



## **STAFF REPORT TO THE CITY COUNCIL**

**DATE:** Regular Meeting of February 12, 2019

**TO:** Members of the City Council

**SUBMITTED BY:** Holly Smyth, AICP Planning Director

**SUBJECT:** Workshop on Hercules Transportation Impact Fee Nexus Study

### **RECOMMENDED ACTION:**

Review draft report, receive report for staff and consultant, and provide direction to staff after discussing the outlined Nexus Program.

### **FISCAL IMPACT OF RECOMMENDATION:**

None at this time. Upon approval of a new Nexus Study and other actions, Traffic Impact Fees would increase based upon the Nexus Study and final policy direction of the City Council to be provided at a future meeting after required public hearings.

### **DISCUSSION:**

In February of 2018, the City Council adopted an update to the Hercules Circulation Element which included a new list of transportation improvement projects for autos, bicyclists, pedestrians and transit modes (thus incorporating Complete Streets policies required by CCTA, the Contra Costa Transportation Authority). This was followed by an April 10, 2018, Council workshop to discuss updating the City's Development Impact Fee Study for traffic which was last updated in 2009. During this workshop the Council reviewed the new Circulation Element projects and assigned priorities of those projects to be tier I, II, or III. Tier I projects were those that were considered as required / essential near term projects. Tier II projects were desired / needed near term improvements with less priority than Tier I. Tier III projects were aspirational and long term projects that were not needed anytime soon and therefore would not be included in the Nexus study. A few of the Circulation Element listed projects were determined to a) be of a general maintenance nature, b) specific to one development project, c) not clearly defined as to costs or location, and/or d) have very little development fair share potentially attributable, and these projects were not included in the Nexus Study and are shown in more detail later in Attachment 3 of this report. Council asked that before the Nexus Study came to them for consideration and adoption at a public hearing, staff and the consultant team present the initial draft in a workshop setting for review and discussion.

The Mitigation Fee Act of the California Government Code Sections 66000 et seq incorporates procedural guidelines of required components of a nexus analysis. These procedures require that "a reasonable relationship or nexus must exist between a governmental exaction and the purpose of the condition." Specifically, each local agency imposing a fee must:

- Identify the purpose of the fee;
- Identify how the fee is to be used;
- Determine how a reasonable relationship exists between the use of the fee and the type of development project on which the fee is imposed;
- Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed; and,
- Demonstrate a reasonable relationship between the amount of the fee and the cost of public facility or portion of the public facility attributable to the development on which the fee is imposed.

Over the last nine months, DKS Consulting has been preparing various components of the draft nexus report to address the above required components in consultation with City staff. Chapter 1 identifies existing transportation fees and provides a status of each of the listed projects in the current fee program. Chapter 2 provides the technical documentation of the anticipated growth in housing and jobs to determine new development's fair share proportion attributable to the new fee program. This chapter also outlines applicable General Plan policies, projects to be included in the fee program and their costs in Table 5, and defines maximum nexus rates by land use type in Table 8. Chapter 3 provides the required Nexus analysis per the six bullet points above.

Based on Council's input last April and staff's and consultant's analysis, the eleven Circulation Element listed Projects that are not included in the draft Nexus fee program at this time are as follows:

- Signalize intersection of San Pablo Avenue and Linus Pauling Drive; add turn lanes
- Signalize WB SR-4 ramp at Willow (near Foxboro)
- Relocate EB SR-4 hook ramps at Willow Avenue further East
- Widen Willow Avenue to 4 travel lanes and intersection improvements at Willow and Palm
- Signalize or roundabout at Sycamore and Palm Avenues
- Signalize intersection of Willow and Canterbury
- Relocate EB 1-80 off to new exit at Creekside Center driveway
- Evaluate local and collector streets for traffic calming measures to address cut-throughs
- Create a better network of sidewalk and pedestrian connections
- Install patterned or enhanced crosswalks along San Pablo
- Transit signal priority along San Pablo, Sycamore, and Willow Avenues

It should be noted that the above listed projects can be carried out by the City if so desired and prioritized, but would not be receiving traffic nexus funds towards those improvements.

The Draft Nexus study incorporates 21 projects which are Tier I and II capital facility projects not tied to a specific development project or considered maintenance projects. The draft project list is contained in Table 5 of the report with the cost estimates and conceptual drawings located in the Appendix. An overview of the process and the Nexus study will be provided by staff and the consultant as an introduction to the workshop.

#### **ATTACHMENTS:**

1. Draft Hercules Transportation Impact Fee Nexus Study
2. Draft Hercules Transportation Impact Fee Nexus Study Appendix
3. Project List from Circulation Element with Council's Tiering assignments reflected