



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**DEPARTMENT OF PUBLIC WORKS**  
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Sean Powers  
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**NEVADA COUNTY BOARD OF SUPERVISORS**  
**Board Agenda Memo**

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**MEETING DATE:** July 9, 2019

**TO:** Board of Supervisors

**FROM:** Brian Foss, Planning Director and Trisha Tillotson, Director of Public Works

**SUBJECT:** **Resolution approving an Infrastructure Reimbursement Agreement Between the County of Nevada and KKP-Lake of the Pines, LLC, as part of the Higgins Marketplace Project**

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**RECOMMENDATION:** Approve the attached Resolution.

**FUNDING:** Funding associated with the agreement is included in the Fiscal Year (FY) 2018/2019 and FY 2019/2020 Capital Improvement Project Budgets including \$983,211 from the General Fund Economic Development Infrastructure assignment for construction of a sewer force main in Combie Road.

**BACKGROUND:**

On April 13, 2010, the Nevada County Board of Supervisors approved an Environmental Impact Report (EI04-001) and a Conditional Use Permit (U04-019) for the Higgins Marketplace Project (Project), an approximately 75,710 sf commercial center. The Project consists of four stand-alone commercial buildings, anchored by an approximately 50,000 sf grocery store.

The Project conditions of approval require that KKP - Lake of the Pines LLC, a California Limited Liability Corporation (“Developer”) install off-site road improvements on Combie Road (estimated Developer’s portion of the cost is \$747,000) and an off-site sewer force main in Combie Road from Cascade Crossing to the intersection of Combie and Higgins Road (estimated Developer’s portion of the cost is \$662,045) in order to serve the Project and mitigate certain impacts.

The County has determined that it is in the public interest to widen portions of Combie Road regardless of whether the Project proceeds or not and, as a part of such road widening work, it is convenient to install the Road and Sewer Improvements (Improvements) at the same time to avoid disruption of the road after the road widening work is completed. Funding for the road improvements are available primarily using Local Traffic Mitigation Funds. County Economic Infrastructure Funds will be used in FY 2019/2020 for the sewer improvements, which are intended to fund infrastructure projects that support commercial, industrial and other economic development projects in unincorporated areas of the County. The total cost of the proposed sewer improvements in Combie Road is estimated at \$983,211.

On January 23, 2018, by Resolution 18-042, the Board of Supervisors approved an Infrastructure Reimbursement Agreement (“IRA”) between the County and Developer for the development of the

Higgins Marketplace, located on Highway 49 & Woodridge Court. That IRA has been terminated and a new IRA is necessary.

In order to promote economic benefits to the County after installing the improvements, staff proposes the attached IRA with the Developer. The Agreement states that the County will pay for, construct and install the Improvements subject to certain potential reimbursements by the Developer. However, to encourage and incentivize the expeditious completion of the Project to realize economic benefits, the County may agree to waive reimbursements from the Developer for the cost of installing the Improvements on condition that the Developer construct and occupy the project by certain dates. In addition, to encourage and incentivize the expeditious completion of the Improvements, the Developer has agreed to make certain payments to the County, and the County has agreed to expedite construction of the Improvements by certain dates.

**Item Initiated and Approved by:** Brian Foss, Planning Director  
Trisha Tillotson, Director of Public Works

Submittal Date: June 10, 2019