

IN THE BOARD OF SUPERVISORS  
OF  
CONTRA COSTA COUNTY, STATE OF CALIFORNIA

In the Matter of Board of Supervisors )  
Endorsement of Project and Approval of ) RESOLUTION NO. 92/757  
Community Benefits Program for Crockett )

THE CONTRA COSTA COUNTY BOARD OF SUPERVISORS RESOLVES THAT:

Having been notified that an application for certification to the California Energy Commission (CEC) had been made by Energy National, Inc. (ENI) for a cogeneration project and that a request had been made by members of the Crockett community to provide a mechanism for community input, the Board created the Crockett Advisory Committee (CAC) to involve the community in determining an acceptable community benefit and enhancement program. Since that time there have been many meetings and continuous discussion leading to recommendations from the CAC to the Board on November 3, 1992. After hearing testimony from CAC representatives, representatives of the Applicant ENI and the public, and engaging in additional discussion and negotiation with all members present, a consensus was reached regarding a proposed community benefit and enhancement program for the Crockett area to be incorporated into the CEC approval, conditioning and certification of the project.

The Board having received the Committee's report and all people present, including ENI and C&H Sugar, providing their input, hereby determines and resolves as follows:

- A. The Board of Supervisors, based upon the representations made by representatives of ENI and CAC, endorses the proposed project subject to the certification for operation of the project including all the conditions set forth below in this part A which were agreed to by representatives of ENI before the Board on this date and would be done with CEC project certification:
1. Pay \$300,000 per fiscal year to the Crockett Community Foundation, a tax-exempt charity to be formed to receive and disburse funds for the benefit of the Crockett community; payments shall commence in the fiscal year ending June 30, 1996, and shall continue for 30 years escalating at 3% per year; payments shall be made semi-annually on November 10 and May 10, beginning November 10, 1995.
  2. During construction of the project, ingress and egress of construction truck traffic to the project construction site shall be restricted to Pomona and Port Streets or such other routes as may be designated by the County.
  3. Within six (6) months after the commercial operation date of the project, ENI shall complete resurfacing and repair of Pomona and Port Streets, and such other streets designated for use during construction to the extent that such roadways have been affected by use during construction, as finally determined by County. Such resurfacing and repair shall be performed to the standards mandated by the County for roadways similarly impacted.
  4. ENI agrees to advance to the Foundation up to \$100,000 per year, beginning in 1993, for any purpose including payment of attorneys' fees in excess of the \$15,000 to be paid by Applicant; such advances to be credited against the first annual payment to be made by Applicant to the Foundation.

5. ENI agrees to pay for and complete an alternative roadway study including feasibility studies as may be required to the County's satisfaction. The study shall be conducted in cooperation with the Crockett community and the County.
  6. ENI agrees to pay attorneys' fees incurred by the Advisory Committee and in the formation of the Foundation, not to exceed \$15,000.
- B. Having appeared before the Board on this date, representatives of the Crockett Advisory Committee agreed that they would support the proposed conditions specified in part A and further that the Crockett Chamber of Commerce will support and approve the specified aforementioned ENI commitments regarding community benefits and enhancements as satisfactory. This support will be provided to the CEC by appearance of Ms. Salli Spoon and Ms. Pam Pagni in this regard.
- C. The CEC should be advised that in connection with the foregoing, the Board, on its own, indicates its commitment and intention to a community benefits program for Crockett and other commitments as follows:
1. To annually dedicate during the project's operation \$200,000 of project property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding.
  2. To commit up to \$250,000 of new project property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.
  3. Establish a community advisory council which shall meet with designated County representatives to obtain input on priorities prior to developing an annual budget proposal and advise the Board of Supervisors on the expenditures from a Board controlled designated fund to serve the said Crockett area separate from any Community Foundation established by ENI and C&H Sugar. If local elections take place for Trustees to oversee a Community Fund, the Trustees could also serve a dual role as the advisory council to the Board of Supervisors.
  4. Agree to explore the feasibility of creating a road fee Area of Benefit with C&H Sugar and ENI to acquire funds to construct an alternate access road.
  5. The Board is the governing body of the Crockett-Valona Fire Protection District and will enter into an appropriate agreement with ENI for payment to provide adequate fire protection for the portion of the ENI project not in the district.
  6. The Board hereby waives any annual fees that may be otherwise required for any ENI project franchise facilities located in Crockett public streets exclusive of any fees required for permits and plan checks (which are to be paid).
  7. The Board directs its Growth Management and Economic Development Agency and component departments to give urgent priority to review, comment and approval of all aspects of the ENI project subject to County review.

- D. C&H Sugar appeared before the Board of Supervisors and indicated its commitment of \$30,000 annually for a period of 15 years to be deposited with the Community Foundation for its use, and C&H Sugar's commitment to relocate its corporate offices from Concord to Crockett within its existing buildings or pay \$650,000 by December 31, 1997.
- E. The County will cooperate with the CEC to assure that the conditions referred to above are implemented to assure their achievement.

Passed by unanimous vote of the Board members present on this 3rd day of November, 1992.

I hereby certify that the foregoing is a true and correct copy of a resolution entered on the minutes of said Board of Supervisors on the date aforesaid.

Witness my hand and the Seal of the Board of Supervisors affixed this 3rd day of November, 1992.

PHIL BATCHELOR, County Administrator and Clerk of the Board of Supervisors

By J. D. Maglio  
Deputy Clerk

JILL RAY  
3/

ATTACHMENT #1.58

TO: BOARD OF SUPERVISORS

FROM: Phil Batchelor, County Administrator

DATE: October 19, 1993

SUBJECT: Cooperation Agreement between County and Crockett Cogeneration



Contra  
Costa  
County

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATION

Approve agreement and authorize County Administrator to sign.

BACKGROUND

Pursuant to the California Energy Commission's decision approving the Crockett Cogeneration Project, and defined in the Conditions of Certification, an agreement has been prepared between the County and Crockett Cogeneration to confirm and reaffirm certain commitments made by Crockett Cogeneration and the County to the Crockett community.

Crockett Cogeneration is to pay \$300,000 per year to the Crockett Community Foundation, a tax-exempt charity, to be formed to receive and disburse funds for the benefit of the Crockett community. Crockett Cogeneration will advance monies up to \$100,000 per year, if necessary, and shall pay additional fees not to exceed \$15,000 incurred by the Crockett Advisory Committee in negotiating a community benefit package and the formation of a Crockett Community Foundation.

The County reaffirms that its Resolution No. 92/757 adopted on November 3, 1992, will remain in force to annually dedicate during the project's operation \$200,000 of property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding; and in addition, the County will commit up to \$250,000 of new property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.

CONTINUED ON ATTACHMENT:  YES

SIGNATURE: *Phil Batchelor*

RECOMMENDATION OF COUNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

APPROVE  OTHER

SIGNATURE(S):

ACTION OF BOARD ON OCT 19 1993

APPROVED AS RECOMMENDED  OTHER

VOTE OF SUPERVISORS

UNANIMOUS (ABSENT \_\_\_\_\_)

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED OCT 19 1993

PHIL BATCHELOR, CLERK OF THE BOARD OF SUPERVISORS AND COUNTY ADMINISTRATOR

Contact:  
cc: County Administrator  
County Counsel  
Auditor

BY *Phil Batchelor* 4 of 10 DEPUTY

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The parties agree that upon its formation the Crockett Community Foundation is intended to be, and shall be recognized as, the third-party beneficiary of this agreement, and could also serve as the advisory council to the Board of Supervisors regarding County commitments of property tax increments. The terms of the agreement have been reviewed by the Crockett Advisory Committee and its attorney and they recommend it be approved.

FINANCIAL IMPACT

As part of the exchange for the commitments made by Crockett Cogeneration and the County for a community benefits program, as contained in the California Energy Commission Conditions of Certification, the project will be constructed and subsequent property tax revenues will accrue to the County.

Dept.: Scott Tandy (646-4087)

D.3



Contra Costa County

TO: BOARD OF SUPERVISORS

FROM: Finance Committee

October 17, 1995

SUBJECT: PROPERTY TAX REVENUE SHARING FOR UNOCAL MODERNIZATION AND CROCKETT CO-GENERATION FACILITY

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATIONS:

- 1. APPROVE a revised revenue sharing formula which doubles the share of County General Fund property tax increment, resulting from the new co-generation facility, to the Crockett Community from 21.5% to 43%.
- 2. APPROVE a revised revenue sharing formula which doubles the share of County General Fund property tax increment, resulting from the UNOCAL Reformulated Gasoline Project, to the Crockett and Rodeo Community from 21.5% to 43%.

BACKGROUND:

On August 21, the Finance Committee met in Crockett to discuss economic development issues as well as ways and means of financing economic development in Crockett and Rodeo. One method, adopted by the Board in 1993, is to share increases in property taxes with the Community as a result of the construction of a new industrial plant. In that case, a new co-generation plant with a construction cost of nearly \$200 million was built in Crockett and the Board agreed to allocate 21.5% of the County's General Fund share of property tax increment to the Community in addition to using additional revenues to support enhanced law enforcement services.

On September 12, the Board approved the Finance Committee's proposal that the same formulation of 21.5% of general Fund property tax increment revenues, resulting from the UNOCAL Reformulated Gasoline Project, to be allocated to Rodeo and Crockett for the purpose of economic development activities. The UNOCAL modernization program is expected to cost nearly \$100 million. During the September 12 Board meeting, the Supervisors requested figures on the estimated revenue to be shared in the Crockett and Rodeo area.

CONTINUED ON ATTACHMENT:  YES

SIGNATURE:

RECOMMENDATION OF COUNTY ADMINISTRATOR:  RECOMMENDATION OF BOARD COMMITTEE:

APPROVE

*Tom Torlakson*  
Tom Torlakson

*Jeff Smith*  
Jeff Smith

SIGNATURE(S): Tom Torlakson

DATE OF BOARD ON: October 17, 1995

APPROVED AS RECOMMENDED  OTHER

CONSENT OF SUPERVISORS

UNANIMOUS (ABSENT  )

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED: October 17, 1995

PHIL BATCHELOR, CLERK OF THE BOARD OF SUPERVISORS AND COUNTY ADMINISTRATOR

*Christina...*

CONTACT:

Community Development-Jim Kennedy  
Crockett Chamber of Commerce  
Crockett Foundation  
County Administrator

On September 18, the Finance Committee reviewed the property tax revenue estimates and took testimony from the President of the Crockett Chamber of Commerce. The Committee requested additional information for its next meeting. On October 2, the Committee was provided with the information presented below.

1. Construction Cost Estimates and Actual Assessed Value Increases

In 1992, Energy National Inc. estimated that the cost to construct their co-generation facility would be \$200 million. All parties negotiating tax sharing agreements used this estimate and assumed that property tax assessments would closely approximate construction costs.

However, the Assessor's Office reports that the latest estimates from the company suggest an estimated completion cost of slightly over \$180 million. Of that amount, the company and the Assessor are reviewing the extent to which some construction costs would not result in increased tax assessments. Typically, the type of construction costs not subject to property taxes are:

1. Costs incurred by the company not on the construction site;
2. administrative and public relations costs;
3. rework and redesign costs;
4. abnormal or unforeseen costs resulting from floods, fire, etc; and
5. construction reserves.

Additionally, the Assessor's staff has indicated that since a substantial amount of the valuation is predicated on depreciating assets, the assessed value of the co-generation facility will decline each year. This means that property tax revenues will decline in subsequent years.

2. Police Services Share of Property Tax Revenue

Attachment A includes the police services and community portions of property tax revenue from the co-generation facility.

3. UNOCAL Reformulated Gasoline Project

Staff calculated revenue sharing figures based on the September 12 Board action, which appear in Attachment B. No actual values have been enrolled by the Assessor to date so these figures are estimates only. As of this writing, the amount of revenue available this year is not known.

4. Planning and Zoning Issues

Community Development staff is currently compiling a "cookbook" on downtown revitalization programs, and a list of financial resources available for economic development. This will be made available to the Crockett Foundation and Chamber of Commerce. Also, Community Development staff is following up on the small lot and height ordinances.

On October 2, the Finance Committee determined that the actual revenue to be allocated to Crockett Community would be less than half originally estimated because:

1. The state shifted property tax revenue to the schools in 1992, 1993, and 1994 resulting in the County General Fund share of property taxes shrinking from 46.5% to 25.5%; and
2. the \$200 million estimated increase in assessed value would be closer to \$105 million in 1995-96 and \$168 million in 1996-97.

Therefore, the Committee determined to recommend a doubling of the share of revenue going to the Crockett Community from the County General Fund from 21.5% to 43%. This revision will result in an additional \$59,409 in revenues to the Crockett Community for a total of \$118,818 in 1995-96, and a corresponding loss to the County General Fund.

Additionally, the Committee recommended the same doubling of the share of revenue resulting from the UNOCAL project, which is estimated to provide an additional \$44,600 and a total of \$89,200 to the Community of Crockett, Rodeo and Torrey, and a corresponding loss to the County General Fund. The first full year of revenue sharing for the UNOCAL project will be 1996-97.

The recommendations would result in an estimated loss to the General Fund as presented below.

	<u>Crockett Co-Generation</u>	<u>Unocal</u>	<u>Total</u>
1995-96	\$59,409	unknown	\$ 59,409
1996-97	\$95,000	\$44,600	\$139,600



TO: BOARD OF SUPERVISORS  
FROM: Finance Committee, Tom Torlakson  
Jeff Smith



Contra  
Costa  
County

DATE: December 12, 1995

SUBJECT: PROPERTY TAX SHARING FOR CROCKETT CO-GENERATION FACILITY  
AND UNOCAL MODERNIZATION

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

**RECOMMENDATIONS:**

1. APPROVE a revised revenue sharing formula which increases the share of County General Fund property tax increment, resulting from the new co-generation facility, for police services from 26.9% to 57%.
2. ESTABLISH a community meeting in the Crockett-Rodeo area to discuss property tax revenue sharing, resulting from the UNOCAL Reformulated Gasoline Project, between Crockett, Rodeo and Tormey.

**BACKGROUND:**

On December 4, 1995, the Finance Committee met with Crockett and Rodeo Community leaders to discuss property tax revenues resulting from the Crockett Co-Generation facility and the UNOCAL Reformulated Gasoline Project. Testimony focused on the need for more police services and the reduction in revenues for police services from original projections.

The Committee recommended that the revenue sharing formula be changed from 70% - 30% - Crockett programs and County General Fund - to 100% Crockett programs. The amounts of revenue resulting from this new proposal are presented below.

CONTINUED ON ATTACHMENT:  YES

SIGNATURE: *Jonny Enee*

RECOMMENDATION OF COUNTY ADMINISTRATOR  RECOMMENDATION OF BOARD COMMITTEE

APPROVE  OTHER:  
*Tom Torlakson*

*Jeff Smith*  
Jeff Smith

SIGNATURE(S): Tom Torlakson  
ACTION OF BOARD ON December 12, 1995

APPROVED AS RECOMMENDED  OTHER

	1995			1996	
	Original Plan	October Revision	December Proposal	December Proposal	Change from October
Total Revenues to General Fund	\$276,318	\$276,318	\$276,318	\$441,800	0
Revenue to Crockett	59,409	118,818	118,818	191,800	0
Revenue for Police Services in Crockett Area	74,330	74,330	157,500	250,000	131,000
<b>TOTAL to Crockett</b>	<u>\$133,739</u> (48%)	<u>\$193,148</u> (70%)	<u>\$276,318</u> (100%)	<u>\$441,800</u> (100%)	<u>\$131,000</u>

The Committee also agreed to establish a community meeting in the future in the Crockett-Rodeo area for the purpose of establishing a revenue sharing agreement between Crockett, Rodeo and Tormey resulting from the additional property tax revenues generated by the UNOCAL project. Supervisor Smith and his staff agreed to plan, coordinate and conduct the meeting. Committee staff cautioned that revenue estimates from the UNOCAL project are tentative and subject to change as the project has not been assessed by the county.