SUBJECT: STREET INFRASTRUCTURE IMPROVEMENTS FOR THE JAYE STREET AND STATE HIGHWAY 190 AREA

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: In the Community Development Department’s priority projects list included in the recently adopted 2005/06 budget, Staff identified as a priority project, the evaluation and prioritization of circulation improvements in the Jaye Street/SH 190 and SH 65 area. The improvements are necessary to accommodate targeted growth and development in the southern and central portion of the City. The development of critical infrastructure improvements in the area, has the potential to achieve multiple benefits which will be discussed later in this report.

Infrastructure Development Factors

While evaluating potential traffic impacts associated with multiple developments in the vicinity of Jaye Street and SH 190, and when carrying out the City’s Economic Development activities, a number of factors became obvious. First, there is critical infrastructure lacking in key areas that will restrict quality growth. Second, areas planned for development and currently experiencing high levels of interest are outpacing the City’s capacity to keep pace. Finally, if the City does not respond with a pro-active strategy, the City stands the potential of losing out on development resulting from long term burdens incurred by not responding. The following factors play a key role in whether the most beneficial and timely projects are constructed.

1. Caltrans has stringent regulations on the design and placement of Freeway interchanges. Essentially these standards limit Porterville to a total of two to the east of SH 65. One at Main Street and the other at the extension of Holcomb further east to align with the access road to the state hospital. Any additional interchanges to provide access from SH 190 to local street would have to be placed between Plano Street and Holcomb, much of which is not currently in the City. There are no established streets that would provide a logical connection and extend to the north and south.

2. The land uses that have developed over the decades did not allow for a strongly connected system of streets through the use of frontage roads along the freeways. In many areas, to establish a system of interconnecting frontage roads a substantial number of properties would need to be acquired with significant costs incurred.

3. Negotiations with the railroad, Army Corps of Engineers, Department of Fish and Game (and other agencies), and the community college district would be critical to achieving the necessary system.
4. The areas on the northwest, southwest and southeast corners of the SH 190 and SH 65 interchange are faced with limited long-term options for access to the highways. If the Caltrans regulations remain in effect without exception, the Jaye/SH 190 intersection would become a grade separated overpass, as would SH 190 and Newcomb, and SH 65 and Scranton Avenue due to their close proximity to the 190/65 interchange. As a result of the Caltrans criteria, the nearest full access interchange from the state highways would be at Main Street on the east, Teapot Dome on the south and Westwood on the west.

Current List of Identified Capital Improvement Projects

Following is a list of Capital Projects that are in the Ten Year Plan which are slated to begin in fiscal year 2005/06 but are partially or completely unfunded at this time. Those projects identified in bold are projects located in the subject area that are critical. The entire list of unfunded or partially unfunded projects has been provided to provide context and show the full magnitude of the need for resources.

1. “A” Street Recon. & Storm Drain (Additional funds) $ 7,700
2. Indiana – Putnam to Olive – Street (Additional funds) $ 27,500
3. Jaye Street Bridge Design – (Additional funds) $ 38,500
4. Jaye – 190 to Springville – (Additional funds) $ 179,300
5. Prospect St. Recon. – (Additional funds) $ 11,550
6. Westwood St. – Henderson past Slough – Street $ 440,000
7. Airport Industrial Development – Storm Drain $ 1,364,000
8. Gibbons – Main to Indiana – Street Project $ 2,318,800
9. Gibbons – Main to Indiana – Storm Drain $ 419,100
10. Indiana Low Water Crossing – Street Project $ 2,337,500
11. Jaye – 190 to Gibbons – Street Project $ 2,624,050
12. Jaye – 190 Intersection Improvements (City) $ 275,000
14. Poplar Road (North) – Connects to Main St. – Street $ 550,000
15. Olive/Mathew – Signal $ 285,000
16. Jaye/Olive – Signal $ 220,000
17. Jaye/Orange – Signal $ 220,000

TOTAL $11,565,840
SUBJECT AREA: $ 9,495,090

Note: There are additional unfunded projects in the Ten Year Capital Project Plan that are proposed in future fiscal years that total approximately $15,000,000. (Each project has been increased by 10%, to cover any inflation, from the cost in the Ten Year Capital Project Plan)

Potential Construction Project (Mitigation Measure for Jaye/SH 190 Intersection)

In looking at potential mitigation opportunities in the project area, a mitigation concept has been discussed that has the potential of resolving a potentially significant congestion concern at the intersection of South Jaye Street and South Poplar Road. Staff and the City’s consultants have been studying the traffic volumes and mitigation measures...
necessary to maintain a functioning intersection at Jaye Street and SH 190, which is complicated by the location and function of South Poplar Road at Jaye Street. City staff has explored various options for addressing this traffic challenge and have considered a number of options. Staff is looking for direction from Council on preferable options to consider in the mitigation.

1. Rerouting Poplar Avenue to the South immediately east of Lone Oak Estates and extending it to Montgomery Avenue where it would elbow to the east and connect to Jaye Street. Existing Poplar Avenue would be converted to a cul-de-sac at the service Station.

2. This alternative would generally be the same as number one, but instead of elbowing to the east at Montgomery, it would extend south to a point approximately parallel with the northerly edge of the WalMart Distribution Facility and then elbow to the east to connect to Jaye Street.

3. The third alternative would be to construct a roundabout at the connection between Montgomery Avenue and Jaye Street. This would accommodate the various roads connecting in one location and would allow Poplar Avenue to continue to tie into Jaye Street with all vehicles routed to the south into the traffic circle and then redirected to the north to queue into the Jaye Street/SH 190 intersection.

These alternatives are shown on exhibits attached to this report and displayed on the screen for assistance in clearly understanding the options. After initial evaluation, Staff is leaning toward the roundabout option as it is the least invasive to the residential neighborhood to the west. The roundabout will need to be designed to accommodate interstate truck traffic. Prior to spending a concerted amount of time on this, Staff is looking for direction from the Council on the use of a roundabout in this application.

**Funding Options**

Rather than simply pointing out the need for resources necessary for achieving the construction of the necessary infrastructure, staff has provided a number of options for the City Council to consider. Following are several possible funding options:

1. Refinance of the current Certificates of Participation – This would generate approximately $1,700,000 and maintain the current level of debt service.

2. Transportation Impact Fees (TIF) – The approximate amount of TIF generated from Riverwalk Market Place, and Porterville Commercial Center will be $2,950,000, that generated from newly proposed subdivisions along Gibbons, Jaye, and Indiana will be $250,500, and that from the Holiday Inn Express will be $167,900 for a total of $3,368,400. The TIF generated from these projects could be directed to specific capital projects, however, it is unlikely that all the fees will be paid at one time or even during the same fiscal year. Timing would be difficult
but certain projects may be viable. Also, the City would need to restrict participation in the development fee payment plan if resources are to be directed to improvements in the project area.

3. Certificates of Participation (COP) – Lease financing for major public improvements, which involve the sale of bonds or COP’s to raise funds to do the projects, which are still secured by a lease with the city. The last COP issuance was at a variable interest rate between 4.40% and 6.00% and generated more than $20,000,000 with an annual debt service of approximately $1,300,000.

4. California Infrastructure & Economic Development Bank (CIEDB) – Issue tax-exempt bonds to provide financing for public infrastructure that promotes economic growth. The sewer CIEDB issuance was at a fixed rate of 2.98%.

Options one and two could generate approximately $5,068,400, which would leave a deficit of approximately $6,497,440 to fund the projects for fiscal year 2005/06 and an additional deficit of approximately $15,000,000 to fund the additional unfunded projects in the 10 year CIP for future years. However, a significant amount of sales and property tax revenues would be generated by the improvements and would substantially bolster the City’s revenues. This area of benefit can be explored further if the Council so desires.

RECOMMENDATION: That the City Council

1. Direct Staff to refinance the existing Certificates of Participation to extend funding for the underfunded projects;

2. Direct Staff to scope out the cost of a new Certificates of Participation Issuance for additional infrastructure improvements described above;

3. Authorize Staff to move forward with the analysis of using a roundabout as the preferred mitigation strategy for the Jaye Street and South Poplar connection, with Alternative No. 1 and the second option.

ATTACHMENTS:

1. Alternatives 1, 2, and 3