

PLANNING COMMISSION STAFF REPORT

To: Honorable Chairman & Planning Commissioners
From: Alex Qishta, Project Engineer
Shane Stueckle, Deputy Town Manager
Date: June 3, 2013
For Commission Meeting: June 11, 2013

Subject: Five Year Capital Improvement Program

Prior Commission Review: There has been no prior commission review of this matter.

Recommendation: That the Town Planning Commission:

- A. Finds that the project is exempt from CEQA in accordance with Section 15378 (b)(4) and Section 15061 (b)(3) of the California Environmental Quality Act. The Capital Improvement Program is not a project nor is there possibility of a significant effect on the environment from the Program. Further the CIP does not result in a commitment to any specific project.
- B. Recommends that the Town Council adopts the Five Year Capital Improvement Program for Fiscal Years 2013/2014 through 2017/28.

Executive Summary: A Capital Improvement Program (CIP) is a planning tool for the expenditure of resources for public infrastructure. Government Code Section 65401 requires that public works capital improvement projects be reviewed by the Planning Commission for conformity with the General Plan and the policies outlined therein. A capital improvement program is a short-range, five year plan, which identifies capital projects, provides a planning schedule, and identifies options for financing the program.

The CIP document identifies the recommended allocation of the Town’s limited resources for capital projects for fiscal years 2013-2014 through 2017-2018.

Reviewed By:	Town Manager	Town Attorney	Mgmt Services	SRS Dept Head
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<input checked="" type="checkbox"/> Department Report	<input type="checkbox"/> Ordinance Action	<input type="checkbox"/> Resolution Action	<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Minute Action	<input type="checkbox"/> Receive and File	<input type="checkbox"/> Study Session

Order of Procedure:

- Request Staff Report
- Request Public Comment
- Council Discussion/Questions of Staff
- Motion/Second
- Discussion on Motion
- Call the Question (Voice Vote)

Discussion: The Capital Improvement Program is a guide for the allocation of resources for improving and maintaining public infrastructure and facilities. Programming capital facilities and improvements over time promotes better use of the Town's limited financial resources, reduces on-going maintenance costs, and assists in the coordination of public and private development.

The CIP is primarily a planning document to assist the Town's long-term infrastructure planning. As such, the projects and their scopes contained in the CIP are subject to change from year to year as the needs of the community become more defined and projects move closer to final implementation. While the CIP is a planning tool, the annual capital projects budget (Special Revenue Funds) as approved by the Town Council appropriates funds for the specific projects and authorizes staff to proceed with project implementation.

As the Town Council discussed during its Strategic Planning workshops in January 2013, the Town has extremely limited revenues available for capital expenditures. Therefore while the Town has extensive needs for road, park, flood control and other infrastructure improvements, the Town does not have sufficient revenues to address those needs.

General Plan Consistency: The Planning Commission must find that the CIP is consistent with the policies outlined within the General Plan. The following goals, policies and programs provide General Plan guidance supporting implementation of the capital improvement program.

Land Use Element, General Land Use, Policy 3:

Utilize master facility and similar plans to address the Town's recreation, airport, flood control, infrastructure, utility management, traffic control and other facility needs.

Land Use Element, Public Services and Facilities, Policy 2:

Encourage the development of public services and facilities in a manner which assures adequate levels of service, while remaining compatible with existing and future land uses.

Program 2.A:

Coordinate and, as appropriate, regulate the development of public services and facilities to maximize the efficient delivery of services to the community, while assuring compatibility with surrounding land uses.

Public Buildings and Facilities Element, Policy 5:

Investigate the feasibility of preparing a Capital Improvement Plan to replace the yearly evaluation of proposed Capital Improvement Projects.

Program 5.A.

Carefully assess, and if appropriate implement the preparation of a Master Capital Improvement Program to be drafted a minimum of once every five years.

Land Use Element, Implementation Strategy 3AA:

Review and update the Capital Improvement Program semi-annually.

Implementation Strategy 3AB:

The Capital Improvement Program shall include progress of other public agencies and utility companies on annual basis.

Circulation Element, Implementation Strategy 3AA:

Major arterials shall be given preference in the Capital Improvement Program and other funding improvement programs.

Parks, Recreation and Trails Element, Implementation Strategy 3AA:

Park improvement for existing facilities shall be incorporated into the Capital Improvement Program.

The projects included in the 5-Year CIP implement the General Plan goals, policies and programs, by delivering infrastructure in the areas of traffic and pedestrian safety, affordable housing units, park and recreation facilities, and flood control improvements. The Town is able to deliver these projects due to aggressively seeking grant and other outside funds, and the Town must continue to seek out other funding sources. As illustrated in the CIP document, the Town's annual capital facility revenues are extremely limited, and without additional resources, the Town will not be able to deliver infrastructure construction and maintenance that is necessary, as well as desired by community residents.

Major Capital Projects Moving Forward: There are a number of major capital projects underway in fiscal years 2012/2013 and 2013/2014. These projects are financially feasible due to non-Town resources being made available from County, state and federal funds. A number of these projects have also benefitted from the Town Council's recent approval of Development Impact Fee increases. The following information outlines some of those major infrastructure initiatives. This information includes projects that are underway by other agencies as well as private development projects which are constructing public infrastructure.

Transportation Congestion Relief Program: This project includes the construction of raised medians from Kickapoo Trail to Elk Trail and from Cherokee Trail to Apache Trail; and sidewalk improvements from Palm Avenue to Dumosa Avenue. This approximately \$2.7 million project is funded through a combination of State SLPP (State, Local Partnership Program), Federal HSIP, regional Major Local Highways Measure I, and local Measure I revenues of approximately \$680,000. This project will provide significant pedestrian and traffic safety improvement on State Route 62.

Public Lands Highways Discretionary Funds Project: This project includes the construction of curb, gutter, sidewalks, and raised median islands on SR 62 between Apache to east of Palm Avenue. The project includes the construction of a traffic signal at SR 62 and Church Street. This approximately \$2.9 million project is funded through a combination of Federal SAFETEA LU, State SLPP, and local Measure I revenues of approximately \$723,000. Combined with the TCRP project, these two projects will deliver significant traffic and pedestrian safety improvements between Kickapoo Trail and Dumosa Avenue.

Traffic Signal Synchronization: This project includes the synchronization of four traffic signals on SR 62, including Camino del Cielo, Kickapoo, Pioneertown Road and Acoma. When the PLHD funded Church at SR 62 signal is constructed, this signal will be interconnected to the synchronization system. This program is funded through grant funds from San Bernardino Associated Governments.

SR 62 @ Dumosa Avenue Traffic Signal: In conjunction with the development of the Yucca Valley Senior Affordable Housing Project discussed below, the construction of a traffic signal at SR 62 and Dumosa Avenue will provide significant traffic and pedestrian safety improvements for access to the Yucca Valley Community Center complex as well as the surrounding commercial and residential development. This project will also result in the elimination of a traffic cut-through route impacting the residential neighborhood on Antelope Trail, and through reduced traffic volumes, increase safety for the residents who live on Antelope Trail. The Town anticipates the construction of this project to be completely funded through the Measure I Major Local Highways Program.

Safe Routes to School, Onaga Trail to SR 62: This project will construct sidewalks serving the Yucca Valley High School, on Sage Avenue, between Onaga Trail and SR 62. This project, funded through grant funds, will deliver pedestrian safety improvements serving local residents and Yucca Valley High School.

Other Capital Facility Projects Underway:

Animal Control Joint Powers Authority (ACJPA) Replacement Animal Shelter: The ACJPA, which consists of the Town and the County, are constructing the Yucca Valley Replacement Animal Shelter. This approximately \$2.9 million construction project is primarily funded by San Bernardino County. The facility is scheduled to be completed by October 1, 2013.

The Town has entered into an approximate 20-year repayment program with estimated annual debt service payments of approximately \$54,000. The Town is constructing the facility on behalf of the ACJPA.

Hi Desert Water District, Wastewater Collection and Treatment System: The Hi Desert Water District has contracted the preparation of PS&E for the wastewater collection system. The design is approximately 35% complete, and the PS&E is scheduled for completion in late 2013. The California Regional Water Quality Control Board has mandated the completion of Phase I of the collection and treatment system by 2016.

Yucca Valley Senior Affordable Housing Project: The Town/former Redevelopment Agency partnered with National Community Renaissance (National CORE) for the delivery of 75 affordable senior housing units to the community. The delivery of these age and affordability restricted units were delivered to assist the Town/former Redevelopment Agency in fulfilling its mandate to preserve and produce affordable housing units within the community. According to the former Agency 5 Year Implementation Plan, the former Agency was required to produce 44 affordable units and 18 very low income units, from the time of Agency formation through 2008-2009. This project will construct flood control and drainage capital improvements identified in the Master Plan of Drainage in Dumosa Avenue, as well as reconstructing and widen Dumosa Avenue. A variety of sources have contributed to this project including: tax credit financing, federal HOME funds, development impact fees, low/mod funding, and equity lending.

Super Wal-Mart Environmental Mitigation Infrastructure: Super Wal-Mart was required through the mitigation measures adopted in the Environmental Impact Report to construction off-site infrastructure. These mitigation measures include traffic signals at SR 62 and Inca Trail, Yucca Trail @ Joshua Lane, and Yucca Trail at Avalon Avenue. Additionally, the project was required to construct street improvements on Avalon Avenue, Palisades Drive, and at Joshua Lane and Onaga Trail. These improvements are scheduled for completion in mid-2013.

Recently Complete Projects:

Essig Park: This project includes the construction of the Town's first new park in 39 years. Property acquisition and park development was primarily funded through Federal HUD grant resources, in addition to County contributions, and local roadway restricted funds for improvements to Warren Vista Avenue. This new park created playground and turf play areas, restroom buildings, a parking lot, and a dog park designed with separate areas for large and small dogs.

SR 62 @ SR 247 Signal Modification and Median Island Project: The Town completed this project in January 2013. This approximately \$268,000 project included the addition of controlled turning movements north/south on Joshua Lane/SR 247, construction of median islands on Joshua Lane and SR 247, and the lengthening of turn pockets on SR 62.

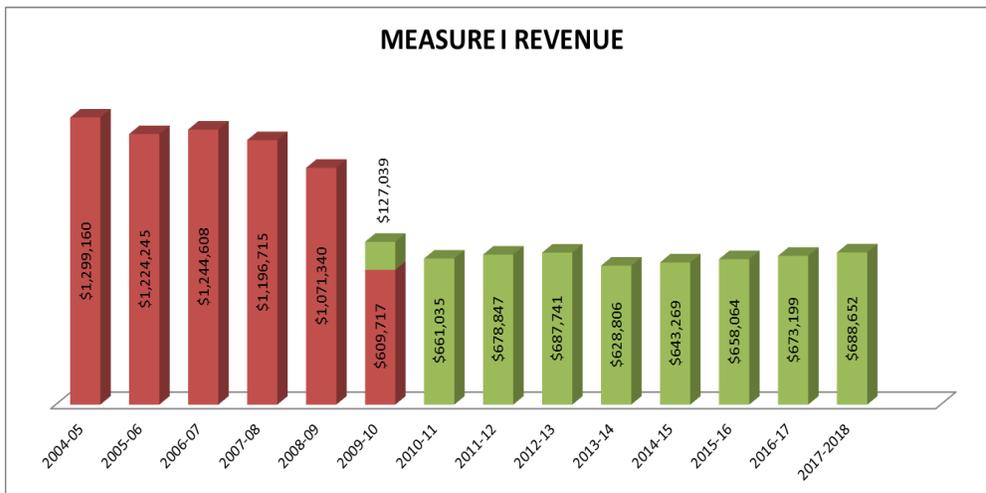
Church Street Project: The Town completed this project in June 2012. This approximately \$170,000 project completed missing segments of Church Street between Onaga Trail and Joshua Drive.

The following information provides an overview of the Town's annual and historical capital revenues.

Measure I Revenues: Measure I revenues are generated by a ½ cent sales tax approved by the voters in 1989 and reauthorized by the voters in 2004. Measure I expenditures may only be expended for roadway purposes. The new Measure as reauthorized in 2004 became effective on April 1, 2010. With the new Measure, the Town's annual Measure I revenues were reduced by more than 25% with the creation of the mandatory Major Local Highways Program (MLHP) fund that is retained by San Bernardino Associated Governments (SANBAG). The process for allocation of the Major Local Highways Program fund includes a recommendation from the City of Twentynine Palms, the County of San Bernardino, and the Town to the Mountain Desert Committee and then to the full SANBAG Board.

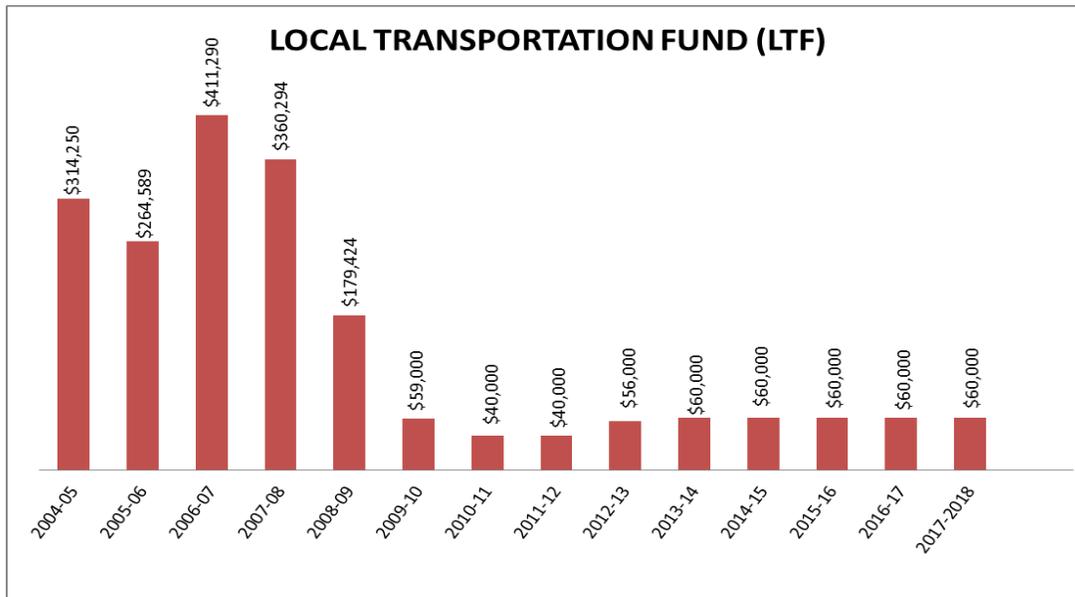
The Town is anticipating the allocation of \$471,000 in MLHP funds in July 2013 for the construction of the SR 62 @ Dumosa Avenue traffic signal project. Additionally, the Town received MLHP funds from SANBAG for both the TCRP and PLHD projects.

The following figure identifies the trends in Measure I revenues between FY 2004/2005 and the estimated revenues through FY 2016/1017.



Local Transportation Fund (LTF): to the local jurisdiction. Expenditures of LTF funds are limited to roadway purposes in accordance with the State Gas Tax Guidelines.

LTF revenues have historically been used for both roadway capital projects as well as for backfill to the Town's Gas Tax funded street maintenance program. The following figure illustrates historical LTF revenues and the revenue estimated for FY 2013/2014 to 2016/2017. The significant reduction in LTF revenues is a direct result of increased transit services within the Town, provided by Morongo Basin Transit Authority (MBTA).



Community Development Block Grants (CDBG): CDBG funds have historically been allocated to the construction of recreation based facilities for both the Town as well as for non-profit agencies, as well as economic development infrastructure programs and Code Compliance programs. Revenues available for capital projects have historically ranged in the \$90,000 to \$100,000 annually. The Town Council's recent actions allocated three years of CDBG revenues to the replacement of the playground equipment at the Community Center Park and Paradise Park. The FY 2013/2014 CDBG funds are allocated to Code Compliance programs.

State Local Partnership Program (SLPP): The Measure I 2010-2040 Expenditure Plan and the Mountain/Desert Subarea transportation planning partners identifies projects eligible for partial funding from Measure I 2010-2040 Rural Mountain/Desert Subarea Major Local Highway Program "MLHP" funds and Proposition 1B State Local Partnership Program "SLPP" formula Funds.

The following capital project revenues are not consistent and are dependent upon varying factors.

Development Impact Fees: Development Impact Fee revenues as approved by the Town Council include five categories of capital projects. These five categories include traffic, parks, storm drains, general facilities, and trails. The following impact fee funds have been allocated to Capital Projects:

- Park Impact Fees – allocated to Essig Park;
- Storm Drain Impact Fees – allocated to Senior Housing Project to construct regional storm drain facilities within Dumosa Avenue;
- General Facilities Impact Fees – allocated to the construction of the Replacement Animal Shelter

Quimby Fees: Quimby Fee revenues are generated from the Town's Parkland Dedication Ordinance and the payment of parkland dedication fees that off-set the impacts of new residential development on the Town's park and recreation facilities. The Town's Quimby Fees were allocated to Essig Park.

Redevelopment Agency Capital Projects: With the dissolution of Redevelopment by the State there is no allocation of RDA funds at this time. Pending resolution of state mandated process, there are anticipated amendments to the CIP during FY 2013/1014 that will identify the allocation of remaining former RDA bond proceeds.

The following outlines the major one-time grant funds contained in the 5-Year CIP.

Highway Safety Improvement Funds: The Town's grant applications were successful in obtaining \$999,000 in HISP funds. The successful projects include the Transportation Congestion Relief Program (TCRP) and the traffic signal modification project at SR 62 and SR 247.

Public Lands Federal Grant (PLHD): PLHD revenues were awarded for SR 62, Apache to Palm. This project includes installation of new raised median islands, curb, gutter, and a traffic signal at SR 62 and Church Street.

Congestion Mitigation & Air Quality (CMAQ): The Town's grant application for CMAQ funding for traffic signal synchronization was successful. The approved project includes the interconnection of the traffic signals on SR 62 at Camino del Cielo, Kickapoo Trail, Pioneertown Road and Acoma Trail traffic signals. The future SR 62 @ Church Street signal will be connected to this system.

Transportation Congestion Relief Program (TCRP): This project consists of raised median islands, sidewalks, curb and gutter between Kickapoo Trail and Dumosa Avenue. The project is currently out to bid for construction.

Safe Route to School (SR2S) Fund: This project includes improvements on Sage Avenue including sidewalks, curb and gutter between Onaga Trail and SR 62. If warranted, pedestrian crossing improvements may be designed at the intersection of Pueblo Trail and Sage Avenue. Additionally, the necessary design and plans for the replacement of outdated speed signs at Yucca Valley Elementary School, Onaga Elementary School, and La Contenta Middle School are included in the project.

State Local Partnership Program: The Town's grant applications were successful in obtaining SLPP funds for the PLHD and TCRP projects.

SANBAG Transit Access Improvement Program – The Town was successful in securing matching funds from SANBAG for the construction of pedestrian access improvements around Town Hall between transit stops and Community Center destinations;

Potential Modifications to CIP: As the Town Council discussed during its Strategic Planning workshops in January 2013, the Town has extremely limited resources available for capital expenditures. Therefore while the Town has extensive needs for road, park, trail and other infrastructure improvements, the Town does not have sufficient revenues to address those needs.

Alternatives: Staff recommends no alternative actions. The Planning Commission reviews the 5-Year CIP is mandated by State law.

Fiscal impact: The CIP outlines the planned expenditures over the next five fiscal years. Staff will present an overview of this information at the Planning Commission meeting.

Attachments: 5 Year Capital Improvement Program