

DATE: 9/7/99 AGENDA ITEM # 32  
( ) APPROVED ( ) DENIED  
( ) CONTINUED

TO: JAMES L. APP, CITY MANAGER  
FROM: BOB LATA, COMMUNITY DEVELOPMENT DIRECTOR *Bob*  
SUBJECT: HIGHWAY 46 EAST CORRIDOR STUDY: WORKING ASSUMPTIONS  
AND ECONOMIC IMPACT ANALYSIS  
DATE: SEPTEMBER 7, 1999

Needs: For the City Council to confirm "working assumptions" to be utilized for the Highway 46 East Corridor Study, and to comment on the relative priority of an Economic Impact Analysis as a part of the Corridor Study process.

- Facts:
1. The San Luis Obispo Council of Governments (SLOCOG) has budgeted for and initiated the process of preparing a Corridor Study for Highway 46 East (Highway 101 to Jardine Road). The purpose of the study is to determine whether Highway 46 in this area will, into the future, be a highway, expressway, or a freeway. The study outcome will have interim and long-term implications for access and development impact fees.
  2. SLOCOG has sought and received input from the City regarding the scope of the Corridor Study. The City has stressed the need for both public participation and also an evaluation of economic impacts (for example looking at how restricted access or new interchanges would impact development).
  3. The Request for Proposals that was sent out by SLOCOG did include the requested focus on public participation. An economic impact analysis was identified as an optional extra cost item.
  4. SLOCOG has received four (4) proposals for preparation of the Corridor Study. It is anticipated that interviews with the consultants will occur on Wednesday, September 1, 1999.
  5. The accuracy and validity of the Corridor Study depends upon the City providing the best available assumptions in terms of land use and circulation patterns.
  6. Whether or not the economic impact analysis is included would also seem to be a significant factor for business / property owners and the City of Paso Robles.

Analysis  
and  
Conclusion:

The three options for the design of access to Highway 46, from Highway 101 to Jardine Road, have significantly different impacts on neighboring properties (please note that a four-lane configuration is assumed for all design options):

- The current highway configuration allows continued access from both established streets and established private roads / driveways. The current access is convenient to property owners and visitors. However, with growing traffic along the corridor, one can assume there will be more conflicts with turning movements in and out of Highway 46.
- It is staff's understanding that if this section of Highway 46 were to be designated as an Expressway, that traffic signals would be installed at selected "at grade" intersections and that these traffic signals would control access to Highway 46 East. The status of other established points of access is currently unclear.
- If this section of Highway 46 were to be planned as a freeway, it is staff's understanding that vehicular access would be limited to grade-separated interchanges. Further, Caltrans standards (and economics) would tend to limit the number and location of interchanges that would be constructed.

The purpose of this staff report is not to focus on these three options (the Corridor study will evaluate the range of options). The options are, however, presented in order to stress the potential importance of this Corridor Study to economic development along this Highway 46 corridor (both within the study section and further to the east).

In order for the Corridor Study to be as accurate as possible in terms of addressing future access needs along Highway 46, the study needs to have working assumptions for both land use and circulation. The nature of adjacent land uses helps to determine traffic impacts on Highway 46. Alternative roads also impact the level of traffic on Highway 46.

The City's General Plan and approved specific plans provide a basis for projecting land uses along the section of Highway 46 that is under study. Recent development applications (the proposals to change the density of the Chandler Ranch, Mr. Arciero's "Montebello" project) are additional variables that will need to be taken into consideration.

Perhaps more speculative is the future of alternative roads that would parallel or intersect Highway 46. In particular, there are two roads that have been identified as having a potentially significant impact on the Highway 46 corridor:

1. Dry Creek Road: The General Plan Circulation Element shows Dry Creek Road as a 4-lane arterial that will some day extend westward to an interchange with Highway 101. The General Plan EIR projects this project to cost about \$22 Million (in 1991 dollars).

2. The "Parkway Loop Road": This road is shown on the General Plan Circulation Element as a connector extending from the intersection of Highways 46 West and 101, around the south and east sides of the City, and linking up with Highway 46 East at the Airport Road intersection. No cost estimate is provided in the General Plan EIR.

A copy of the General Plan Circulation Element map is attached for reference.

Since 1991, a number of land use changes have occurred that would seem to impact the City's Circulation Element and the likelihood that these roads will be constructed in the foreseeable future.

- A substantial amount of land around the Municipal Airport, which had been designated for business park / industrial uses, has developed into vineyards and a golf course. These uses substantially reduce the projected traffic loads in the area and the potential demand (and economic support) for a westward extension of Dry Creek Road to Highway 101.
- SLOCOG studies of the Highway 101 corridor have identified the Welsona / 101 intersection as a likely location for a future grade-separated interchange. If this occurs, Welsona Road may be a more likely access point from Highway 101 to the Municipal Airport Area (instead of a Dry Creek Road extension).
- The eastern half of the Chandler Ranch has sold and is being developed in the County as vineyards and a possible "AG Cluster" site for estate homes. This development pattern makes it very unlikely that the Parkway Loop Road can be constructed through this area as shown in the Circulation Element.
- Development patterns (current and potential) in the Spanish Camp, Spanish Lakes, and Rancho Santa Ysabel areas would not appear to encourage construction of a four-lane arterial road through that area.
- The Charolais Road extension and bridge project may provide a viable alternative to the Parkway Loop Road as a connection to the intersection of Highways 46 West and 101.

The proposed up-date of the City's Circulation Element would be able to address whether or not these changes warrant modification to the planned system of roads. However, even if the Circulation Element is selected to be funded during FY 1999-2000, the Corridor Study is scheduled to proceed in advance of the Circulation Element. For that reason, the City needs to provide SLOCOG with some "working assumptions".

The "planning horizon" for the Highway 46 Corridor Study is the year 2025. Based on the above described factors, it is suggested that the following working assumption should be communicated to SLOCOG for use in the Corridor Study:

- **"For the purposes of the Highway 46 East Corridor Study, please assume that the following capital improvements that are shown in the City's Circulation Element will not be constructed until after the planning horizon of 2025:**
  - **Dry Creek Road extension to and interchange with Highway 101**
  - **The Parkway Loop Road connecting Highway 46 West to Highway 46 East at Airport Road."**

A second question related to the Highway 46 Corridor Study is whether or not there will be an Economic Impact Analysis. The purpose of the Economic Impact Analysis is to evaluate the potential adverse impacts of the different design options on adjacent properties. These impacts are of concern to the business / property owners and the City of Paso Robles.

As noted above, the Request for Proposals that was circulated by SLOCOG makes provisions for an Economic Impact Analysis as an extra cost option. Three of the four proposals that were received did not include a proposal to prepare this option. The fourth proposal included an Economic Impact Analysis at a cost of about \$11,000.

SLOCOG staff has indicated that there are not additional SLOCOG funds available to accommodate the extra cost of the Economic Impact Analysis. Should the City Council conclude that an Economic Impact Analysis is a fundamental/critical element of the study, and that the findings of the Corridor Study would be incomplete and invalid in the absence of the Economic Impact Analysis, two options would be:

1. For the City Council to formally request SLOCOG to fund the Economic Impact Analysis as an additional cost item; or
2. The City could agree to share the cost of the Economic Impact Analysis.

Policy  
Reference:

Circulation Element of the General Plan

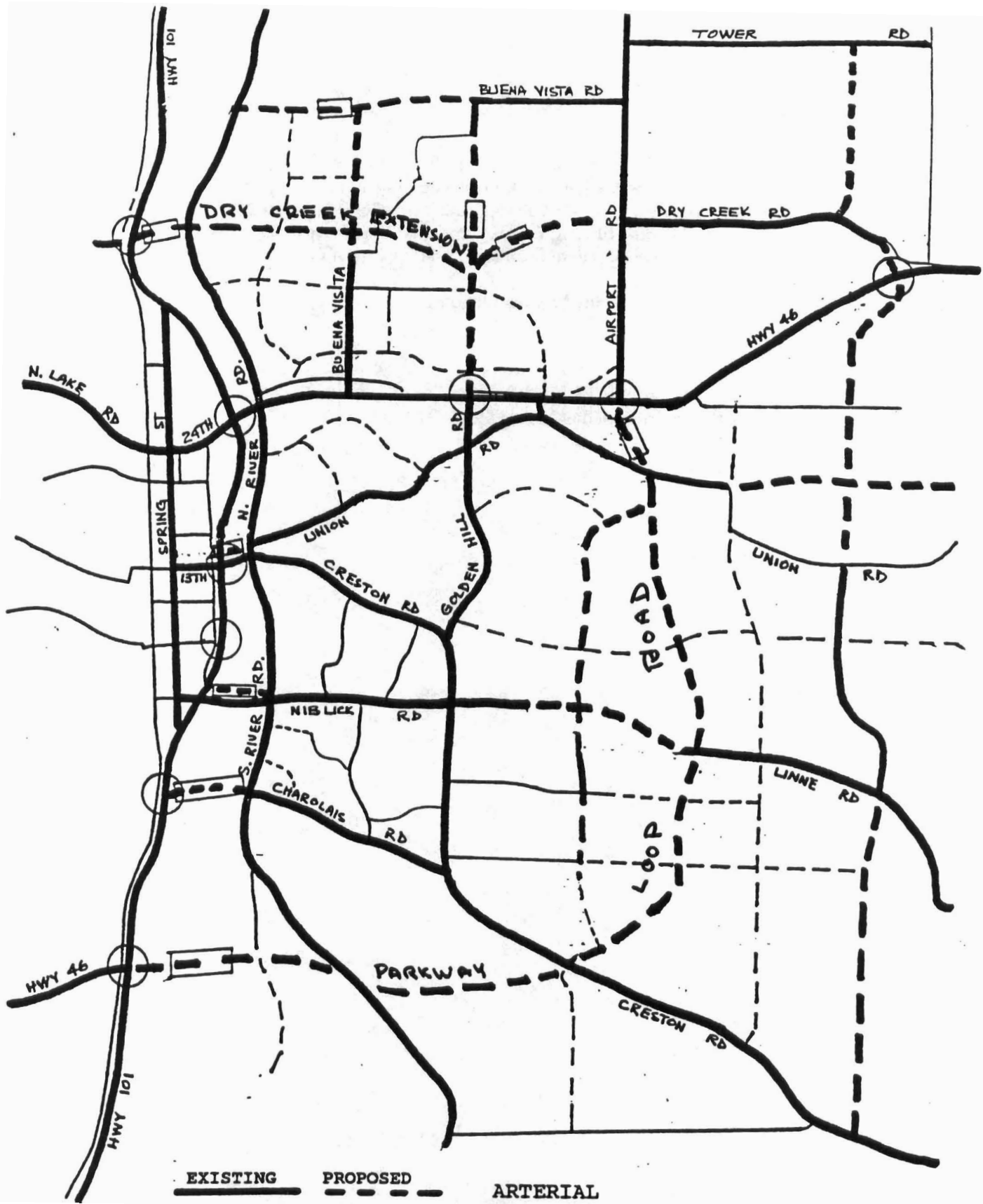
Fiscal  
Impact:

If the selected design alternative for the Highway 46 East corridor adversely impacts the economic viability of adjacent properties, there could be a significant, negative, long-term fiscal impact on the City of Paso Robles. If the City were to participate in the Economic Impact Analysis, the maximum cost would be approximately \$11,000.

Options:

- a. That the City Council direct staff to communicate the "working assumption" regarding the Dry Creek Road extension and Parkway Loop Road as described above in this staff report, and formally request SLOCOG to provide the additional funding for the Economic Impact Analysis, based on the potential negative long-term fiscal impact on the City of Paso Robles.
- b. Amend, modify or reject Option a.

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- EXISTING
- PROPOSED
- ARTERIAL COLLECTOR
- BRIDGE (PROPOSED)
- INTERCHANGE (GRADE SEPARATED)

Note: The location of collector streets is schematic.  
 Revised through GPA 97-03(B)

**FIGURE CE-1: CIRCULATION MASTER PLAN**