



Contra Costa County
Public Works
Department

Warren Lai, Director
Deputy Directors
Stephen Kowalewski, Chief
Allison Knapp
Sarah Price
Carrie Ricci
Joe Yee

ADOPTED BY BOARD OF SUPERVISORS
ON _____

Five-Year Program Report for the Hercules/Rodeo/Crockett Area of Benefit

November 2024

Prepared Pursuant to Government Code Section 66001(d)(1)

Prepared by and for:

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

I. INTRODUCTION

The Hercules/Rodeo/Crockett Area of Benefit (AOB) is a traffic mitigation fee program established for developers to contribute their fair share of the cost for transportation improvements necessary to serve growth. On March 15, 1988, the Contra Costa County Board of Supervisors adopted Ordinance No. 88-27 to establish the Countywide AOB. On March 9, 1993, the Contra Costa County Board of Supervisors approved Resolution No. 93/104 to divide the Countywide AOB into seven separate traffic fee mitigations programs, which included the Hercules/Rodeo/Crockett AOB.

Government Code Section 66001(d)(1) requires that in the fifth fiscal year following the first deposit into the fund established for receipt of deposits of the collected transportation mitigation fees, and every five years thereafter, the Board of Supervisors shall make all of the following findings with respect to that portion of the Hercules/Rodeo/Crockett AOB fund remaining unexpended, whether committed or uncommitted:

- (1) Identify the purpose to which the transportation mitigation fees are to be put.
- (2) Demonstrate a reasonable relationship between the transportation mitigation fees and the purpose for which they are charged.
- (3) Identify all sources and amounts of funding anticipated to complete financing of incomplete transportation improvements identified in the Report.
- (4) Designate the approximate dates on which the funding referred to in paragraph three (3) above is expected to be deposited into the appropriate account or fund.

Government Code Section 66001(d)(2) requires the above findings to be made in connection with providing the public information required by Government Code Section 66006(b). Section 66006(b) requires the County to make the following fiscal year information available within 180 days after the end of the fiscal year:

- (1) A brief description of the type of fee in the account or fund.
- (2) The amount of the fee.

- (3) The beginning and ending balance of the account or fund.
- (4) The amount of the fees collected, and the interest earned.
- (5) An identification of each public improvement on which fees were expended during the fiscal year and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- (6) An identification of the approximate date by which the construction of the public improvement will commence if the County determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
- (7) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and in case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.
- (8) The amounts of any refunds under Section 66001(e), and any allocations under Section 66001(f).

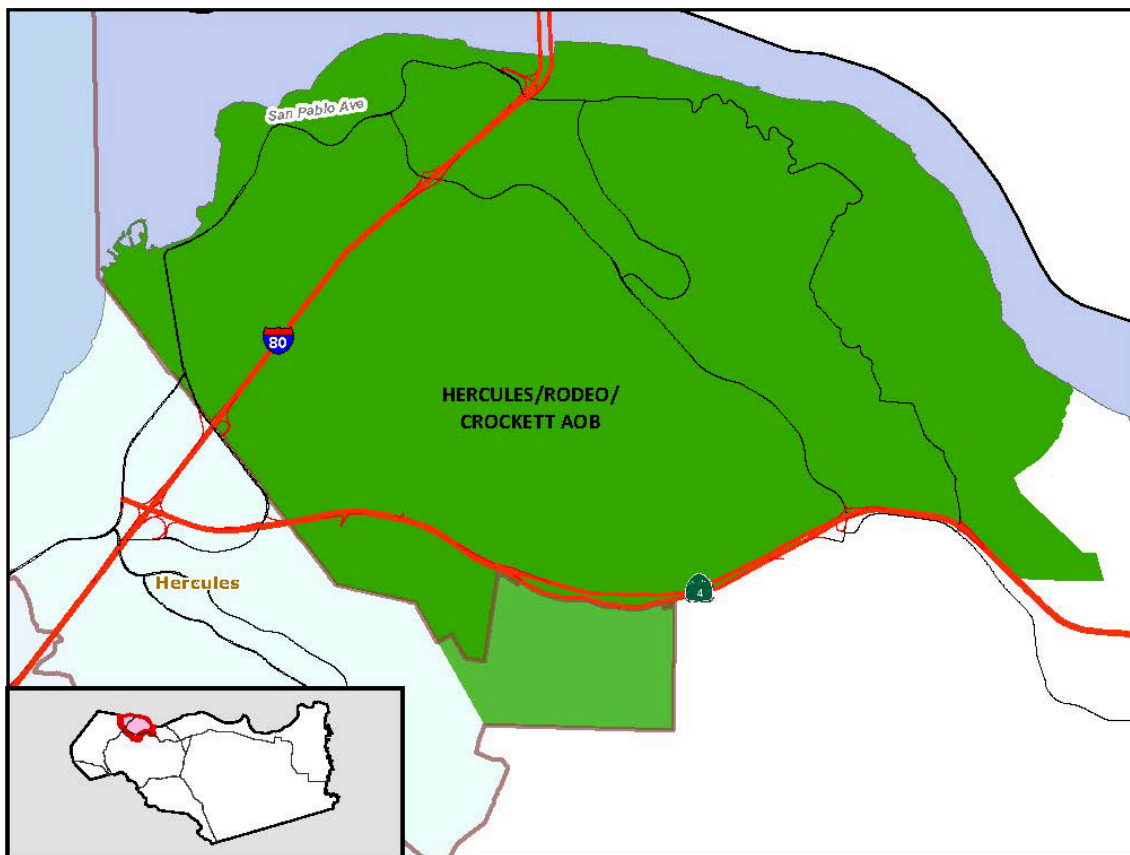
This report has been prepared to satisfy the above five-year findings and reporting requirements. This report includes the findings that the Board of Supervisors is required to make under Government Code Section 66001(d)(1), and information in support of each of those findings. This report also is prepared to provide Hercules/Rodeo/Crockett AOB fiscal year 2023/2024 information that must be made publicly available, pursuant to Government Code Section 66006(b).

II. BACKGROUND

An AOB is a geographic area of unincorporated Contra Costa County in which the County imposes transportation mitigation fees – a type of development impact fee on new development to fund new development’s share of the transportation improvements required to satisfy transportation demands within that geographic area. (See Gov. Code § 66484 and 66484.7.) The County has 14 Areas of Benefit. This five-year update report

relates to the Hercules/Rodeo/Crockett AOB. The Hercules/Rodeo/Crockett AOB boundary location is shown in Figure 1.

Figure 1. AOB Boundary Map



The current fee structure is based upon the analysis published in the "Revised Development Program Report for the Countywide Area of Benefit" dated March 9, 1993. The Development Program Report (DPR) was adopted by the Board of Supervisors on March 9, 1993, per Resolution No. 93/104.

The current Hercules/Rodeo/Crockett AOB program includes a project list that consists of eight projects, focused upon safety and capacity improvements throughout the area (see Table 1).

Fee Rates

The current fee rates established with Ordinance No. 88-27 as part of the “Central County Region” are listed below.

<u>Land Use Type</u>	<u>Fee</u>	<u>Per Unit</u>
Single Family Residential	\$ 1,648	per dwelling unit
Multi-Family Residential	\$ 1,319	per dwelling unit
Commercial/Retail	\$ 4.12	per square foot of gross floor area
Office	\$ 2.63	per square foot of gross floor area
Industrial	\$ 1.15	per square foot of gross floor area
Other	\$ 1,648	per peak-hour trip

The Ordinance does not allow for an annual fee adjustment.

Projects Constructed

Of the Hercules/Rodeo/Crockett AOB’s eight projects, six projects were constructed prior to the five-year period between fiscal year 2019/2020 and 2023/2024 and two remain incomplete.

Table 1. Hercules/Rodeo/Crockett AOB Project List

Cost estimates and fee rate calculations provided below are from the 1993 DPR and, therefore, reflect dollar values at the time of adoption in 1993. Incomplete projects are shown in **bold** type below.

Location	Project	Potential AOB Fee Contribution
Pomona Street	Widen to provide shoulder from Crockett Boulevard to 2 nd Street	\$100,000
Pomona Street/Winslow Ave/Carquinez Scenic Drive	Alignment study to eliminate hazards	\$50,000
Crockett Boulevard	Widen to three lane arterial standard to provide for truck climbing lane from Pomona Street to Cummings Skyway	\$1,000,000
San Pablo Avenue at Union Oil Entrance (now Refinery Rd)	Modify signal	\$40,000
Pomona Street at 2 nd Avenue	Modify signal	\$20,000
Parker/San Pablo Avenue/Willow Intersection	Modify intersection and install signal	\$500,000
Parker/Fourth	Modify intersection and install signal	\$150,000
Willow/Hawthorne	Modify intersection and install signal	\$150,000

Account Status

FY 2019/2020 Beginning Fund Balance – \$12,607.87

Funds Expended from FY 2019/2020–FY 2023/2024 – \$0.00

Revenue generated between FY 2019/2020–FY 2023/2024 – \$50,968.16

Fund Balance as of June 30, 2024 – \$63,576.03

III. GOVERNMENT CODE SECTION 66001(d)(1) FINDINGS

- (1) Identify the purpose to which the transportation mitigation fees are to be put.

The purpose of the fee program is to fund new development’s share of the estimated costs of the transportation improvements identified in the DPR and



shown in Table 1 (“Transportation Improvements”), pursuant to Government Code Sections 66484 and 66484.7. The Transportation Improvements are necessary to meet transportation demands within the Hercules/Rodeo/Crockett AOB. The transportation mitigation fees will be used to partially or entirely fund the Transportation Improvements identified in the DPR, and included on Table 1, including costs related to planning, engineering, administration, right-of-way acquisition, construction, or any other permits or studies required through the construction process for the improvements.

- (2) Demonstrate a reasonable relationship between the transportation mitigation fees and the purpose for which they are charged.

As further described in the DPR, the transportation mitigation fees are imposed to fund new development’s proportional share of the Transportation Improvements that will serve or mitigate the impact of transportation demands caused by new development within the Hercules/Rodeo/Crockett AOB. New development within the Hercules/Rodeo/Crockett AOB will include new single-family residential and multi-family residential dwelling units and new commercial/retail, office, and industrial developments. Each of these types of development generates vehicle trips at a certain rate. The transportation mitigation fees represent new development’s proportional share of the cost of the Transportation Improvements. Each new development project pays its fair share of the cost of the Transportation Improvements required to accommodate it, based on the number of equivalent dwelling units and trips generated. The transportation mitigation fee for each new development will be calculated based on a factor of the number of peak-hour vehicle trips that will be generated by each new development project and charged on a per-dwelling-unit, per-square-foot, or per-peak-hour-trip basis. The method of fee apportionment is based upon industry standard trip generation rates per the Trip Generation Manual published by the Institute of Transportation Engineers.

- (3) Identify all sources and amounts of funding anticipated to complete financing of incomplete transportation improvements identified in the Report.

The Transportation Improvements within the Hercules/Rodeo/Crockett AOB program will be partially funded by AOB fee revenues. Other sources of funding, such as State or Federal aid, or local funding sources, such as Measure J funds or gas tax revenues, will be pursued to complete financing of these improvements.

The rate at which revenue is generated by transportation mitigation fees within the Hercules/Rodeo/Crockett AOB is dependent on the rate of new development. Hercules/Rodeo/Crockett AOB revenue generation, as well as gas tax revenue and grant funds, drive the timing of construction of Transportation Improvements because it is anticipated that most improvements will be funded through a combination of all these funding sources.

- (4) Designate the approximate dates on which the funding referred to in paragraph three (3) above is expected to be deposited into the appropriate account or fund.

The rate of revenue for capital improvements can vary based upon the economy and political issues, so the anticipated dates for funding are estimated. The rate of development is dependent on the economy and, thus, influences the rate of Hercules/Rodeo/Crockett AOB fee collections. Over the last five years approximately \$50,968.16 in Hercules/Rodeo/Crockett AOB fees were collected. Federal, State, and local dollars can also be unpredictable. Historically, the rate of gas tax revenue was relatively constant, but due to reduced revenue resulting from fuel efficient vehicles and pending legislation, it is difficult to predict the rate of matching funds for these projects in the future.

Grant funds are also difficult to predict as local agencies compete for funding, and awards are not assured. Although the rate of funding is unpredictable, a very rough estimate over the next five years for funding of circulation improvements on the

Hercules/Rodeo/Crockett AOB project list is approximately \$90,000 from the Hercules/Rodeo/Crockett AOB. Due to funding constraints, there are no immediate plans to complete the Pomona Street/Winslow Ave/Carquinez Scenic Drive alignment study within the next five years. However, the San Pablo Avenue at Union Oil Entrance (now Refinery Rd) signal modification project is planned for completion in 2028 as part of the San Pablo Avenue Complete Streets/Bay Trail Gap Closure project, which is funded by other State and non-AOB local sources.

IV. GOVERNMENT CODE SECTION 66006(b)(1) INFORMATION FOR FY 2023/2024

As Section III of this report provided accounting information for the past five years, Section IV provides annual reporting for fiscal year 2023/2024. Full accounting will be provided for Hercules/Rodeo/Crockett AOB with the AB1600 annual report (see Exhibit A), which is provided to the Board of Supervisors within 180 days of the end of the fiscal year.

(1) A brief description of the type of fee in the account or fund.

The Hercules/Rodeo/Crockett AOB fee is a development impact fee on new development to fund new development's share of the cost to construct road improvements to serve new developments in the Hercules/Rodeo/Crockett Area of Contra Costa County. Requiring that all new development pay a road improvement fee will ensure that they participate in the cost of improving the road system.

(2) The amount of the fee.

The fee rates for FY 2023/2024 at the end of the reporting period:

<u>Land Use Type</u>	<u>Fee</u>	<u>Per Unit</u>
Single Family Residential	\$ 1,648	per dwelling unit
Multi-Family Residential	\$ 1,319	per dwelling unit



Commercial/Retail	\$ 4.12	per square foot of gross floor area
Office	\$ 2.63	per square foot of gross floor area
Industrial	\$ 1.15	per square foot of gross floor area
Other	\$ 1,648	per peak-hour trip

(3) The beginning and ending balance of the account or fund:

FY 2023/2024 Beginning Fund Balance – \$30,406.87

FY 2023/2024 Ending Fund Balance – \$63,576.03

(4) The amount of the fees collected and the interest earned:

Developer Fees Collected – \$33,169.16

Interest Earned – \$0.00

(5) An identification of each public improvement on which fees were expended during the fiscal year and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

No fees were expended on public improvements in this fiscal year.

(6) An identification of the approximate date by which the construction of the public improvement will commence if the County determines that sufficient funds have been collected to complete financing on an incomplete public improvement.

There is no approximate date to report.

(7) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and in case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.



An interfund transfer or loan was not made from the fund.

- (8) The amounts of any refunds under Section 66001(e), and any allocations under Section 66001(f).

No refunds have been made to the fund.

V. CONCLUSION

The Hercules/Rodeo/Crockett AOB program has generated revenue representing new development's proportional share of the cost of Transportation Improvements needed to mitigate transportation impacts within the Hercules/Rodeo/Crockett AOB. Over the past five years, no such projects have been constructed using Hercules/Rodeo/Crockett AOB transportation mitigation fee revenues. Therefore, the County still requires funding from the Hercules/Rodeo/Crockett AOB to construct the Transportation Improvements included in the Hercules/Rodeo/Crockett AOB program.

Looking forward to the next five years, it is anticipated that the Hercules/Rodeo/Crockett AOB will be reevaluated and reestablished with an updated project list and an updated fee structure. If a new ordinance is adopted to update the Hercules/Rodeo/Crockett AOB, the current fund balance will be allocated entirely to the projects listed in Table 1 if those projects are carried over to the updated project list.