provide greater flexibility to the Agency in responding to its affordable housing needs. Accordingly, the housing compliance review addresses the Agency's affordable housing production requirements and expenditures obligations for the Project Areas in an aggregate manner.

### Available Funds

While the Implementation Plan identified a December 2004 ending balance of \$477,066, as of July 1, 2005, the Agency had a beginning balance of approximately \$2,924,123 in the LMIHF. Tables 6 and 7 identify the Agency's updated cash flow projections reflecting the actual deposit amounts into the LMIHF for the preceding years and updated estimates of future deposits for the remaining years per the Fraser & Associates Tax Increment Analysis Report dated April 1, 2008. As indicated on Tables 6 and 7 below, cumulative deposits to



the LMIHF are projected to be \$11.7 million through 2009-10, and about \$23.0 million through 2014-15. After total estimated expenditures, the available fund balances for programs and projects are expected to be about \$2.6 million and \$11.3 million through 2009-10 and 2014-15 respectively.

**Table 6 - Five-Year LMIHF Cash Flow Projection**

	Actual			Estimated		5-Year Total
	2005-06	2006-07	2007-08	2008-09	2009-10	
<b>Beginning Fund Cash Balance</b>	<b>\$ 2,924,123</b>	<b>\$3,869,070</b>	<b>\$5,248,828</b>	<b>\$1,186,385</b>	<b>\$1,535,010</b>	
20% LMIHF Deposit	1,268,386	1,477,654	1,629,091	1,662,000	1,794,000	\$ 7,831,131
Bond Proceeds						\$ -
Interest & Other Income	181,116	254,580	283,808	119,620	119,620	\$ 958,744
<b>TOTAL REVENUE</b>	<b>1,449,502</b>	<b>1,732,234</b>	<b>1,912,899</b>	<b>1,781,620</b>	<b>1,913,620</b>	<b>\$ 11,713,998</b>
<b>TOTAL EXPENDITURES</b>	<b>\$504,555</b>	<b>\$352,476</b>	<b>\$5,975,342</b>	<b>\$1,432,995</b>	<b>\$782,551</b>	<b>\$ 9,047,919</b>
<b>Ending Fund Cash Balance</b>	<b>\$3,869,070</b>	<b>\$5,248,828</b>	<b>\$1,186,385</b>	<b>\$1,535,010</b>	<b>\$2,666,079</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>\$3,869,070</b>	<b>\$5,248,828</b>	<b>\$1,186,385</b>	<b>\$1,535,010</b>	<b>\$2,666,079</b>	

**Table 7 - Ten-Year Cumulative Cash Flow Projection**

	Estimated					Cum 10-Year Total
	2010-11	2011-12	2012-13	2013-14	2014-15	
<b>Beginning Fund Balance</b>	<b>\$2,666,079</b>	<b>\$4,200,273</b>	<b>\$5,830,070</b>	<b>\$7,558,933</b>	<b>\$9,389,303</b>	
20% LMIHF Deposit	1,912,000	2,023,000	2,138,000	2,256,000	2,381,000	\$ 18,541,131
Bond Proceeds						\$ -
Interest & Other Income	119,620	119,620	119,620	119,620	119,620	\$ 1,556,844
<b>TOTAL REVENUE</b>	<b>\$2,031,620</b>	<b>\$2,142,620</b>	<b>\$2,257,620</b>	<b>\$2,375,620</b>	<b>\$2,500,620</b>	<b>\$ 23,022,098</b>
<b>TOTAL EXPENDITURES</b>	<b>\$497,426</b>	<b>\$512,822</b>	<b>\$528,757</b>	<b>\$545,250</b>	<b>\$562,320</b>	<b>\$11,694,494</b>
<b>Ending Fund Balance</b>	<b>\$4,200,273</b>	<b>\$5,830,070</b>	<b>\$7,558,933</b>	<b>\$9,389,303</b>	<b>\$11,327,604</b>	
<b>Fund Encumbrances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Available Fund Balance</b>	<b>\$4,200,273</b>	<b>\$5,830,070</b>	<b>\$7,558,933</b>	<b>\$9,389,303</b>	<b>\$11,327,604</b>	

## Proportional Expenditure Obligations

Per CRL Section 33334.4(a) during the 10-year housing compliance period the Agency is obligated to expend monies from its LMIHF for very-low and low-income households in at least the same proportion as the need identified for very low- and low-income household units in the community, as reflected in the City's Regional Housing Needs Allocation (RHNA). The City's 2007 to 2014 RHNA and Agency's proportional expenditure obligations and limitations under CRL Section 334334.4 are summarized in the Table 8. Per the CRL, expenditures over the ten-year period for very low- and low-income households must not be less than percentages identified, while expenditures for moderate-income and lower income senior housing for age 65 and over may not exceed the percentage limitation identified.

The proportional expenditure limits identified in Table 8 below reflects a total of about \$23.0 million dollars in gross LMIHF deposits through 2014-15 including the 2005-06 beginning fund balance, while the Agency estimates reflect about \$11.7 million in total expenditures. This leaves about \$11.3 million available to fund programs and project through December,

2014, of which at about \$4.0 million must be spent for very low-income and \$3.2 million for low-income housing activities.

**Table 8  
Visalia City-wide Regional Housing Needs / LMIHF Proportional Expenditure Requirements**

Income Category	Number Units	Percent	5-Yr Expenditures	Cum 10-Yr Expenditures
Very Low (50% of AMI)	2,308	35.9%	\$956,225	\$4,062,799
Low (80% of AMI)	1,848	28.7%	\$765,643	\$3,253,055
Moderate (120% of AMI)	2,279	35.4%	\$944,210	\$4,011,750
<b>TOTAL AFFORDABLE UNITS</b>	<b>6,435</b>	<b>100%</b>	<b>\$2,666,079</b>	<b>\$11,327,604</b>
Low-Income Senior Age 65+ Housing Limits		9%	\$154,968	\$658,427

*Source: Tulare County Association of Governments 2007 Regional Housing Needs Allocation*

*Note: Totals includes July 1, 2005 LMIHF beginning fund balance.*

*Reflects net revenues/funds available for programs and projects after administrative, planning & debt expenses.*

Since adoption of the current Implementation Plan, the Agency has expended about \$4,281,000 to fund programs and projects (excluding administrative and planning expenses). The expenditures were allocated for housing activities between very low-income (65%) and low-income housing (35%) and to serve the population under age 65 in the community. Sources other than LMIHF were used for moderate-income housing activities. During the compliance period to December, 2014 the Agency will continue to expend its available LMIHF monies to comply with or exceed its proportional expenditure obligations.

### Replacement and Inclusionary Housing Requirements

The Housing Compliance Plan summarizes housing programs and proposed projects the Agency plans to undertake to fulfill its obligations under the CRL. CRL Section 33413 requires that whenever dwelling units housing persons of low or moderate income are destroyed or removed from the low and moderate income housing market, the agency must replace the units within four years after the destruction or removal of the units. Since adopting the Implementation Plan, the Agency's activities have not displaced any low or moderate income households resulting in a need for no replacement housing units.

Inclusionary (income-restricted) housing units, however, are required to be produced within a redevelopment project area based on the total number of new construction or substantially rehabilitated units developed by either private entities or the Agency, including those developed without Agency assistance or participation. Specifically, CRL Section 33413(b) requires that at least 30% of any Agency-developed units be available at an affordable housing cost to, and for occupancy by persons and families of low or moderate income, of which not less than 40% are required to be available at an affordable cost to, and occupied by very low-income households. CRL Section 33413(b)(2) requires that at least 15% of all new or substantially rehabilitated housing units developed within a project area by private entities or persons other than the agency be available at an affordable housing cost to, and for occupancy by persons and families of low or moderate income, of which not less than 40% are required to be available at an affordable cost to, and occupied by very low-income households. Since the Agency is not directly developing housing units, the latter 15% inclusionary housing production requirement is applicable in each project area of the City.

The inclusionary housing production requirements are to be met during each ten-year housing compliance period, with the current period extending through December, 2014. The

CRL provides that any inclusionary housing unit production deficit must be met during the following five-year period, while allowing surplus production units from the prior period to be

applied towards fulfilling the requirements of the next ten-year compliance period. Based upon the inventory of affordable housing projects completed to date and a forecast of future housing construction in the Project Areas, Table 9 presents the estimated affordable housing production requirements for the planning period, as well as through the expiration of the Redevelopment Plans.

Table 9 below, reflects a requirement for 84 inclusionary housing units through June 30, 2008, of which 34 are required to be for very low-income households, while a total of 279 inclusionary units have been produced with 73.5 very low-income units. This reflects a surplus of 194 affordable units including a surplus of 40 very low-income units as of June 30, 2008. Since July 1, 2008, the Agency has produced or will produce an additional 69 affordable housing units of which 64 will be for very low-income households. The Agency is expected to have a cumulative surplus of 252 affordable units (100 very low-income and 154 low and moderate-income), which may be applied towards fulfilling its obligations for the next compliance period 2015-2024.

**Table 9 - Summary Inclusionary Housing Production**

	Developed Agency/Private	Total Units Produced	Total Units Required/Provided	Very Low Income Units	Low/Mod. Income Units
Units Produced Plan Adoption (1989) through Dec. 1994 Inclusionary Units Provided through Dec. 1994 <b>INCLUSIONARY UNITS PRODUCED Surplus/(Deficit)</b>	Private	136	20 22 1	8 22 13	12 0 (12)
Units Produced 1/1/95 through 12/31/04 Inclusionary Units Provided 1/1/95 through 12/31/04 <b>INCLUSIONARY UNITS PRODUCED Surplus/(Deficit)</b>	Private	378	57 217 160	23 47 24	34 170 135
Units Produced 1/1/05 through 6/30/08 Inclusionary Units Provided 1/1/05 through 6/30/08	Private	47	7 41	3 5	4 36
<b>CUMULATIVE TOTAL REQUIRED TO DATE</b> <b>Cumulative Inclusionary Units Provided To-Date</b> <b>INCLUSIONARY UNITS PRODUCED TO-DATE Surplus/(Deficit) :</b>	Private	561	84 279 194	34 73.5 40	50 205 155
Units Estimated 7/1/08 through 12/31/14 <b>TOTAL through 12/31/14</b>	Private	70	11 69	4 64	6 5
Units Estimated Over Remaining Project Term <b>TOTAL UNITS OVER TERM OF PLANS</b>	Private	n.a.	n.a.	n.a.	n.a.

*Note: No dwelling units produced by Agency.*

## Housing Programs and Projects Review

The Implementation Plan's Ten-Year Housing Compliance Plan identified six housing programs and three proposed projects reflecting an estimated total expenditure of \$8,378,940 through December, 2009. However, five of the identified programs with an estimated expenditure of \$4,097,940 are identified as not being funded using LMIHF moneys. The non-LMIHF projects are generally funded using state or federal assistance (CDBG and HOME) moneys and include: the Emergency Repairs and Basic Needs Program, the Housing Rehabilitation Program, the Senior Minor Repair Program and the Senior Repair and Handicap Access Program, and the Homebuyer Assistance Program.

Programs and proposed projects funded from LMIHF included multifamily new construction and substantial rehabilitation projects, affordable ownership new construction programs, land acquisition programs, which reflected an estimated expenditure of about \$4,281,000. The following discusses the progress of the LMIHF programs and proposed projects identified in the 2005 – 2009 Implementation Plan.

#### Mill Creek Parkway Family Apartments Project

The Agency partnered with the Kaweah Management Company to develop a new construction 72-unit low-income family apartment project. While the Implementation Plan anticipated \$3.0 million, the Agency provided assistance from its LMIHF in the amount of \$4.5 million (about \$63,380 per unit). Income restrictions were recorded for 71 low-income households earning not more than 80% AMI (plus 1 above moderate-income manager unit) for a period of fifty-five (55) years. Since the project is located outside a project area, the units may be counted on a 2-for-1 basis (35.5 units) toward fulfilling the Agency's inclusionary production requirements per CRL Section 33413 ((b) (ii).

Estimated Budget:        \$4,500,000     [LMIHF]

#### Summers Street Affordable Ownership Housing

The Agency is working with Habitat for Humanity to assist interested homebuyers with development of four (4) new construction infill ownership housing units in a neighborhood north of Houston Street. The Agency has provided assistance from the LMIHF. The project activity is located in the Central Redevelopment Project Area, with income restrictions recorded for four very low-income households for a period of forty-five (45) years.

Estimated Budget:        \$247,000     [LMIHF]

#### Encina Housing for Developmentally Disabled

The Encina Project consists of three (3) new construction rental units located in the Central Redevelopment Project Area. The Agency provided an assistance loan for development of the units from its LMIHF with income restrictions recorded for three very low-income households for a period of fifty-five (55) years.

Estimated Budget:        \$343,000     [LMIHF]

#### Habitat for Humanity Scattered Site Acquisitions Program

The Agency, in partnership with Habitat for Humanity, is proactively pursuing the acquisition of sites that are suitable for development of affordable housing units using funding from its LMIHF with restrictive covenants to be recorded for forty-five (45) years for ownership units. This program will include both the acquisition of vacant lots and existing homes. For vacant lots, new homes will be constructed and for existing homes there will include a rehabilitation component.

Estimated Budget:        \$300,000     [LMIHF]

### Robinwood Court Multifamily Development

The Agency assisted with the development of a new construction 10-unit multifamily rental housing project in 2007 with income restrictions recorded for 2 very low, 5 low- and 3 moderate-income households for fifty-five (55) years. Since the development is located outside a project area, the units may be counted on a 2-for-1 basis towards the Agency's inclusionary production requirements.

Estimated Budget:            \$1,300,000    [HOME Funds]

### Sierra Meadows

The City is currently working on the Sierra Meadows Senior Apartments Project which will provide 43-units of affordable senior housing located in the Central Redevelopment Project Area. The City expects to provide assistance for development of the units from HOME Funds with income restrictions recorded for 43 very low- and low-income households for a period of fifty-five (55) years.

Estimated Budget:            \$2,500,000    [HOME Funds]

### Paradise & Court Project

The Agency partnered with other community affordable housing organizations to provide twenty (20) rental housing for low-income families located in the Central Redevelopment Project Area. The project entails substantially rehabilitating eleven (11) single story units coupled with the new construction of nine (9) two-story units. The project is funded using \$500,000 HOME CHDO funds and \$500,000 LMIHF moneys to assist the project. All of the units will be income-restricted for fifty-five (55) years.

Estimated Budget:            \$1,000,000    [HOME Funds and LMIHF]

### New Programs and Proposed Projects

The following LMIHF programs and projects were identified or recommended by Staff since adoption of the current Five Year Implementation Plan.

### Oval Park & Washington School Neighborhood Homeownership Program

This program is designed to boost homeownership rates in both of these neighborhoods. There is no income maximum in order to qualify for financing.

Estimated Budget:            \$1,250,000    [Agency 80% Funds]

### REO Properties Acquisitions and Resale

The Agency expects to implement the expenditure of its CDBG Neighborhood Stabilization Program award funding coupled with LMIHF money to acquire, rehabilitation and resale properties located citywide which have been foreclosed upon by banks. (LMIHF do not require foreclosures in order to purchase.)



Estimated Budget:            \$2,380,000    [CDBG NSP Funds and LMIHF]



Housing Development Plan for the Caltrans Property

The Agency will complete a plan for consideration of senior housing and potentially special user housing on this 7-acre site.

Estimated Budget: \$100,000 (RDA Low/mod Funds)