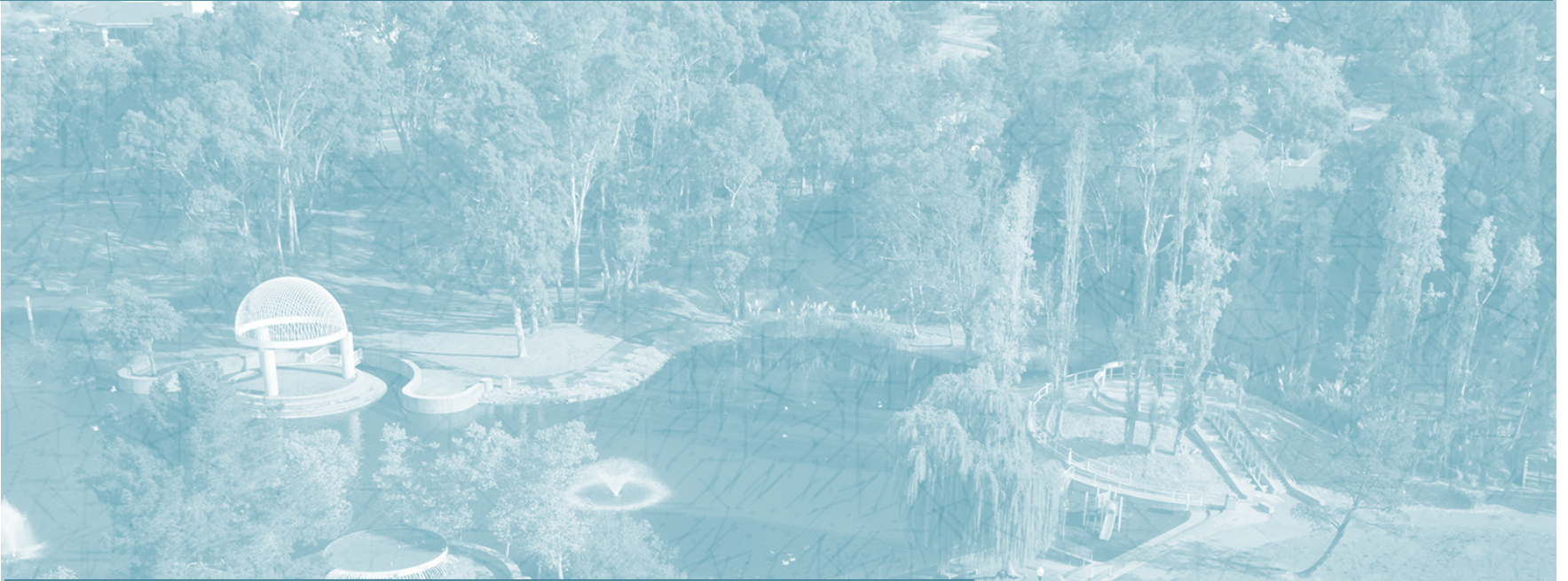


Hercules Transportation Impact Fee Nexus Study Public Hearing



Presentation to Hercules City Council

March 12, 2019

Project List – Summary (In Fee Calculation)

- Intersection - \$746,000 (5 projects)
- Roadway - \$7,399,000 (2 projects)
- Bicycle & Pedestrian - \$5,296,000 (10 projects)
- Transit & Other - \$62,405,000
 - Regional Intermodal Transportation Center - \$53,600,000
 - RITC Parking Structure - \$8,500,000
 - Other transit - \$305,000 (2 projects)

Figure 2 - Project Locations



Intersection Improvements

Other Projects



City of Hercules Transportation Impact Fee Update
2019

Sources: Contra Costa County GIS, Census and DKS Associates

0 0.250.5 1 Miles

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

1. Signalize San Pablo Avenue & Tsushima
- 2.Reconfigure Sycamore Avenue cross section from Willow to San Pablo Avenue
3. San Pablo Avenue/John Muir Parkway to I-80 Improvements
- 4.Intersection improvements at Willow Avenue & Sycamore Avenue
- 5.Add third northbound through lane to San Pablo at Sycamore along NB San Pablo Approach
6. Pedestrian activated signal phase at Market Hall driveway across San Pablo Avenue
- *7. Update curb ramps to ADA standards at all marked crosswalks (multiple locations)
8. Hercules Creekside Trail from Alfred Noble to Sycamore Avenue
9. Multiuse path along San Pablo and Sycamore Avenues at Market Hall site
10. Pedestrian connection along Palm Avenue between Sycamore and Willow Avenues
11. Bay Trail gap closure and lighting
- *12. Expand bicycle network
13. Add sidewalk along Willow Avenue to Hercules Transit Center
14. Improve pedestrian connections to Hercules Transit Center - Sycamore Avenue to Willow
15. Extend sidewalk connections to Rodeo
16. Complete bicycle facilities on Willow Avenue between Hercules Transit Center and Mariner's Pointe (Class II or Class III)
- *17. Add lighting to Refugio Valley Trail
18. Remove crosswalk at north leg of San Pablo Avenue & Sycamore Avenue
- *19. Provide bus shelters along San Pablo Avenue
20. Parking garage serving Regional Intermodal Transit Center (RITC)
21. Complete Regional Intermodal Transit Center (RITC)
- *Not shown due to multiple locations

Expected Development (2040)

| Land Use Category | Units | 2010 Units | Remaining Growth Capacity ⁽²⁾ | 2040 Units | DUE ⁽³⁾ per Unit | 2040 DUEs | Growth in DUEs |
|---|-------------------|------------|--|---|-----------------------------|---------------|----------------|
| Single-Family | DU ⁽¹⁾ | 6,631 | 178 | 6,809 | 1.00 | 6,809 | 178 |
| Multi-Family | DU | 1,432 | 3,074 | 4,506 | 0.57 | 2,549 | 1739 |
| Retail | SF ⁽⁴⁾ | 178,000 | 624,000 | 802,500 | 0.00135 | 1,080 | 840 |
| Office | SF ⁽⁴⁾ | 864,875 | 305,000 | 1,169,875 | 0.00117 | 1,370 | 357 |
| Industrial | SF ⁽⁴⁾ | 570,600 | 375,000 | 945,600 | 0.00109 | <u>1,031</u> | <u>409</u> |
| | | | | | Total: | 12,838 | 3,522 |
| 1. Dwelling Unit 2. Adjusted to account for units built or permitted since 2010 3. Dwelling Unit Equivalent (DUE) 4. Square feet | | | | New Development Proportional Percent <u>Growth DUEs</u> $= 3,522 / 12,838$ $= 0.2744$ | | | |

Growth Capacity from 2018-2040



Fee Calculation

Nexus Based Fee Rates

| | |
|--|--------------|
| Cost of Improvements Allocated to Growth | \$25,312,405 |
| Current Fund Balance | \$202,220 |
| Unfunded Allocated Costs | \$25,110,185 |
| Growth in Dwelling Unit Equivalents (DUEs) | 3522 |
| Cost per DUE | \$7,128.96 |

| Land Use | Units | DUE per Unit | Fee per Unit* |
|---------------|---------------|--------------|---------------|
| Single-Family | Dwelling unit | 1.00 | \$7,129 |
| Multi-Family | Dwelling unit | 0.57 | \$4,033 |
| Retail | Square Feet | 0.00135 | \$9.59 |
| Office | Square Feet | 0.00117 | \$8.35 |
| Industrial | Square Feet | 0.00109 | \$7.77 |

*Fee per unit = (Cost per DUE) x (DUE per unit)

** Fees can be scaled to include other land use types

Framework for Unique Land Uses

| Potential “Unique” Land Use Types | PM Peak Hour Trip Rate per Unit | Default Values | | VMT per Unit | DUE per Unit |
|--|---|------------------------|----------------------|-----------------|--------------|
| | | Trip Length (miles) | Percent New trips | | |
| Formula: | A | B | C | $D=A*B*(C/100)$ | $E=D/4.95$ |
| Recreational | Rates and units from latest ITE Trip Generation Edition | 3 | 75 | | |
| Institutional | | 4.3 | 80 | | |

*This table should be added to the Nexus study as Table 9, as the Ordinance is drafted to have the reader go back to the Nexus study to understand the tabulation.

2009 Based Traffic Impact Fees

| Land Use | Adopted 2009 Nexus Study (Maximum) | 2009 Rates Indexed* | CURRENT Reduced Rate ** |
|--------------------|--|------------------------|----------------------------|
| Single family unit | \$4,830 | \$6,221 | \$982 |
| Multi family unit | \$2,965 | \$3,819 | \$603 |
| Retail/Flex (sf) | \$9.86 | \$12.70 | \$2.01 |
| Office (sf) | \$7.13 | \$9.18 | \$1.45 |
| Industrial (sf) | \$4.69 | \$6.04 | \$4.766 |
| Hotel (room) | N/A | \$1,106 | \$176 |

*2009 Rates Indexed based on 1.29% average annual inflator based on 2009 set rates

**2009 fees had a CPI inflator in 2010. The 2011 reduction was 20% of the 2010 fee.

Alternative Fee Levels

| Land Use | CURRENT Reduced Rate * | 2019 Nexus Study (Maximum) | 75% of Justified Max | 50% of Justified Max |
|--------------------------|------------------------------|----------------------------------|-------------------------|-------------------------|
| Single family (per unit) | \$982 | \$7,129 | \$5,347 | \$3,564 |
| Multi family (per unit) | \$603 | \$4,033 | \$3,024 | \$2,016 |
| Retail/Flex (/sf) | \$2.01 | \$9.59 | \$7.19 | \$4.80 |
| Office (/sf) | \$1.45 | \$8.35 | \$6.26 | \$4.18 |
| Industrial (/sf) | \$4.766 | \$7.77 | \$5.83 | \$3.89 |
| Hotel (/room) | \$176 | \$3,927 | \$2,945 | \$1,963 |

*Other land use categories determined by formula shown under “Framework for Unique Land Uses” which should be added to the Nexus study as Table 9.

Anticipated Fee Generation

| Developments Anticipated Prior to New Fee | 20% of 2010 fees | | |
|---|------------------|------------------|---------------------|
| Bayfront – Blocks Q-R (232) | \$139,896 | | |
| Muir Pointe (15) | \$12,766 | | |
| Safeway | \$566,614 | | |
| Lorenzini – Phase I | \$418,419 | | |
| Development Agreements | | 20% of 2010 fees | |
| Bayfront – Remainder | | \$1,127,342 | |
| Future Developments | | | At 100% of 2019 |
| Sycamore Crossing | | | \$1,338,590 |
| Lorenzini Phase II | | | \$171,287 |
| Hilltown | | | \$2,456,045 |
| Blocks F & H at Bayfront | | | \$412,630 |
| Bio-Rad Expansion | | | \$2,913,750 |
| New Town Center | | | <u>\$9,669,609</u> |
| ROUGH TOTAL | | | \$18,089,253 |

Policy Considerations

- CPI Inflation
- Possible Reduction in fees for any particular land use
- Set Fee Levels by land use for new Development Impact Fees
- Others?

Recommended Action

- Open Public Hearing, take testimony, and consider closing public hearing
- Discuss specific Policy Considerations
- Discuss any modifications to Study, Resolution or Ordinance
- Consider taking action