



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**DEPARTMENT OF PUBLIC WORKS**  
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Sean Powers  
Community Development Agency Director

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Director of Public Works

**NEVADA COUNTY BOARD OF SUPERVISORS**  
**Board Agenda Memo**

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**MEETING DATE:** January 23, 2018  
**TO:** Board of Supervisors  
**FROM:** Brian Foss, Planning Director and Trisha Tillotson, Director of Public Works  
**SUBJECT:** **Resolution approving an Infrastructure Reimbursement Agreement with 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 will be included in the Fiscal Year (FY) 2018/2019 Capital Improvement Project Budget to be approved by the Board of Supervisors on a subsequent date. Funding will include an estimated \$983,211 from the General Fund Economic Development Infrastructure assignment which will be restricted for the purpose of this agreement.

**BACKGROUND:** On April 13, 2010, the Nevada County Board of Supervisors approved an Environmental Impact Report (EIR04-001) 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 the 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 could be made available in FY 2018/2019 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.

In order to promote economic benefits to the County after installing the improvements, staff proposes the attached Infrastructure Reimbursement Agreement (Agreement) with the Developer, KKP-Lake of the Pines, LLC. 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. A County capital project fund will be established for the purpose of construction of the Sewer Improvements. Once the sewer improvements are complete, the Nevada County Sanitation District No. 1 will be asked accept the improvements into Zone 2 - Lake of the Pines-Dark Horse/Cascade Crossing.

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

Submittal Date: January 17, 2018