



ADOPTED BY BOARD OF SUPERVISORS
ON _____

Development Program Report For the Bay Point Area of Benefit

August, 2016

Prepared Pursuant to Section 913 of the County Ordinance Code

Prepared by and for:

Contra Costa County Public Works Department, Transportation Engineering Division and
Department of Conservation and Development, Community Development Division



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Chapter

1

Introduction and Purpose

The purpose of the Bay Point Area of Benefit (AOB) Program is to help fund improvements to the County's roadway, bicycle, and pedestrian facilities needed to accommodate travel demand generated by new land development within the unincorporated portion of this AOB.

Contra Costa County has various methods for financing transportation improvements. One of the methods is the AOB Program. The AOB Program collects funds from new development in the unincorporated portion of the AOB to finance a portion of the transportation improvements associated with travel demand generated by that development. Fees are differentiated by type of development in relationship to their relative impacts on the transportation system. The intent of the fee program is to provide an equitable means of ensuring that future development contributes their fair share towards transportation improvements, so that the quality of life can be maintained and the County's General Plan Circulation policies can be met.

One of the objectives of the County General Plan is to relate new development directly to the provision of community facilities necessary to serve that new development. Accordingly, development cannot be allowed to occur unless a mechanism is in place to provide the funding for the infrastructure necessary to serve that development. The Bay Point AOB Program is a fee mechanism providing funds to construct transportation improvements to serve new residential, commercial and industrial development. Requiring that all new development pay a transportation improvement fee will help ensure that it participates fairly in the cost of improving the transportation system. This Program applies only to new development within the unincorporated portions of the Bay Point AOB.

Each new development project or expansion of an existing development will generate new travel demand for all travel modes. Where the existing transportation system is inadequate to meet future needs based on new development, improvements are required to meet the new demand. The purpose of this development program is to determine improvements that will ultimately be needed to serve estimated future development and to require the developers to pay a fee to fund their fair share of these improvements.

Because the fee is based on the relative impact of new development on the transportation system and the costs of the necessary improvements to mitigate this impact, the fee amount is



roughly proportional to the development impact. The Nexus Study, Exhibit D, establishes this impact and mitigation relationship to new development and the basis for the fee amount.

Chapter

2

Background

On September 24, 1985, the Board of Supervisors passed a resolution forming the West Pittsburg Area of Benefit, now known as the Bay Point Area of Benefit. At the time, there were many vacant parcels in the area with potential for residential development, and the existing transportation system was inadequate to handle the additional traffic generated from the projected development. In 1991, 1996 and again in 1998, the Area of Benefit program was revised to reflect the changing needs of the area. Over the past 28 years, Area of Benefit fees have helped pay for improvements to Willow Pass Road, Bailey Road, Port Chicago Highway, Pacifica Avenue, and Driftwood Drive.

The Bay Point area has, in recent years, experienced changes in the area's circulation needs and development potential. Most of the residential development potential has been fulfilled, and many of the original Area of Benefit projects have been constructed. These changes have prompted another revision to the Area of Benefit program, resulting in a new project list and fee schedule.

The Nexus Study provides the technical basis for a comprehensive update of the Bay Point AOB Program. The focus of the updated program is to support an overall transportation system in the Bay Point AOB that serves the expected future demand based on changes in regional and local land use projections, planned and approved development projects, and associated changes to capital improvements and updated cost estimates.

The Nexus Study documents the analytical approach for determining the nexus between the fees, the local impact created by anticipated development in the Bay Point AOB, and the transportation improvements to be funded with fee revenues. A traffic and fair-share cost analysis was conducted to equitably distribute the cost of the necessary improvements to developments that cause the impacts, per the provisions of the Mitigation Fee Act. The most up-to-date analytical tools and techniques, available at the time this study commenced, were used to ensure the highest level of consistency with current standards.



The Bay Point AOB boundary, which was established in 1985, is shown in Exhibit B, Figure 1. The area within the boundary includes a portion of the City of Pittsburg. However, fees will only be collected within the unincorporated portions of the AOB and will only fund projects within the unincorporated portions of the AOB.

Chapter

3

Location and Boundary

The Bay Point AOB boundary location is described in Exhibit A and generally shown in Exhibit B.

Chapter

4

General Plan Relationship

The Bay Point AOB is consistent with the features of the County General Plan and its amendments, and subscribes to the policies of the General Plan elements. The General Plan policies include, but are not limited to, improving the County roadway network to meet existing and future traffic demands. Assessing new development the Bay Point AOB Fee will assist in funding the necessary improvements required for future growth that is generally shown in the General Plan.

The General Plan and its various elements are available for review at the Department of Conservation and Development, Community Development Division, 30 Muir Road, Martinez, during office hours.



Chapter

5

Project List

The project List for the Bay Point AOB is set forth in Exhibit C. This list contains a total of 13 projects, including arterial roadway improvements, intersection geometric improvements, and signalization projects, as well as providing appropriate pedestrian and bicycle facility improvements.

The improvements proposed were identified through a cooperative effort by the Public Works Department and the Department of Conservation and Development.

The improvements included on the Bay Point AOB project list have been identified through a Transportation Needs Analysis conducted by DKS Associates, in which existing deficiencies were identified, including traffic congestion and roadway deficiencies, as well as travel demand forecast for 2040 conditions.

The draft project list was presented to the Bay Point Municipal Advisory Council (MAC) who supported the list as shown in Table 4, Exhibit C.

The Bay Point AOB Program will be reviewed periodically to evaluate the impacts of changing travel patterns, the rate of development, and the accuracy of the estimated project costs. The periodic review of the program will also allow staff to evaluate project priority and the need to increase fees should project costs increase or exceed the rate of inflation.

Chapter

6

Development Potential

The “Bay Point Area of Benefit Nexus Study” dated August 2016, was prepared by DKS for the Public Works Department and is attached as Exhibit D and incorporated herein by reference. The Nexus Study provides the technical basis for establishing the required nexus between the anticipated future development in Bay Point and the need for certain transportation facilities.

The projected growth in households, employment, and peak hour trips within the Bay Point AOB is discussed and shown in the Nexus Study. The potential growth for each development type is shown in a “dwelling unit equivalent” or “DUE”. DUEs are numerical measures of how the trip-making characteristics of a land use compare to a typical single-family residential unit, which is assigned a DUE of 1. DUEs reflect the relative trip generation for the peak hour as further explained in the Nexus Study.

A summary of the potential new residential dwelling units, office, industrial, and commercial/retail developments (net growth from 2010 to 2040) is shown in Table 1.

Table 1. Development Potential Summary – Growth in DUEs

| Land Use Category | Growth in Units | Growth in DUEs |
|---------------------------|----------------------|----------------|
| Single-Family Residential | 416 dwelling units | 416 |
| Multi-Family Residential | 1,014 dwelling units | 619 |
| Retail | 237,000 sq ft | 337 |
| Office | 310,000 sq ft | 357 |
| Industrial | 317,000 sq ft | 288 |
| Total Growth | | 2,017 |



Chapter

7

Estimated Cost of Road Improvements

The estimated cost of the road improvements planned for the Bay Point AOB and the corresponding Bay Point AOB contribution is shown in Exhibit C. The Bay Point AOB will only finance the proportional share of the improvements necessitated by the impact on the road system from new development.

Detailed cost estimates for the projects included in the road improvement plan are provided in Appendix A to the Nexus Study.

The County will assess an administrative fee equal to 2% of the applicable fee. This additional fee will be used to cover staff time for fee collection, accounting, and technical support to the community groups and traffic advisory committees.



Chapter

8

Method of Fee Apportionment

The total estimated cost of the projects included in the Bay Point AOB project list is \$40,534,000. Of this, approximately \$16,821,000 is attributable to growth within the Bay Point AOB. There is an existing account balance of roughly \$946,000.

An adjusted project cost to be covered by the Bay Point AOB fees was determined by subtracting the existing fund balance from the attributable project cost.

$$\begin{array}{r r r r} \$16,821,000 & - & \$946,000 & = & \$15,875,000 \\ \text{(Attributable Project Cost)} & & \text{(Balance)} & & \text{(Adjusted Project Cost)} \end{array}$$

This adjusted project cost represents the amount of revenue needed from the Bay Point AOB Fee to fund the construction of the projects shown in Exhibit C.

The expected growth in the Bay Point AOB to the year 2040 is 2,017 “dwelling unit equivalents,” or “DUEs.” To determine a fee rate per DUE, the adjusted project cost was divided by the projected DUE to determine a maximum fee that could be charged per DUE:

$$\frac{\$15,875,000}{2,017} = \$7,870 \text{ per DUE}$$

The DUEs projected to be generated by each type of development are used to apportion fees among the various development types. This method of apportionment is used so that developments are charged fees in proportion to the number of trips they are projected to generate. In this way, the fees attributed to each new parcel will be proportional to the estimated benefits they receive through use of the new improvements.

Chapter

9

Fee Rates

Calculation of Fees

The fee calculation is set forth in detail in the Nexus Study (Exhibit D).

To determine a maximum fee rate for the various land use categories, the fee rate per DUE, calculated in Chapter 7 of the Nexus Study, is multiplied by a peak hour trip generation factor for each land use category designation, as shown in Table 2. In the residential categories, this results in a fee per dwelling unit. In the non-residential categories, the fee is charged per square foot. These calculations are summarized in Table 2.

Table 2. Fee Calculations

| Land Use Category | Units | Peak Hour Trip Generation Factor | Cost per DUE | Maximum Fee Rate* |
|-------------------|---------------|----------------------------------|--------------|-------------------|
| Single Family | Dwelling Unit | 1.00 | 7,870 | \$7,870 / DU |
| Multi Family | Dwelling Unit | 0.61 | 7,870 | \$4,801 / DU |
| Retail | Square Foot | 0.00142 | 7,870 | \$11.18 / SF |
| Office | Square Foot | 0.00115 | 7,870 | \$9.05 / SF |
| Industrial | Square Foot | 0.00091 | 7,870 | \$7.16 / SF |

* Maximum Fee Rate = Fee Rate per DUE * Peak Hour Trip Generation Factor

Recommended Fees

The overarching goal of the AOB fee program is to strike a balance between assessments on developments to fund infrastructure improvements to serve new development and create a healthy local economy.

The potential maximum fee rates for non-residential land uses, as calculated in the Nexus Study, represent an increase of roughly 290% for commercial land use, 280% for industrial, and about 230% for office use. In order to provide an incentive for new jobs to come to Bay Point, a fee reduction of approximately 40% is proposed for employment generating land uses in Bay Point. This reduction for non-residential fees, from the calculated maximum rates in the Nexus Study, results in the fee schedule identified in Table 3 below.

Table 3. Fee Rates

| | Single Family | Multi Family | Commercial | Industrial | Office | Other |
|-----------------------|---------------|--------------|------------|------------|--------|---------|
| Bay Point Current | \$3,498 | \$2,807 | \$3.87 | \$2.54 | \$3.87 | \$3,498 |
| Bay Point Nexus | \$7,870 | \$4,801 | \$11.18 | \$7.16 | \$9.05 | \$7,870 |
| Bay Point Recommended | \$7,870 | \$4,801 | \$4.62 | \$2.96 | \$3.74 | \$7,870 |



Chapter

10

Program Finance Considerations

Other Funding Sources

The improvements planned for the Bay Point AOB will be only partially funded by Bay Point AOB fee revenues. Other sources of funding, such as State or Federal aid, or local sources such as sales tax, gas tax, etc., will be pursued.

Other funding sources include, but are not limited to, Regional Measure J Funds, State Transportation Improvement Program (STIP) Funds, and Federal Program Funds.

The rate at which revenue is generated by the Bay Point AOB Fee depends on the rate of new development. This rate of revenue generation affects the timing of construction of the improvement projects because it is dependent upon the total amount of fees collected, less expenditures. Alternate sources of funding are required in order to fully fund the proposed projects.

Review of Fees

Project cost estimates will be reviewed periodically while the Bay Point AOB is in effect. On January 1 of each year thereafter, the amount of the fees will be increased or decreased based on the percentage change in the Engineering News Record Construction Cost Index for the San Francisco Bay Area for the 12-month period ending with the September index of the previous calendar year, without further action of the Board of Supervisors.

Collection of Fees

Fees will be collected when a building permit is issued, in accordance with Section 913-4.204 of Title 9 (Subdivisions) of the Contra Costa County Ordinance Code. Fees collected will be deposited into an interest bearing trust fund established pursuant to Section 913-8.002 of the Contra Costa County Ordinance Code.

Interest on Fees

The interest accrued on the fees collected shall continue to accumulate in the trust account and shall be expended for construction of the improvements, or to reimburse the County for the cost of constructing the improvements, pursuant to Section 913-8.006 of the County Ordinance Code.

Dedication in Lieu of Fee

A development may be required to construct, or dedicate right-of-way for a portion of the improvements as a condition of approval. In such an event, the developer may be eligible to receive credit for the fee or reimbursement. The eligible credit and/or reimbursement shall be determined in accordance with the County's "Traffic Fee Credit and Reimbursement Policy."



Exhibit

A

Area of Benefit Boundary Legal Description

Bay Point
Area of Benefit
W. O. #4130

EXHIBIT "A"

All that real property situated in the City of Pittsburg and in the unincorporated area of Contra Costa County, California, described as follows:

Reference to maps, boundary lines, and ownerships are to records of said County.

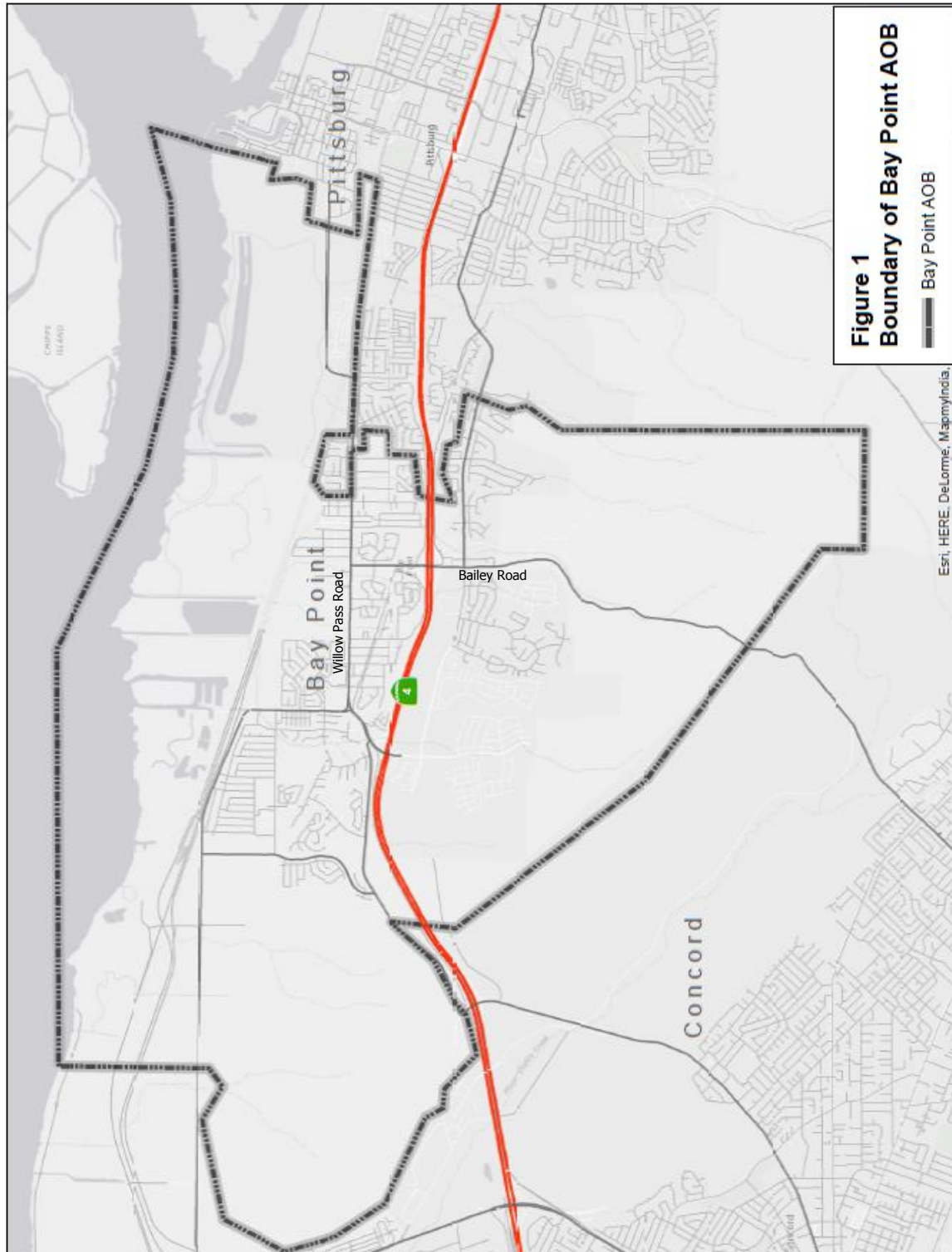
Beginning on the north right-of-way line of State Freeway Route No. 4 at the southwest corner of Subdivision 4137 Willow Landing recorded February 25, 1972 in Book 144 of Maps at page 14, being a point on the City of Pittsburg boundary; thence from the Point of Beginning along said City boundary in a general northeasterly direction 35,000 feet, more or less, to the Solano/Contra Costa County boundary; thence along said County boundary in a general westerly direction 35,000 feet, more or less, to the northerly prolongation of the west line of Section 5, Township 2 North, Range 1 West, Mount Diablo Meridian; thence along said prolongation and west line, southerly 7,000 feet, more or less, to the southwest corner of said Section 5, being a point on the centerline of Port Chicago Highway; thence along the west line of Section 8 (T2N, R1W), southerly 410 feet, more or less, to the south right-of-way line of Contra Costa Canal; thence along said Canal right-of-way in a general southwesterly direction 20,000 feet, more or less, to the City of Concord boundary; thence along said City boundary in a general southeasterly direction 1,000 feet, more or less, to the north right-of-way line of State Freeway Route No. 4; thence along said north line in a general easterly direction 5,025 feet, more or less, to the west 1/4 corner of Section 16, Township 2 North, Range 1 West, Mount Diablo Meridian; thence along the west line of Section 16 (T2N, R1W), southerly 1,200 feet, more or less to the southwest corner of Parcel A as shown on the map of Subdivision MS 9-83 filed January 20, 1984 in Book 109 of Parcel Maps at page 10, said point lying on the boundary of the United States Naval Reservation; thence along said Naval Reservation boundary in a general southeasterly direction 20,650 feet, more or less to the southwest corner of Parcel A as shown on the map of Subdivision MS 15-89 filed November 22, 1991, in Book 155 of Parcel Maps at page 44; thence along the southerly and easterly boundary of said Parcel A (155 PM 44), 9,623 feet, more or less to the southeast corner of Parcel B as shown on the map of Subdivision MS 243-73 filed March 18, 1974, in Book 32 of Parcel Maps at page 42; thence along the easterly boundary of said Subdivision MS 243-73 in a general northerly direction 8,971 feet, more or less, to the south right of way line of the Contra Costa Canal; thence along said Canal right of way in a general westerly direction 4,350 feet, more or less, to the east line of Section 14, Township 2 North, Range 1 West, Mount Diablo Meridian; thence along said east line of Section 14 (T2N, R1W), in a general northerly direction 940 feet, more or less, to the north right of way line of State Freeway Route No. 4; thence along said north line, easterly 1,500 feet, more or less, to the Point of Beginning.



Exhibit

B

Area of Benefit Boundary Plat Map





Exhibit

C

Bay Point AOB Project List

| Table 4 | | | | |
|---------|---|---------------------|----------------------------------|--------------------------------|
| ID | Project | Total Cost Estimate | Bay Point AOB Share ² | Potential AOB Fee Contribution |
| 1.1 | Willow Pass Road: Signalize EB and WB off-ramps of SR 4. | \$1,088,000 | 12% | \$130,560 |
| 1.2 | Intersection improvements at Willow Pass Road and Evora Road to facilitate traffic flow to WB SR 4. | \$ 803,000 | 70% | \$562,100 |
| 2.1 | Willow Pass Road: Restriping from Bailey Road to Pittsburg City Limits to improve capacity. | \$ 214,000 | 40% | \$85,600 |
| 2.2 | Willow Pass Road & Bailey Road Intersection Improvements | \$1,058,000 | 40% | \$423,200 |
| 3.1 | Port Chicago Highway: Widen to accommodate bicycle and pedestrian improvements from Driftwood Drive to west of McAvoy Road. | \$2,830,000 | 38% | \$1,075,400 |
| 3.2 | Port Chicago Highway: Realign from west of McAvoy Road to Pacifica Avenue. | \$2,267,000 | 48% | \$1,088,160 |
| 4 | Port Chicago Highway and Willow Pass Road: Construct multi-modal safety improvements through intersection from Lynbrook Drive to Weldon Street. | \$1,784,000 | 32.8% | \$585,152 |
| 5 | Driftwood Drive: Construct pedestrian and bicycle safety improvements from Port Chicago Highway to Pacifica Avenue. | \$2,457,000 | 100% | \$2,457,000 |
| 6 | Pacifica Avenue: Extend roadway from Port Chicago Highway to Alves Lane extension. | \$4,773,000 | 100% | \$4,773,999 |



| | | | | |
|--------------|--|---------------------|------|---------------------|
| 7 | Alves Lane: Extend roadway from Willow Pass Road to Pacifica Avenue extension. | \$4,516,000 | 100% | \$4,516,000 |
| 8 | Loftus Road: Bicycle and pedestrian improvements from Willow Pass Road to Canal Road. | \$1,873,000 | 6% | \$112,380 |
| 9 | Bailey Road: Construct bicycle and pedestrian safety improvements from Canal Road to Willow Pass Road. | \$9,731,000 | 6% | \$583,860 |
| 10 | Bailey Road: Bicycle and pedestrian improvements from Canal Road to BART. | \$7,140,000 | 6% | \$112,380 |
| TOTAL | | \$40,534,000 | | \$16,820,812 |



Exhibit

D

Nexus Study Bay Point Area of Benefit

Exhibit D
Attached as separate document
