

*We are a welcoming, active and business-friendly rural
foothill community built on California's rich gold rush history.*



City Manager's Report
January 28, 2025 City Council Meeting
Prepared by: Melissa McConnell, City Engineer
Item #: 11.1

Subject: Consider finding the frontage improvements associated with the Placerville Drive Bicycle and Pedestrian Facilities Project, Phase 1 (CIP #41816) necessary, and authorizing staff to place a demand upon the current property owners of 16 parcels requiring performance pursuant to the recorded Street Frontage Improvement Agreements for said parcels.

Recommendation: Adopt a Resolution:

1. Finding the frontage improvements associated with the Placerville Drive Bicycle and Pedestrian Facilities Project, Phase 1 (CIP#41816) – on Placerville Drive from Ray Lawyer Drive to Cold Springs Road and on Green Valley Road from Mallard Lane to Placerville Drive – are necessary; and
2. Authorizing staff to place a demand upon the current property owner of the parcel located at 241 Placerville Drive (APN 323-360-002) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-415); and
3. Authorizing staff to place a demand upon the current property owner of the parcel located at 259 Placerville Drive (APN 323-360-004) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-305); and
4. Authorizing staff to place a demand upon the current property owner of the parcel located at 263 Placerville Drive (APN 323-360-006) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-114); and
5. Authorizing staff to place a demand upon the current property owner of the parcel located at 279 Placerville Drive (APN 323-360-014) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-158); and
6. Authorizing staff to place a demand upon the current property owner of the parcel located at 289 Placerville Drive (APN 323-360-009) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-03); and
7. Authorizing staff to place a demand upon the current property owner of the parcel located at 308 Placerville Drive (APN 323-400-026) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-28); and
8. Authorizing staff to place a demand upon the current property owner of the parcel located at 315 Placerville Drive (APN 323-260-010) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-162); and
9. Authorizing staff to place a demand upon the current property owner of the parcel located at 341 Placerville Drive (APN 323-360-010) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-152); and
10. Authorizing staff to place a demand upon the current property owner of the parcel located at 344 Placerville Drive (APN 323-400-023) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-107); and

11. Authorizing staff to place a demand upon the current property owner of the parcel located at 399 Placerville Drive (APN 323-400-002) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-307); and
12. Authorizing staff to place a demand upon the current property owner of the parcel located at 415 Placerville Drive (APN 323-400-003) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-191); and
13. Authorizing staff to place a demand upon the current property owner of the parcel located at 420 Placerville Drive (APN 323-400-013) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-275); and
14. Authorizing staff to place a demand upon the current property owner of the parcel located at 611 Placerville Drive (APN 323-480-018) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-76); and
15. Authorizing staff to place a demand upon the current property owner of the parcel located at 7533 Green Valley Road (APN 325-120-079) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-68); and
16. Authorizing staff to place a demand upon the current property owner of the parcel located at 7553 Green Valley Road (APN 325-120-057) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-405); and
17. Authorizing staff to place a demand upon the current property owner of the parcel located at 225 Placerville Drive, formerly 7565 Green Valley Road (APN 325-120-047) requiring performance pursuant to the recorded Street Frontage Improvement Agreement (SF-102); and
18. Authorizing the City Manager or his designee to execute any documentation associated with fulfillment of the above mentioned Street Frontage Improvement Agreements.

Purpose: The purpose of this item is to take the necessary steps to authorize staff to place a demand upon the current property owners of 16 parcels requiring performance pursuant to the recorded Street Frontage Improvement Agreement for each parcel.

Strategic Plan Strategy: Strategy 4 - Update and Maintain City-Owned Infrastructure

Background:

Street Frontage Improvement Agreements: The purpose of the Street Improvement chapter of the City Code is to ensure that all streets and highways meet the minimum standard for safe and convenient vehicle and pedestrian access and travel. By virtue of the chapter of the City Code, the cost required for public improvements will be equitably borne by the abutting property owners.

Section 8-9-3 of the City Code requires the construction of curbs, gutters, sidewalks, and street widening along the street frontage of all properties within City limits in conjunction with certain types of development projects or the construction of building improvements on those properties. However, Section 8-9-4 of the City Code allows for the deferral of the construction of those street frontage improvements where it is found that it would be in the best interest of the City to cause all or a portion of the required work to be done on a project area basis, rather than on an individual basis. In that case, a “variance” can be granted to defer the construction of the frontage improvements when a Street Frontage Improvement Agreement (SFIA) is entered into between the property owner and the City. The SFIA obligates the property owner, or the successor in interest, to undertake the construction of

the required improvements within 90 days following notice from the City to the property owner. The notice shall not be sent until the City Council first makes a finding of the need for construction of curb, gutter and sidewalk improvements along the frontage of the property.

These requirements have been in effect within the City of Placerville since the mid-1970s and there are currently more than 400 SFIA's that have been executed and are recorded with the El Dorado County Office of the Recorder.

The Placerville Drive Bicycle and Pedestrian Facilities project (CIP #41816): This project will provide safe and accessible bicycle and pedestrian facilities and improve multi-modal connectivity on Placerville Drive between Armory Drive and the US Highway 50 undercrossing. The project will also construct sidewalk and bicycle facilities on Green Valley Road from Placerville Drive to Mallard Lane for safe access to nearby community resources. The project was initially funded through the Congestion Mitigation and Air Quality Improvement (CMAQ) program for the environmental and engineering design phases. Later, the City was successful in applying for and receiving Active Transportation Program (ATP) grant funding for the remainder of the final design and right of way phases. In 2022, the City was awarded ATP grant funding for the Construction phase in the amount of \$15,417,000 for only the Placerville Drive Bicycle and Pedestrian Facilities Phase 1 project. The Phase 1 project includes reduced project limits – Placerville Drive from Ray Lawyer Drive to Cold Springs Road, and Green Valley Road from Mallard Lane to Placerville Drive.

Discussion: The Placerville Drive Bicycle and Pedestrian Facilities Phase 1 project has completed the environmental phase, the final design phase is well underway, and construction is expected to begin in spring of 2026.

There are currently 16 properties within the Placerville Drive Bicycle and Pedestrian Facilities Phase 1 project that have an SFIA in place with the City. Pursuant to the provisions of Section 8-9-4 of the City Code, it is recommended that the City Council make the finding for the need for construction of curb, gutter and sidewalk improvements through the project limits, and authorize staff to place a demand upon the current property owners of the 16 parcels requiring performance pursuant to the recorded SFIA for each parcel.

In the case of this project, we have a unique opportunity. Since the City has received a significant amount of grant funding to construct the frontage improvements (i.e., curb, gutter, and sidewalk) for the benefit of public safety, pedestrian access, and connectivity, staff does not intend to place a demand for performance requiring the property owner to construct their frontage improvements. Instead, staff is recommending that the property owners either participate in the right-of-way transactions needed for the City's project or pay for only the engineering design costs associated with their frontage improvements in cases where no right-of-way transaction is needed.

Of the 16 properties in the project limits, there are 12 properties where right-of-way transactions are needed to construct the City's project. There are 4 properties where no right-of-way is needed; the frontage improvements fit within the City's right-of-way. The sections below describe the SFIA process separately for these two groups.

SFIA Process for 12 Properties: For the 12 properties with right-of-way needed, the property owners were invited to an informal meeting on November 18, 2024 to inform them of the City's project and the intent to place a demand for performance pursuant to their SFIA's. The meeting materials informed the owners of their SFIA, the City Code requirements, and the right of way needs of the City's project. Staff presented them with three options to fulfill the requirements of their SFIA:

1. They were given the option to construct the improvements. The process would involve hiring a contractor and applying for the appropriate permits to construct the improvements.
2. They were given the option for the City to construct the improvements, and the property owner would be required to pay for the improvements. Each property owner was provided with a current construction cost estimate for their frontage improvements.
3. They were given the option for the City to construct the improvements using the federal grant funds, and the property owner would only be required to participate in the right-of-way transaction that is needed for the City's project, in accordance with City Code section 8-9-5(b). This would involve providing an Offer of Dedication, if needed, for the public sidewalk right-of-way and/or providing a Temporary Construction Easement for the City's contractor to build the improvements and perform conform work on the private property.

For reference, City Code Section 8-9-5 (B) states: *The property owner upon whose property the building is to be constructed or located shall make an offer of dedication to the city of all required easements or rights of way for the installation of streets, utilities, and public service connections.*

Based on the City Code, each property owner is responsible for the necessary right-of-way transactions anyway when implementing the improvements required of a SFIA through the development process. However, in a typical public capital improvement project, the City would be required to perform an appraisal for the right-of-way acquisition or Temporary Construction Easement (TCE) and make an offer of just compensation. The property owners were informed that if they chose Option 3, there would be no funds exchanged from the City to the property owner, and the SFIA would be fulfilled through completion of the right of way transaction.

Below is a list of the properties, estimated cost of frontage improvements, the right-of-way (R/W) needed, and the property owner's selection of the three options listed above:

Property Address	APN	SFIA Number	Estimated Cost to Construct Frontage	R/W Needed	Option Selected by Property Owner
241 Placerville Drive	323-360-002	415	\$32,000	TCE	Option 3
263 Placerville Drive	323-360-006	114	\$41,000	TCE	TBD
279 Placerville Drive	323-360-014	158	\$51,000	TCE	Option 3
289 Placerville Drive	323-360-009	003	\$56,000	TCE	Option 3
308 Placerville Drive	323-400-026	028	\$66,000	TCE	Option 3
315 Placerville Drive	323-260-010	162	\$95,000	TCE	Option 3
341 Placerville Drive	323-360-010	152	\$52,000	TCE	TBD
399 Placerville Drive	323-400-002	307	\$116,000	TCE, R/W	Option 3
415 Placerville Drive	323-400-003	191	\$102,000	TCE	Option 3
611 Placerville Drive	323-480-018	076	\$21,000	TCE	Option 3
7533 Green Valley Rd	325-120-079	068	\$105,000	TCE, R/W	TBD
7553 Green Valley Rd	325-120-057	405	\$28,000	TCE	TBD

Of the 12 properties listed above, four property owners have not yet made their selection. Staff will continue to work with them over the next month to reach a selection so we can proceed with the

right-of-way process associated with the Placerville Drive Bicycle and Pedestrian Facilities – Phase 1 project.

If approved tonight by the City Council, staff will send a formal notice to each property owner placing a demand upon the current property owner in accordance with their SFIA. Then, the consultant Right of Way Agent for the Placerville Drive Bicycle and Pedestrian Facilities – Phase 1 project will contact each of the property owners to sign the TCE Deed and TCE Agreement. For the two properties listed above with right-of-way acquisition needed for the City’s project, the property owner will sign an Offer of Dedication. Following completion of these steps and completion of the City’s project, staff will record a Notice of Completion with the El Dorado County Recorder’s Office considering the requirements of each SFIA fulfilled in full.

SFIA Process for 4 Properties: For the 4 properties without any project-related right-of-way needed, staff is recommending placing the demand for performance pursuant to the SFIA to cover only the engineering design costs associated with their frontage improvements. Typically, engineering design costs are estimated at about 10% of the cost of construction.

Below is a list of the properties, the estimated cost of frontage improvements, and the estimated cost of engineering design:

Property Address	APN	SFIA Number	Estimated Cost to Construct Frontage	Estimated Design Cost
259 Placerville Drive	323-360-004	305	\$18,000	\$1,800
344 Placerville Drive	323-400-023	107	\$91,000	\$9,100
420 Placerville Drive	323-400-013	275	\$87,000	\$8,700
225 Placerville Drive (Formerly 7565 Green Valley Rd)	325-120-047	102	\$82,000	\$8,200

If approved tonight by the City Council, staff will send a formal notice to each property owner placing a demand upon the current property owner in accordance with their SFIA. After each property owner has paid the engineering design costs associated with their SFIA, staff will record a Notice of Completion with the El Dorado County Recorder’s Office considering the requirements of the SFIA fulfilled in full.

Options:

1. Direct staff to place a demand for performance pursuant to the 16 Street Frontage Improvement Agreements as recommended by staff.
2. Defer demanding performance pursuant to the 16 Street Frontage Improvement Agreements to a later date.

Environmental: On January 10, 2023, the City Council adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the Placerville Drive Bicycle and Pedestrian Facilities Project (CIP #41816) pursuant to the provisions of the California Environmental Quality Act (CEQA) finding that there is no substantial evidence that the proposed project will have a significant effect on the environment.

Cost: Other than staff time associated with processing the agreements and coordinating with the property owners, there is no cost associated with this item.

Budget Impact: If approved, staff will recommend a budget appropriation for the collected design costs for the four affected parcels at a later date.



M. Cleve Morris, City Manager



Melissa McConnell, City Engineer

Attachments:

A: Resolution

B: Copies of all 16 SFIA's

C: Project Exhibit