

CITY COUNCIL COMMITTEE

SPECIAL MEETING

HOUSING & ECONOMIC DEVELOPMENT

Ron Leone, Chair

Dan Helix, Committee Member

5:30 p.m., Monday, September 19, 2016

**Building D, Permit Center Conference Room
1950 Parkside Drive, Concord**

ROLL CALL

PUBLIC COMMENT PERIOD

1. **CONSIDERATION** – A Request to Initiate Historic Street Signs in the Inner Core of the Downtown. Report by Justin Ezell, Director of Public Works, and Afshan Hamid, Senior Planner.
2. **CONSIDERATION** – Request for Input and Direction to Require a Fiscal Impact Study on a Proposal to Amend the General Plan and Zoning of a 12.2 Acre Site at Monument and Oak Grove and from Regional Commercial to Medium Density Residential. Report by John Montag, Housing and Economic Development Manager.
3. **ADJOURNMENT**

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the City of Concord to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the ADA Coordinator at (925) 671-3361, at least five days in advance of the meeting. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

Distribution: City Council
Valerie Barone, City Manager
Victoria Walker, Community & Economic Development Director
Laura Simpson, Planning Manager
John Montag, Redevelopment/Housing Manager
Justin Ezell, Director of Public Works
Afshan Hamid, Senior Planner
Joelle Fockler, City Clerk

**REPORT TO COUNCIL COMMITTEE ON
HOUSING AND ECONOMIC DEVELOPMENT****TO HONORABLE COMMITTEE MEMBERS:**

DATE: September 19, 2016

SUBJECT: A REQUEST TO INITIATE HISTORIC STREET SIGNS IN THE INNER CORE OF THE DOWNTOWN.**I. Report in Brief**

On May 24, 2016, the City Council directed staff to provide information to the Housing and Economic Development Committee regarding the idea of creating and installing special historic street signage for the “Inner Core” area surrounding the Todos Santos Plaza. Based on sketches provided by Vice Mayor Leone, the Public Works Department created several design alternatives for the street signs as well as several decorative pole options for Committee review. The Public Works Department has also provided a cost estimate to fabricate and install the new street signs.

II. Background

Recently, the Early California Architectural Review Committee (ECAR), a subcommittee of two City Council members and a Design Review Board Member (Helix, Leone, Shelby), defined an Inner Core and an Outer Core for the downtown area around Todos Santos Plaza where architectural guidelines were being developed to apply to private property (Attachment 1). In addition, Planning staff has been working on preparation of the Downtown Corridors Plan Design Guidelines, to be reviewed by City Council in September. The Downtown Corridor Plan focuses on three street segments on Salvio, Grant and Oak Streets and provides direction for development within the public rights of way of those street and streetscape areas. Both the Early California architectural guidelines and the Downtown Corridors Plan Design Guidelines are part of the comprehensive vision for improvements to the downtown area, and are implementation measures of the Downtown Specific Plan (2014).

Vice Mayor Ron Leone recommended that the new historic street signs could be installed in the Inner Core area surrounding Todos Santos Plaza. Council requested that the Housing and Economic Development Committee review the proposal. The Public Works Department evaluated several factors and provided an overall cost estimate for staff implementation of the proposal. In the Inner Core, a total of 33 signs on overhead poles would be needed, as well as 19 signs on ground mount poles (Attachment 2), for a total of 52 signs. The overhead signs would be mounted on existing poles (mostly traffic signal poles). Staff is also presenting options to install ground mounted signs on new, decorative poles instead of the standard galvanized pole currently in use for ground-mounted street signs.

Several alternative designs for the historic street signs were prepared. The signs as proposed will last approximately 15 to 18 years. In addition to the signs proposed in the Inner Core area, staff estimates that 10 additional signs would be needed if the area on Grant Street between Willow Pass Road and the BART station

**A REQUEST TO THE HOUSING & ECONOMIC DEVELOPMENT COMMITTEE
HISTORIC STREET SIGNS FOR THE INNER CORE OF THE DOWNTOWN**

September 19, 2016

Page 2

were included. With the Grant Street signs added, the total number required in the Inner Core would be 62 signs.

III. Fiscal Impact

Informal quotes already received by Public Works estimates the total cost for purchasing and installation of historical signs for the Inner Core at approximately \$50,000. If decorative poles and painting of existing poles under this project is desired, the total project cost would be approximately \$70,000 for 62 signs. One possible funding source for this project would be the remaining Art in Public Places funding that has been used to provide other decorative elements in the Todos Santos Plaza.

IV. Recommendation

Staff recommends that the HED Committee provide feedback and a recommendation to the City Council on the proposal to add historic street signs to the Inner Core and Grant Street segment in the Downtown Corridors Plan. If the HED Committee is supportive of the proposal, staff further requests a recommendation on the preferred design of the street signs and the use of decorative poles for the project, and the use of Art in Public Places funding.



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City Manager

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Prepared by: Afshan Hamid, AICP
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Reviewed by: Laura Simpson, AICP
Planning Manager
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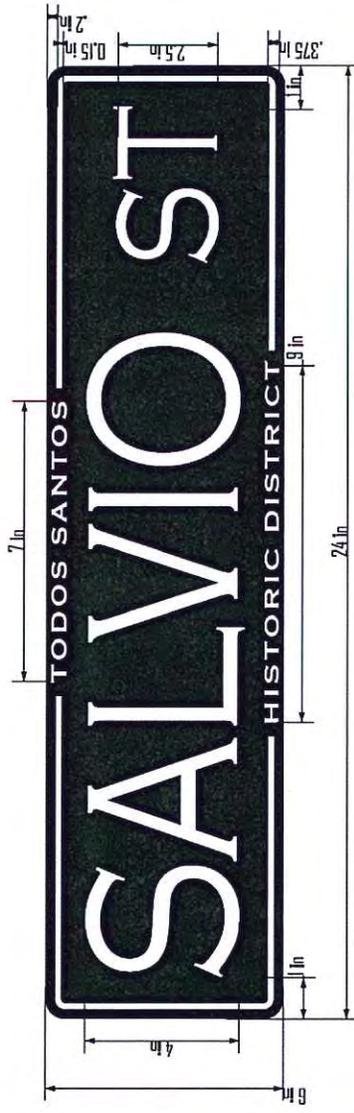
Reviewed by: Justin Ezell,
Director of Public Works
Justin.ezell@cityofconcord.org

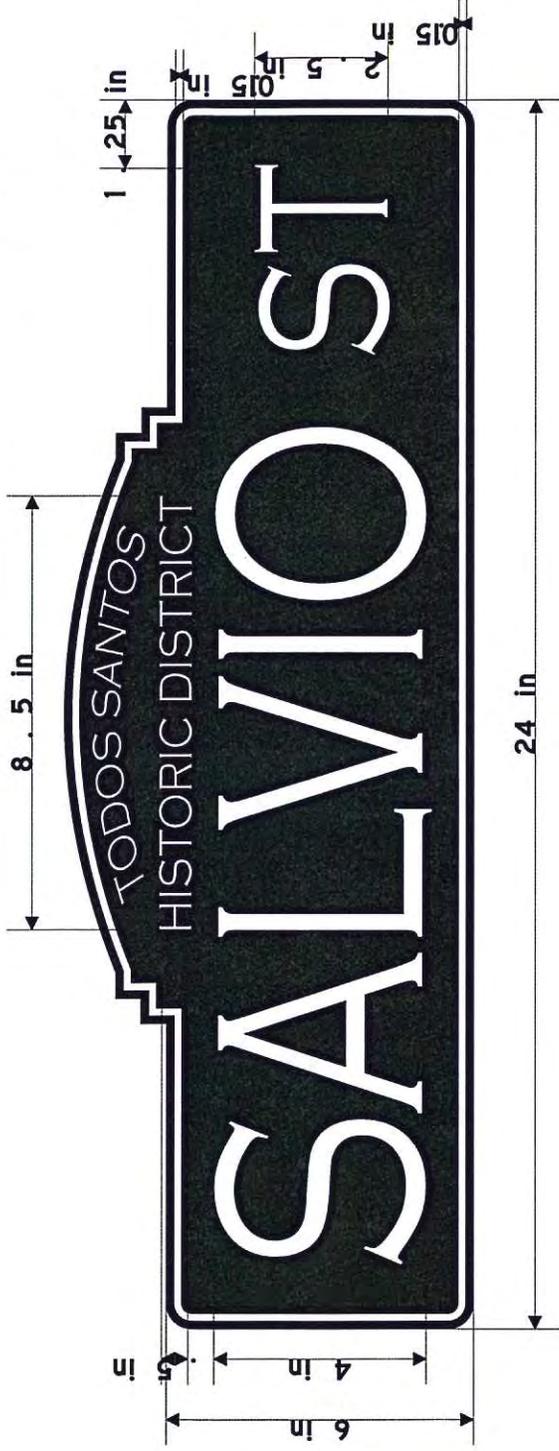
Reviewed by: Victoria Walker
Director of Community and
Economic Development
Victoria.walker@cityofconcord.org

Attachment:

1. Map Exhibit: Proposed Areas for Historic Signs
2. Visual Exhibit: Design of Signs and Poles

ATTACHMENT 2 A
STREET NAME SIGN DESIGN SAMPLES





SUBSTRATE: .125 ALUMINUM 5052

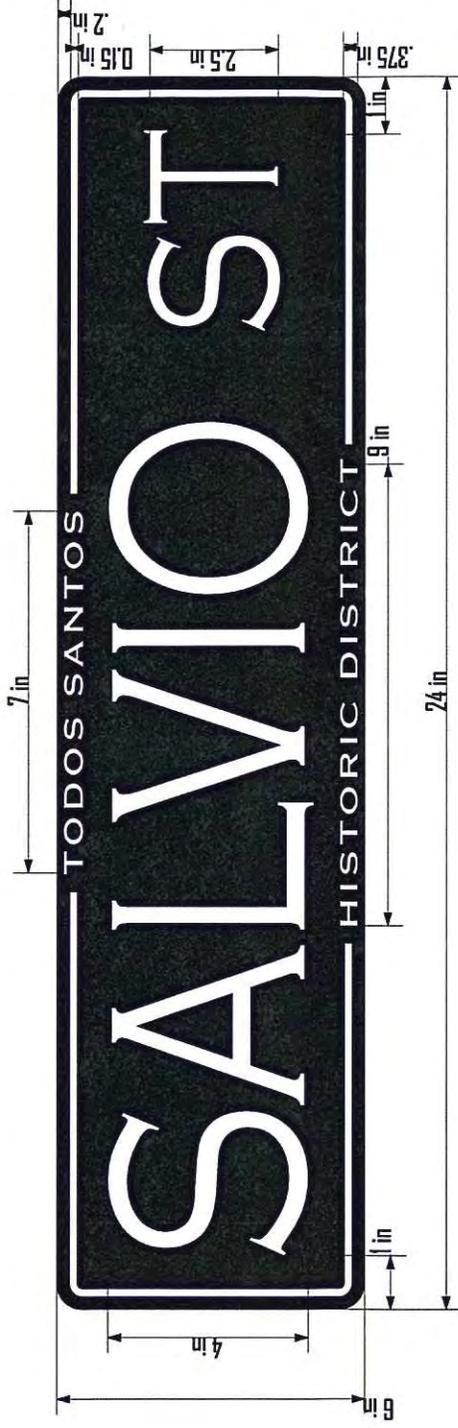
BACKGROUND: TYPE XI REFLECTIVE SHEETING

OVERLAY: ANTI-GRAFFITI FILM

DESIGNED BY:



MICHAEL W. HUDSON



SUBSTRATE: .125 ALUMINUM 5052

BACKGROUND: TYPE XI REFLECTIVE SHEETING

OVERLAY: ANTI-GRAFFITI FILM

DESIGNED BY:



MICHAEL W. HUDSON



SUBSTRATE: .125 ALUMINUM 5052

BACKGROUND: TYPE XI REFLECTIVE SHEETING

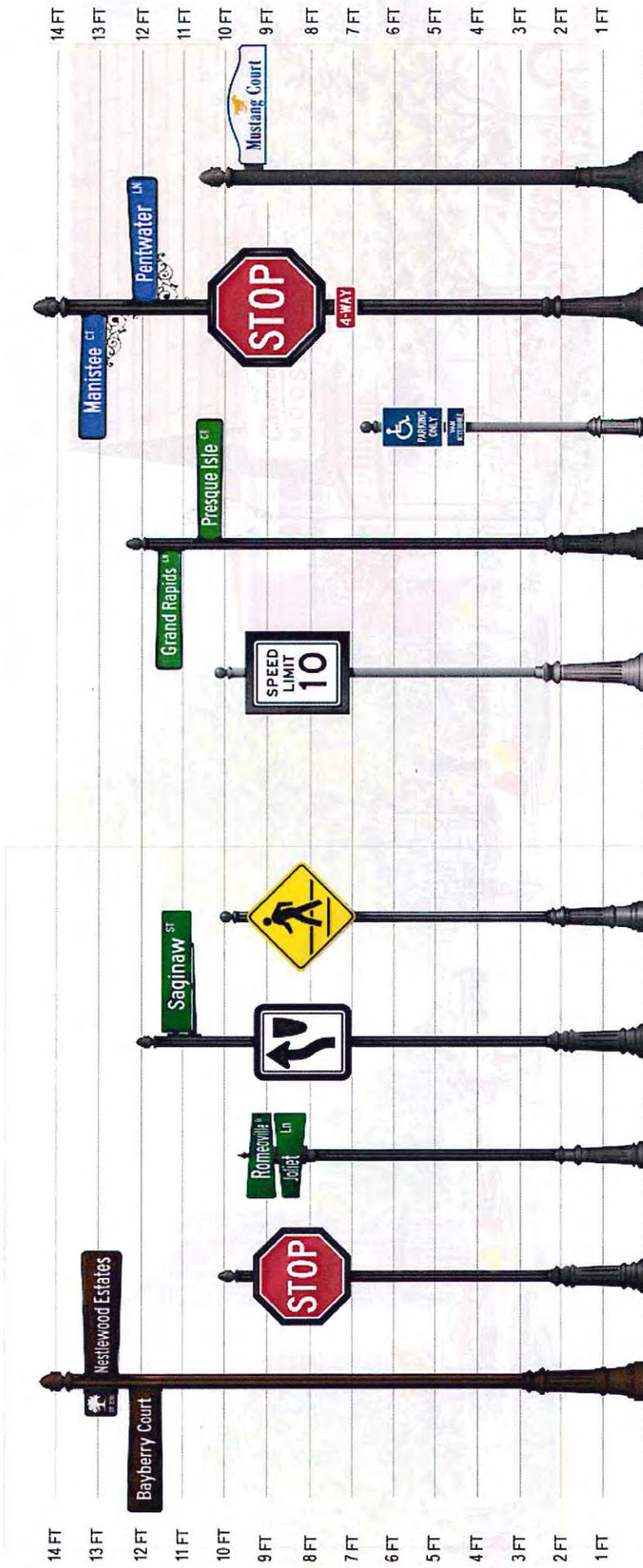
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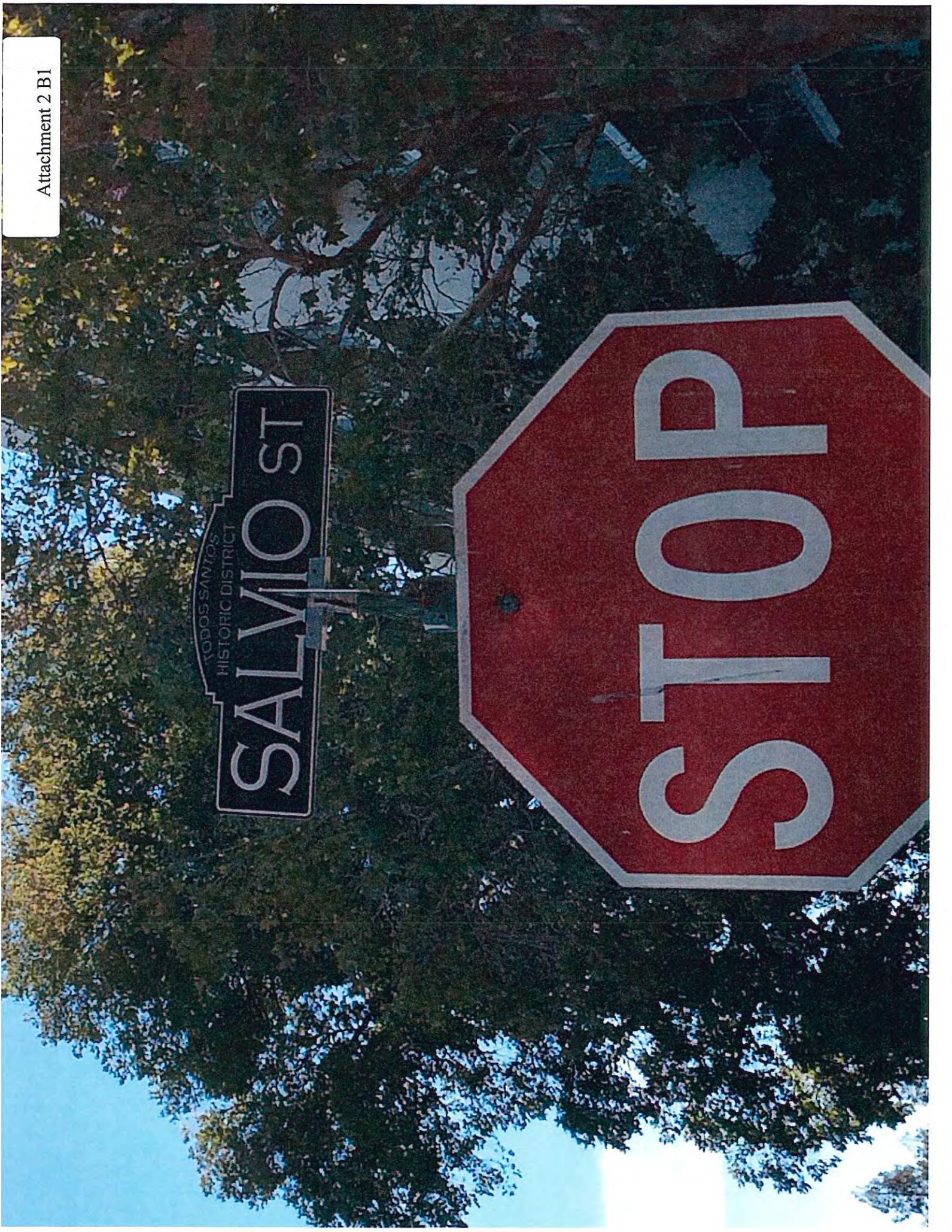
DESIGNED BY:



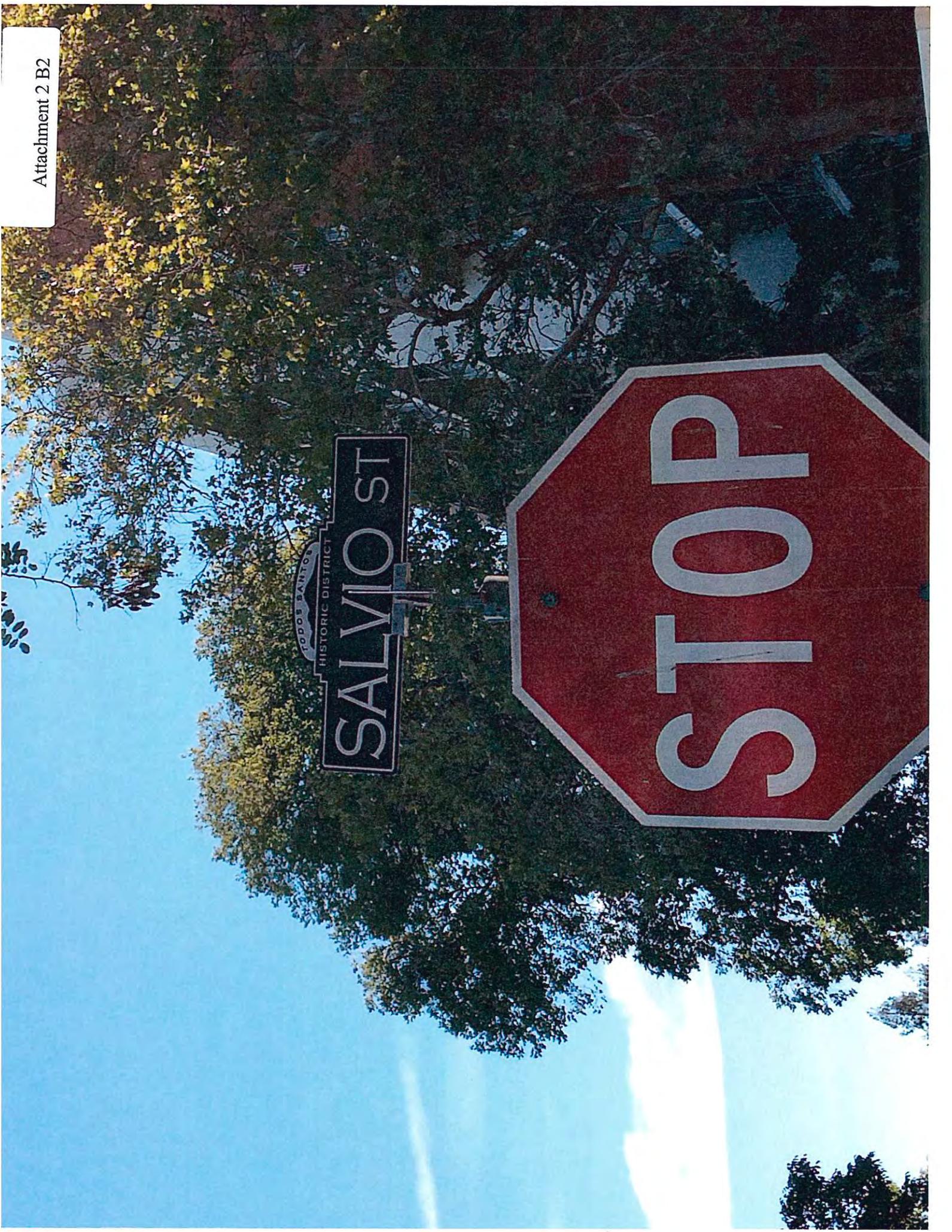
MICHAEL W. HUDSON

ATTACHMENT 2B DECORATIVE STREET SIGN POST DESIGNS





TODD'S SANITARY
HISTORIC DISTRICT
SALVIO ST



MEMORANDUM

September 16, 2016

TO: Chair Ron Leone and Committee Member Daniel Helix
Housing and Economic Development Committee

FROM: Valerie Barone, City Manager

VIA: Victoria Walker, Director of Community and Economic Development

BY: John Montagh, Housing and Economic Development Manager

SUBJECT: Request for Input and Direction to Require a Fiscal Impact Study on a Proposal to Amend the General Plan and Zoning of a 12.2 Acre Site at Monument and Oak Grove and from Regional Commercial to Medium Density Residential

Staff has received a significant residential development proposal from DeNova Homes to construct 274 housing units just south of Four Corners Shopping Center at Monument and Oak Grove Road. The proposed site is approximately 12 acres of vacant land and would require a General Plan Amendment and Rezoning of the property from Regional Commercial to Medium Residential. An exhibit of the proposed project is included to this memorandum as Attachment 1.

DeNova Homes desires to submit all applications necessary to achieve the appropriate land use amendments and entitlements to process their proposal. Prior to moving forward on the entitlement processes for the proposed development, staff requests the Housing and Economic Development Committee's input and direction on requiring a Fiscal Impact Study to help determine the potential financial impact the proposed land use change would have on the City. In addition, staff would like the Committee's input on the proposed land use changes because the City has had a long standing position to preserve the property as a future regional retail development site.

The City codified this position when it changed the site's General Plan and Zoning from Planned Development to Regional Commercial when it adopted the 2030 General Plan in 2007 and Zoning Code in 2012. The City made this decision in order to facilitate the renovation of the existing shopping center to generate new revenues for City and be an amenity for the vibrant Monument Community.

Background

The development of the back 12 acre parcel and the renovation of the Four Corners Shopping Center (owned by The Wing Four Corners LLC) have been economic development opportunities and challenges for more than 20 years. In the past, big box users had significant interest in the vacant site. However, those deals did not go forward due to neighborhood opposition mainly because the proposals did not include the existing Center as part of the development. Other retail deals have not gone forward due to the inability of the owner and retailers to come to disposition terms. Staff understands that redevelopment of the existing shopping center is challenged by existing lease restrictions, lease terms and ownership control of certain storefronts. As a result, the ownership is limited in their abilities to act autonomously in renovating the existing Center.

There have been housing developers in the past that have approached the City asking if the City would consider housing on the vacant 12 acre lot. Staff has been consistent with telling interested parties that the City's vision is to see it developed as a regional retail center and that the existing Shopping Center should also be improved.

DeNova Homes is a long-standing Bay Area developer that has built both successful multifamily and single family residences in Concord. DeNova has worked and met with staff on their proposal. Staff has communicated to DeNova representatives of the need to seek Council's direction on the proposal due to the City's long standing desire for the site to be developed as regional retail facility. Most recently, staff has indicated that the complete site should be considered as a whole, possibly as an integrated mixed use residential/commercial development, so that the benefit that accrues from allowing construction of new residential development will be reinvested to upgrade the commercial area.

Proposal

DeNova Homes proposes to develop the vacant 12.2 acre site into a gated residential subdivision with 239 (for sale) townhouse units and 34 apartment units, along with residential amenities. The developer is stating that they intend to meet the City's affordable housing requirements with 10% for moderate income level condominium ownership. The project description is included in the memo as Attachment 1.

Discussion

Given the long standing position the City has taken on the subject property, staff is seeking Housing and Economic Development Committee's input and direction on requiring a Fiscal Impact Study and the proposed General Plan and Zoning change from Regional Commercial to Medium Density. In particular, staff is concerned that this change would result in a loss of a key commercial development opportunity that would generate needed City sales tax revenue, catalyze the redevelopment of the existing center and create a new amenity for the Monument Boulevard area.

While the proposed residential development would be a significant investment for Concord and the Monument area, it could over the long term cause a net negative impact to the City's General Fund. DeNova Homes prepared their own Fiscal Impact Report for the proposed housing development (Attachment 2). It shows that the annual property taxes paid would offset City service costs caused by the new residents living in the development.

When fiscal impact studies are prepared for a project, staff oversees the study and requires the developer to fund the cost of the study. This insures that the studies are impartial and provides arms-length interaction between the developer and the hired consultant. In this case, the Fiscal Impact Report for the proposed project was authorized by and prepared for DeNova Homes. Staff recommends a Fiscal Impact Report be prepared that assesses not only the cost of services and revenue from the proposal but also the potential of the area if developed as a retail center to allow Council to understand the full economic impact to the City.

Another City objective for the vacant parcel is to facilitate the redevelopment of the existing Four Corners Shopping Center. The Center has been suffering from prolonged vacancies and lack of investment for many years. As stated earlier in this report, the existing tenant leases make it problematic to reposition the Center holistically. The opportunity to develop the vacant 12-acre site should be a catalyst for redeveloping the existing Center. DeNova Homes does not have control of the Four Corners Shopping Center therefore it is not included as part of DeNova's proposal.

The City could require a Specific Plan for both the existing shopping center and vacant 12 acre site. A Specific Plan would tie the existing shopping center with the future development of the vacant 12 acre site by creating a comprehensive planning document for the two sites. The Plan would create a special set of development standards and would be a tool for achieving the vision of the development. Requiring a specific plan would be more involved by including both The Wing Four Corners LLC and DeNova Homes in creating the Plan.

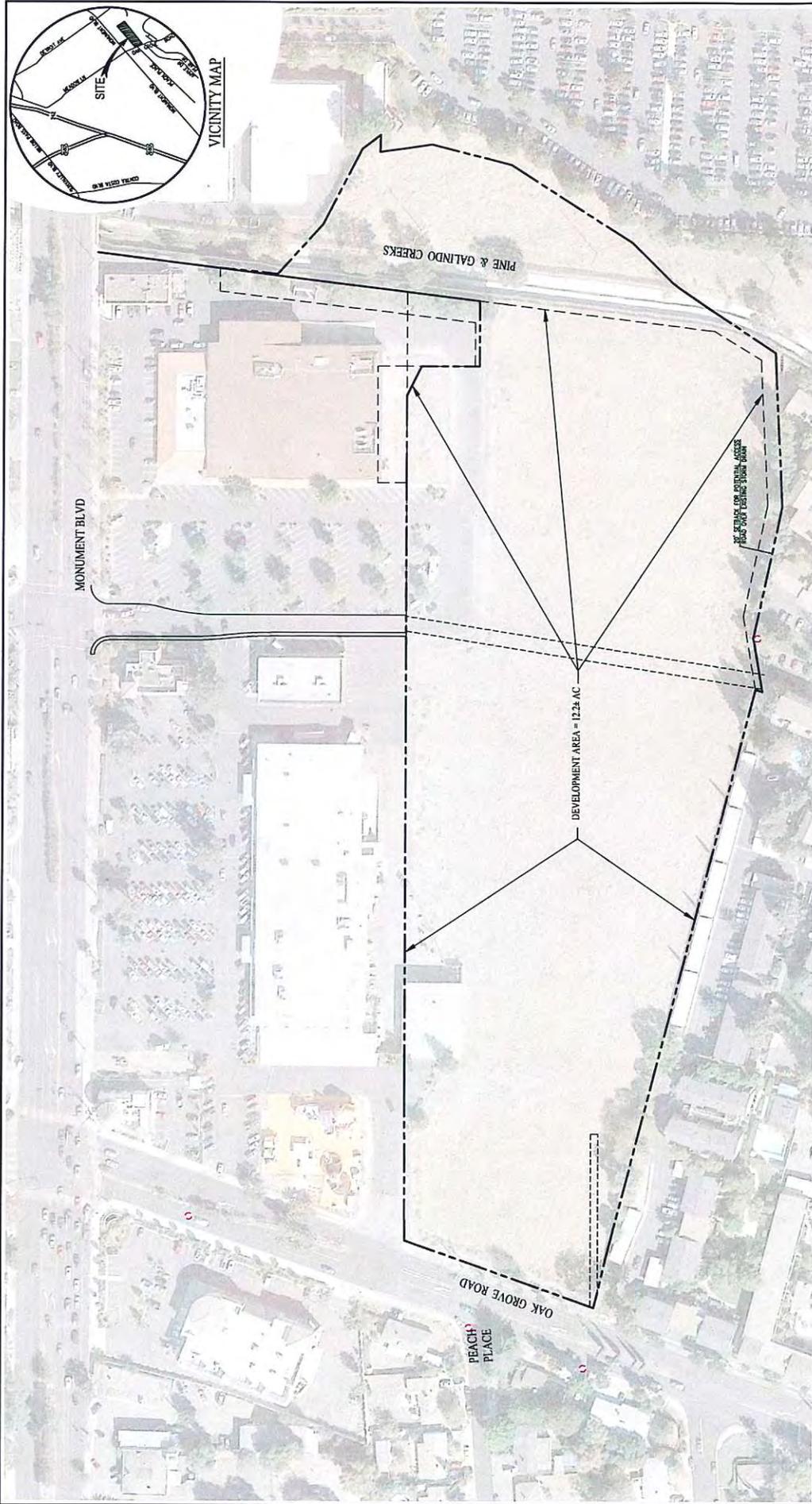
Recommendation

Staff requests the Committee's input and direction on requiring a Fiscal Impact Study to be paid for by the applicant and overseen by staff for the proposed project to help determine the potential financial impact/benefits the proposed land use changes would have on the City's General Fund. In addition, staff would like the Committee's input on the proposed land use changes.

Attachment 1 – Four Corners Residential Revitalization Development Areas

Attachment 2 – Four Corners Residential Revitalization Conceptual Site Plan

Attachment 3 – Fiscal Impact Analysis Resulting from Four Corners Redevelopment Project



DEVELOPMENT AREAS

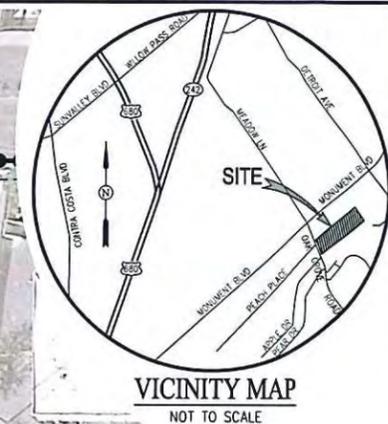
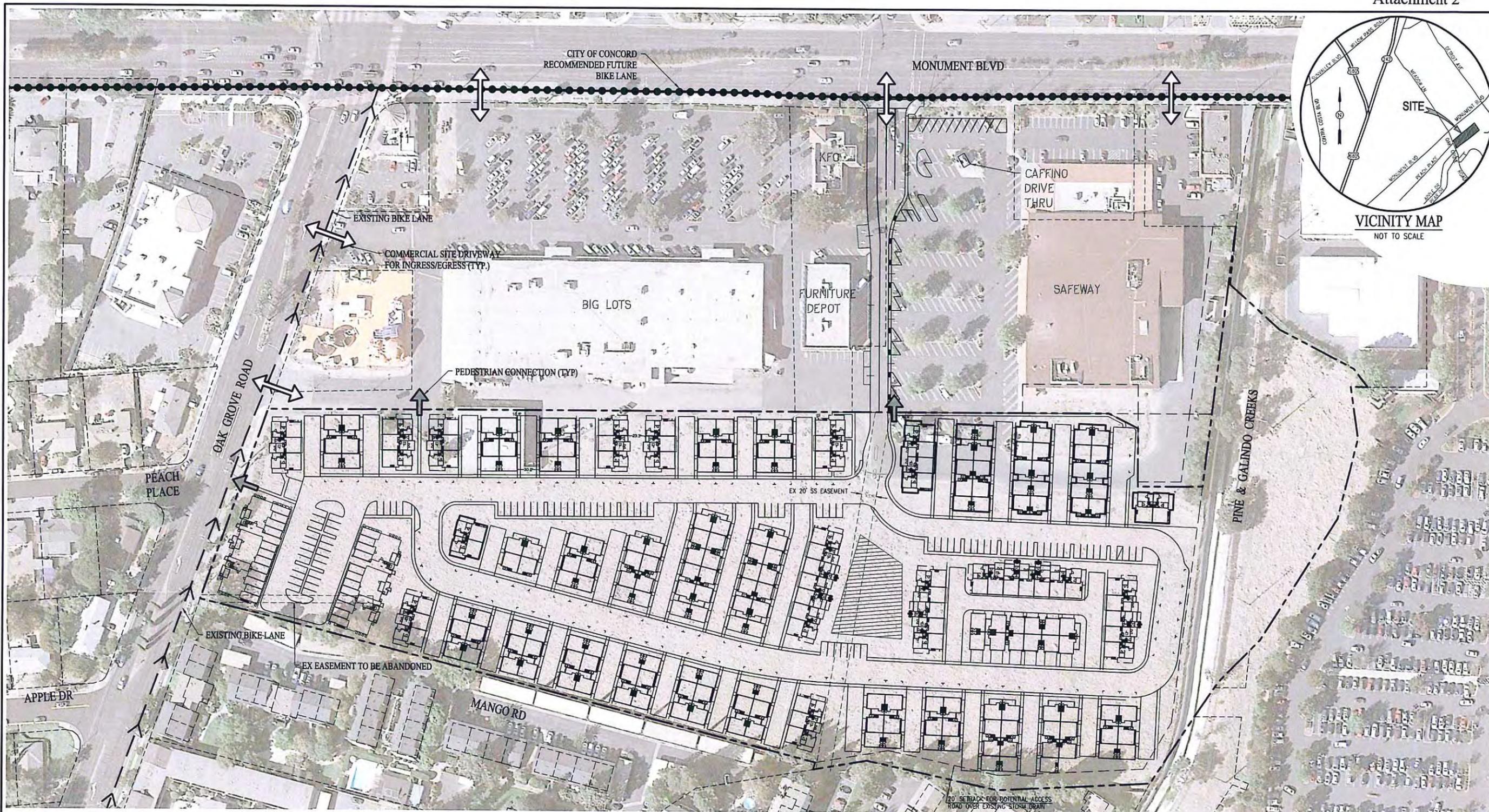
FOUR CORNERS RESIDENTIAL REVITALIZATION

CITY OF CONCORD CONTRA COSTA COUNTY CALIFORNIA



DATE: AUGUST 31, 2016

**Carlson, Barbee
& Gibson, Inc.**
CITY ENGINEERS & ARCHITECTS P.L.L.C.
2715 CONTRA AVENUE, SUITE 100
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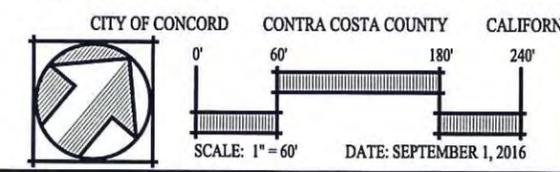


LEGEND

- PROPERTY BOUNDARY
- EXISTING EASEMENT
- AREA INCLUDES:
 - 1,500±SF SHADE STRUCTURE/GAZEBO AREA
 - BOCCIA BALL AREA & SAND PIT/VOLLEYBALL COURT
 - WATER FEATURE
 - BBQ'S
- EXISTING BIKE LANE
- RECOMMENDED BIKE LANE
- PEDESTRIAN CONNECTION
- COMMERCIAL DRIVEWAY

NOTES:
 RECOMMENDED AND EXISTING BIKE LANE INFORMATION BASED ON THE 'CITY OF CONCORD BICYCLE, PEDESTRIAN & SAFE ROUTES TO TRANSIT PLAN.'

**CONCEPTUAL SITE PLAN
 FOUR CORNERS RESIDENTIAL REVITALIZATION**



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 CIVIL ENGINEERS • SURVEYORS • PLANNERS
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PLANNING

SUMMARY MEMORANDUM

February 29, 2016

To: Meadow Creek Group, LLC

From: Nathan D. Perez, Esq.; David Taussig and Associates, Inc.

Subject: Fiscal Impact Analysis Resulting from Four Corners Redevelopment Project

The intent of this Fiscal Impact Analysis (the “Study”) is for David Taussig and Associates, Inc. (“DTA”) to provide a detailed summary of the projected fiscal impacts to the City of Concord (the “City”) as a result of the proposed Four Corners Redevelopment Project (the “Project”). The Project will comprise 59 Single Family (38’ x 50’ Lots) Detached Units, 100 Row Towns, and 80 Back to Back Townhomes.

As the site is currently zoned Commercial/Shopping Center, the argument for approving the re-zoning is three-fold: (i) the proposed residential project will not be a drain on the City’s fiscal resources, and could prove very beneficial (Section I); (ii) the retail market analytics for Concord are disconcerting – a Shopping Center might never be feasible (critically, the increased sales tax revenues must be viewed through this reality) (Section II); and (iii) on the same parcel/ footprint, a residential project will generate substantially more in development impact fees (approximately \$4.5 million) for the City’s use on capital projects (Section III).

I. FISCAL IMPACT

The significance is to determine whether development is fully paying for all services being provided on its behalf by the City. Only recurring revenues and costs are analyzed in the models. Revenues considered non-recurring, such as various permitting fees, are excluded from the analysis. This is because new development must pay these fees to the City prior to the construction of a project. As these are considered “one-time” revenues that will not recur, there is no expectation that new development must pay for these fees a second time. Likewise, costs considered non-recurring are also excluded from the models. The Fiscal Impact Analysis (“FIA”) is based on these land use assumptions:

Table 1
Land Use Summary

Land Use	Number of Units
Single Family Detached	59
Row Towns	100
Back to Back Townhome	80

For additional details regarding the assumptions utilized to calculate the fiscal impacts for the Project, please see Exhibit A.

City General Fund – Net Fiscal Impact Summary

As shown in Table 2 below, the overall fiscal impact to the City’s General Fund, because of revenues anticipated to be generated by the Project and the demand for public services associated with the Project, will be an annual recurring fiscal surplus.

Table 2
General Fund - Net Fiscal Impact Summary

Fiscal Impact Category	Project
Total Annual Recurring Revenues	\$349,454
Total Annual Recurring Costs	\$249,287
Total Annual Recurring Surplus/(Deficit)	\$100,167
Total Annual Revenue/Cost Ratio	1.40

As depicted in the attached Exhibit A, and the associated graphs, the largest projected City General Fund revenue sources attributable to the Project will be Secured Property Taxes, Indirect Sales Taxes, and Property Tax In-Lieu of Vehicle License Fees. The largest projected City General Fund expenditures will be for the Police Department, General Government, and Public Works Department.

DTA chooses its analytical assumptions in accordance with industry standards and documents those decisions carefully. The following may require further explanation:

- Discounting Revenues and Expenses: Certain revenues and expenditures are not expected to increase one-to-one with new development. Similarly, a discount rate was applied to various revenues that include, but are not limited to, Transient Occupancy Tax and Charges for Services, to reflect the ratio of one-time revenues to recurring revenues.
- Square Feet per Employee: DTA maintains a database of fiscal impact studies and information obtained from city planning departments, including numerous cities within Contra Costa County and the broader region.
- Valuation and Sales per Square Foot: Median sales per square foot figure are estimated using data from recent projects and “Dollars and Cents of Shopping Centers” published by the Urban Land Institute.
- Tax Sharing (Secured Property Taxes): Total secured property tax revenues received by the City from the land uses will equal *approximately* 10.58% of the basic 1% property tax

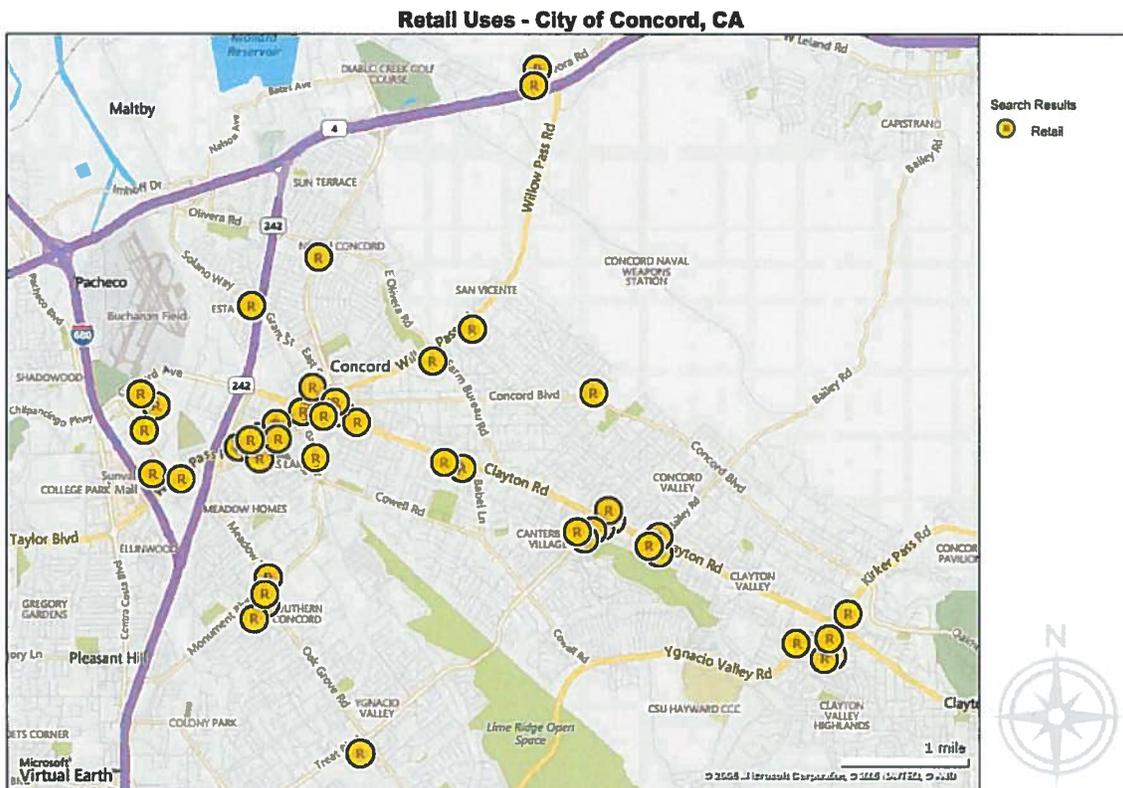
levy from the Tax Rate Areas (“TRAs”) encompassing the Project. The gross tax allocation, as calculated by the Contra Costa County (the “County”) Auditor-Controller, has been reduced to account for the projected Education Revenue Augmentation Fund (“ERAF”) property tax shifts.

For more information regarding the assumptions utilized in analyzing the Project’s fiscal impacts on the City General Fund, and tables and graphs representing the results of the FIA, please see Exhibit A attached.

II. Retail Market Analysis

The intent of this brief market review is to generally evaluate certain market indicators to determine the extent of the demand for retail uses on the Project site, as the site is currently zoned Commercial/Shopping Center. DTA utilized statistics for the City of Concord market area (the “Market Area”) which includes the Project site. Notably, using retail data that extends somewhat beyond the Project site allowed DTA to better identify the overall trend in the retail market applicable to the Project site. Importantly, the Market Area (shown in Map 1 below) is a geographic area constituting the market supply and market demand that will ultimately determine the economic viability of the retail site (if it is not rezoned) as properties in this market area will likely compete for tenants that are similar to those necessary to support the Project.

Map 1



Based on the market data, DTA made these findings:

- **Retail Vacancy Rates.** The average retail vacancy rate in the 1st quarter of 2016 was approximately 18.5% (with an availability rate of 25.5%¹), higher than the vacancy rate in the same quarter of the previous year of about 16.5%. Most notably, these rates have generally trended up since the 1st quarter of 2013 (please refer to the chart below).

Vacancy Rate



- **Asking Rent per SF.** The average triple net lease asking rents in the 1st quarter of 2016 were approximately \$1.30 per square foot of building. These rates have generally decreased from approximately \$1.80 per square foot in the 4th quarter of 2010 (please refer to the chart below).

NNN Asking Rent Per SF



The current market indicators evaluated above suggest a retail market that could find it difficult to absorb potential retail projects.

¹ Availability Rate is the total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

III. Development Impact Fees

Impact fees are a form of monetary exaction on new development which must be paid as a condition of development approval. Impact fees are neither taxes nor special assessments, nor are these fees permitted to cover ongoing operations and maintenance costs. By definition, “a fee is voluntary and must be reasonably related to the cost of the service provided by the local agency.” Procedurally, fees are collected by local governmental agencies to pay for infrastructure or capital facilities needed to serve new development. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners seeking to develop property. In this manner, developers, builders, and property owners pay their “fair share” of needed capital facilities. Impact fees are frequently intended to directly fund backbone regional improvements/facilities that when completed will benefit an entire community. The funding available from impact fees paid by new development often provides the financial impetus to initiate the construction of these improvements, which benefit the entire community.

As reflected in Table 3 below, the development impact fees projected to be levied on each of the two Project alternatives (DeNova’s proposal versus current City zoning) are:

Table 3
Estimated Development Impact Fees

Impact Fees (Estimate)	MCG Proposal (Residential)	City Zoning (Retail)
Fire	\$86,169	\$58,171
Drainage Fees	\$24,792	\$10,394
Traffic/Transit Fees	\$664,129	\$1,573,431
Parks Fees	\$3,049,369	N/A
Sewer/Water Fees	\$969,117	TBD
School Fees	\$1,525,776	\$96,442
Total Development Impact Fees	\$6,319,352	\$1,738,437

For more information regarding the assumptions utilized in analyzing the Project’s fiscal impact on the City General Fund, and tables and graphs representing the results of the FIA, please see Exhibit A attached.

If you have further questions regarding this Executive Summary, please contact DTA at 800-969-4382.

EXHIBIT A

PROPOSED FOUR CORNERS REDEVELOPMENT PROJECT
FISCAL IMPACT ANALYSIS

EXHIBIT A-1
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 CITY GENERAL FUND REVENUES (BY TYPE)

I. Demographics and Other Data

2016 Estimated City Population [1]	127,522
2016 Estimated City Employees [2]	59,527
2016 Persons Served Population [3]	157,286

Notes:

- [1] Source U.S. Census, QuickFacts (ACS, Five-Year Survey). Preliminary, subject to change.
 [2] Source U.S. Census, QuickFacts (ACS, Five-Year Survey). Preliminary, subject to change.
 [3] Assumes City population plus 50% of employees.
 [4] Certain revenues are not expected to increase one-to-one with the new development. A discount of 25% was applied to reflect the estimated ratio of fixed revenues to variable revenues and/or one-time to recurring revenues.

II. City Revenue Sources (by Type)

Revenue Type	Total Revenues	Revenue Type	Fiscal Impact Basis	Discount [4]	Fiscal Impact Revenue Factor
Tax Revenue	\$59,332,877		Persons Served		\$12.76
Property Tax	\$14,751,577	Recurring	Case Study	0%	NA
Sales Tax	\$34,104,300	Recurring	Case Study	0%	NA
Measure Q	\$7,800,000	Recurring	Case Study	0%	NA
Transient Occupancy Tax	\$2,677,000	Recurring	Persons Served	25%	\$12.76
Business Licenses	\$3,145,000	Recurring	Per Employee	0%	\$52.83
Franchise Fees	\$5,806,000	Recurring	Persons Served	0%	\$36.91
Interest Income	\$80,000	Recurring	Case Study	0%	NA
Use of Money and Property	\$503,035	Recurring	Persons Served	0%	\$3.20
Charges for Services	\$6,430,107	Recurring	Persons Served	25%	\$30.66
Licenses and Permits	\$1,696,300	Recurring	Persons Served	0%	\$10.78
VLF/Property Tax Compensation	\$9,041,628	Recurring	Case Study	0%	NA
Fines and Forfeitures	\$775,000	Recurring	Persons Served	0%	\$4.93
Net Transfers In	\$2,042,109	Recurring	Persons Served	0%	\$12.98
Other / Miscellaneous	\$259,500	Recurring	Persons Served	25%	\$1.24
Total Recurring Revenues	\$89,111,556				

EXHIBIT A-2
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 CITY GENERAL FUND EXPENDITURES (BY TYPE)

I. Demographics and Other Data

2016 Estimated City Population [1]	127,522
2016 Estimated City Employees [2]	59,527
2016 Persons Served Population [3]	157,286

Notes:

- [1] Source: U.S. Census, QuickFacts (ACS, Five-Year Survey). Preliminary, subject to change.
- [2] Source: U.S. Census, QuickFacts (ACS, Five-Year Survey). Preliminary, subject to change.
- [3] Assumes City population plus 50% of employees.
- [4] Certain revenues are not expected to increase one-to-one with the new development. A discount of 25% was applied to reflect the estimated ratio of fixed revenues to variable revenues and/or one-time to recurring revenues.

II. City Expenditures (by Type)

<u>Expenditure Type</u>	<u>Total Expenditures</u>	<u>Revenue Type</u>	<u>Fiscal Impact Basis</u>	<u>Discount [4]</u>	<u>Fiscal Impact Revenue Factor</u>
<u>GENERAL GOVERNMENT</u>					
City Attorney	\$1,388,894	Recurring	Case Study	0%	NA
Community & Economic Development	\$7,644,222	Recurring	Case Study	0%	NA
Finance/ Administration	\$3,364,569	Recurring	Case Study	0%	NA
Human Resources	\$1,611,143	Recurring	Case Study	0%	NA
City Manager (Office)	\$3,582,853	Recurring	Case Study	0%	NA
<u>NON-GENERAL GOVERNMENT</u>					
Police Department	\$52,598,764	Recurring	Persons Served	25%	\$250.81
Public Works	\$7,414,604	Recurring	Persons Served	25%	\$35.36
Parks & Recreation	\$5,251,225	Recurring	Persons Served	0%	\$33.39
Non-Departmental	\$5,459,402	Recurring	Persons Served	0%	\$34.71
Capital Projects	\$200,000	Recurring	Persons Served	0%	\$1.27
Total Recurring Expenditures	\$88,515,676				

EXHIBIT A-3
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 LAND USE AND DEMOGRAPHICS SUMMARY

FUTURE LAND USE DATA

I. Developable Land Use Description

A. Residential Land Uses	<u>Number of Units [1]</u>
Single Family Detached	59
Rowtown	100
Back to Back Townhome	80
B. Commercial Land Uses	<u>Sq. Ft. [1]</u>
Retail	0
Office	0
Restaurant	0

DEMOGRAPHIC DATA

II. Demographics

A. Residential Land Use Population	<u>Persons per Household [2]</u>
Persons per Household	2.61
B. Non-Residential Land Use Employee Generation	
Commercial Land Uses	<u>Sq. Ft. per Employee [3]</u>
Retail	400
Office	325
Restaurant	375

POPULATION AND EMPLOYEES (CALCULATIONS)

III. <u>Residential Land Use Type</u>	<u>Number of Units</u>	<u>Residential Population</u>
Single Family Detached	59	154
Rowtown	100	261
Back to Back Townhome	80	209
IV. <u>Non-Residential Land Use Type</u>	<u>Sq. Ft.</u>	<u>Total Direct Employees</u>
Retail	0	0
Office	0	0
Restaurant	0	0

SOI POPULATION AND EMPLOYEES (TOTALS)

V. Total Projected Residential Population	624
VI. Total Projected Direct Employees	0
VII. Total Persons Served Population	624

NOTES:

- [1] Source: Meadow Creek Group, LLC
- [2] Source: U.S. Census, QuickFacts (ACS, Five-Year Survey). Preliminary, subject to change.
- [3] Source: DTA Public Works Database.
- * All figures subject to rounding

EXHIBIT A-4
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 PROPERTY TAX REVENUE ANALYSIS

GENERAL PROPERTY TAX ASSUMPTIONS

I. Property Tax Allocation (as a Portion of the 1% General Property Tax Levy)

Category / Code	Allocated to City
City of Concord [2]	0.10584090 10.58%

II. Homeowner's Exemption

Homeowner's Exemption (Annually)	\$7,000
Percent of Sale Units Taking Homeowner's Exemption [3]	90%

ASSESSED VALUATION ASSUMPTIONS

III. Assessed Valuation - Projected Land Uses

Residential Land Uses	
A. Single-Family Detached Units	
Number of Units [4]	59
Estimated Blended Sales Price per Unit [5]	\$585,000
Total Estimated Net Taxable Value (Includes Estimated Takedown from Homeowner's Exemptions)	\$34,143,300.00
B. Row Towns	
Number of Units [4]	100
Estimated Sales Price per Unit [5]	\$475,000
Total Estimated Net Taxable Value	\$47,500,000
C. Back-to-Back Townhome	
Number of Units [4]	80
Estimated Sales Price per Unit [5]	\$390,000
Total Estimated Net Taxable Value	\$31,200,000
Non-Residential Land Uses	
D. Retail	
Estimated Number of Sq. Ft. [4]	0
Estimated Valuation per Sq. Ft.	\$0
Total Estimated Net Taxable Value	\$0
E. Office	
Estimated Number of Sq. Ft. [4]	0
Estimated Valuation per Sq. Ft.	\$0
Total Estimated Net Taxable Value	\$0
F. Restaurant	
Estimated Number of Sq. Ft. [4]	0
Estimated Valuation per Sq. Ft.	\$0
Total Estimated Net Taxable Value	\$0
G. Total Land Use Net Taxable Value (Includes Takeout from Homeowner's Exemption)	\$112,843,300

OTHER PROPERTY TAX REVENUE ASSUMPTIONS

IV. Unsecured Property Taxes - Assumptions [6]

Residential	
Unsecured Taxes as a % of Secured	2.75%
Non-Residential	
Unsecured Taxes as a % of Secured	10.00%

V. Property Tax Transfer - Assumptions [7]

Residential Property Turnover Rate	10.00%
Non-Residential Property Turnover Rate	5.00%
Transfer Tax as a % of Assessed Value	0.11%
Property Transfer Tax Passed Through to City of Concord	50.00%

EXHIBIT A-4
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 PROPERTY TAX REVENUE ANALYSIS

VI. <u>Motor Vehicle Licensing Fees - Assumptions</u>		
Vehicle Licensing Fees per Capita		NA
VII. <u>Property Tax In-Lieu of Vehicle License Fee - Assumptions</u>		
Total City of Concord Gross Assessed Value [8]	\$12,917,846,712	
City of Concord Property Tax In-Lieu of Vehicle License Fee [9]	\$9,041,628	
Property Tax In-Lieu of Vehicle License Fee Increase per \$1,000 Assessed Value	\$0.70	

Fiscal Impact Calculation

VIII. <u>Fiscal Impact Category</u>		<u>Fiscal Impact Amount</u>
A. <u>Secured Property Tax</u>		
Residential Land Uses		
Single-Family Detached		\$36,138
Rowtown		\$50,274
Back to Back Townhome		\$33,022
Non-Residential Land Uses		
Commercial Land Uses		
Retail		\$0
Non-Retail		\$0
B. <u>Unsecured Property Tax</u>		
Residential Land Uses		
Single-Family Detached		\$994
Rowtown		\$1,383
Back to Back Townhome		\$908
Non-Residential Land Uses		
Commercial Land Uses		
Retail		\$0
Non-Retail		\$0
C. <u>Property Transfer Tax</u>		
Residential Land Uses		
Single-Family Detached		\$1,878
Rowtown		\$2,613
Back to Back Townhome		\$1,716
Non-Residential Land Uses		
Commercial Land Uses		
Retail		\$0
Non-Retail		\$0
D. <u>Motor Vehicle Licensing Fees [10]</u>		\$0
E. <u>Property Tax In-Lieu of Vehicle License Fee [11]</u>		
Projected Residential and Non-Residential Land Uses		\$74,954

Total Property Tax Revenues	\$203,880
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NOTES:

- [1] Based on "General Fund" levy for Tax Rate Area (TRA). Data provided by the County of Contra Costa Auditor-Controller's Office. TRA allocations adjusted for ERAF. Note, figure does not include non-General Funds.
 - [2] Post ERAF rates based on the weighted average of the rates applicable to the TRAs in the Project.
 - [3] Estimate, subject to change.
 - [4] Please see Exhibit A-3. Subject to change.
 - [5] Source: Meadow Creek Group, LLC
 - [6] Based on typical DTA baseline assumptions.
 - [7] Source: California Revenue & Taxation Code §11901, et seq.; Concord Municipal Code §3.15.120
 - [8] Source: Adopted Biennial Operating Budget (FY 2015-16 & 2016-17), City of Concord total assessed value.
 - [9] Source: City of Concord Operating Budget, Fiscal Year 2014-2015.
 - [10] City of Concord no longer receiving significant motor vehicle licensing fees.
 - [11] Property Tax In-lieu of Vehicle Licensing Fees applies to incremental property value post-annexation. Current estimated land value of Project site of \$5,756,238 excluded from calculation.
- * All figures subject to rounding

EXHIBIT A-5
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 SALES TAX REVENUE ANALYSIS

INDIRECT SALES TAX ASSUMPTIONS

i. Residential Indirect Sales Tax Assumptions

A. Mortgage Assumptions

Projected Residential Units

Single-Family Residential and Multi-family

Projected Sales Price per Unit (Blended)	\$474,000
Average Mortgage (20% Down Payment) [1]	\$379,200
Annual Mortgage Payment (8% for 30 Years) [2]	\$39,389
Additional Annual Taxes & Insurance (2.00%)	\$9,480

B. Disposable Income Assumptions

Projected Residential Units

Single-Family Residential and Multi-family

Average Household Income (3:1 Income to Household Payment Ratio) [1]	\$128,608
Retail Taxable Expenditures (as a % of Disposable Income) [3]	24.02%

C. Other Indirect Sales Tax Assumptions

Employees (annual spending per employee) [4]	\$5,145
Retail Taxable Sales Capture	
City of Concord Retail Taxable Purchase Capture [5]	66%
Other Sales Tax Assumptions	
% to the City of Concord [6]	1.50%

DIRECT SALES TAX ASSUMPTIONS

ii. Non-Residential Direct Sales Tax Assumptions

A. Taxable Sales per Sq. Ft. [7]

Non-Residential

Retail	\$250
Non-Retail	\$0

B. Displaced Taxable Sales

Displaced Existing Taxable Sales within the City of Concord [8]	20%
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FISCAL IMPACT CALCULATION

iii. Fiscal Impact Category

Fiscal Impact Amount

A. Indirect Sales Tax

Projected Residential Land Uses

Single-Family Residential and Multi-family	\$73,079
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Employee Taxable Sales

\$0

B. Direct Sales Tax [7]

Projected Non-Residential Land Uses

Commercial Land Uses

Retail	\$0
Non-Retail	\$0

Total Sales Tax Revenues

\$73,079

NOTES:

- [1] DTA estimates. Subject to change.
- [2] DTA estimate. Annual payment includes principal, interest, property taxes, and homeowner's insurance.
- [3] Source: BOE 2008 Consumer Expenditure Survey.
- [4] Source: "Office Worker Retail Spending in a Digital Age," ICSC (2012). Adjusted for inflation.
- [5] Estimate, subject to change.
- [6] Source: Concord Municipal Code §3.15.040; Measure Q (November 2014).
- [7] Based on the median sales per sq. ft. figure for retail centers as outlined in "Dollars and Cents of Shopping Centers" (2008) published by the Urban Land Institute.
- [8] Estimate, subject to change.
- * All figures subject to rounding

EXHIBIT A-6
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 INVESTMENT INCOME REVENUES ANALYSIS

ASSUMPTIONS

I. <u>Investment Income Assumptions</u>		
Investment Period for Recurring Non-Interest General Fund Revenues		12 Months
Local Agency Investment Fund (LAIF) Rate of Return [1]		0.99%
Local Agency Investment Fund (LAIF) Percentage of Earnings Cost [2]		50.00%

FISCAL IMPACT CALCULATION

II. <u>Fiscal Impact Category</u>		<u>Fiscal Impact Amount</u>
Total Property Tax Revenues (Exhibit 4)		\$203,880
Total Sales Tax Revenues (Exhibit 5)		\$73,079
Total Multiplier Revenues (Exhibit 7)		<u>\$70,774</u>
	Projected Recurring General Fund Revenues Available for Investment	\$347,733
	Plus: Investment Income (Less Earnings Cost)	\$1,721
	Total Recurring General Fund Revenues	<u>\$349,454</u>

NOTES:

[1] LAIF Apportionment Rates as provided by the California State Treasurer. 58-Quarter Average (March Beginning 2000 to March Ending 2014) is 2.50%.

[2] Assumed LAIF Administrative Earnings Costs based on quarter ending March 2014.

* All figures subject to rounding

EXHIBIT A-7
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 MULTIPLIER REVENUE SOURCES ANALYSIS

ASSUMPTIONS

I. **Multiplier Revenues**

Revenue Category	Multiplier Factor [1]	Revenue Projection Basis
Tax Revenue	\$12.76	Persons Served
Business Licenses	\$52.83	Per Employee
Franchise Fees	\$36.91	Persons Served
Use of Money and Property	\$3.20	Persons Served
Charges for Services	\$30.66	Persons Served
Licenses and Permits	\$10.78	Persons Served
Fines and Forfeitures	\$4.93	Persons Served
Net Transfers In	\$12.98	Persons Served
Other / Miscellaneous	\$1.24	Persons Served

FISCAL IMPACT CALCULATION

II. **Fiscal Impact Category**

Fiscal Impact Amount

Tax Revenue	\$7,960
Business Licenses	\$0
Franchise Fees	\$23,024
Use of Money and Property	\$1,996
Charges for Services	\$19,125
Licenses and Permits	\$6,724
Fines and Forfeitures	\$3,075
Net Transfers In	\$8,097
Other / Miscellaneous	\$773

Total Multiplier Revenues	\$70,774
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NOTES:

[1] Based on City of Concord Operating Budget, Fiscal Year 2015-2016.

* All figures subject to rounding

EXHIBIT A-8
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 MULTIPLIER EXPENDITURES ANALYSIS

ASSUMPTIONS

I. Multiplier Expenditures

Expenditure Category	Multiplier Factor [1]	Expenditure Projection Basis [1]
Police Department	\$250.81	Persons Served
Public Works	\$35.36	Persons Served
Parks & Recreation	\$33.39	Persons Served
Non-Departmental	\$34.71	Persons Served
Capital Projects	\$1.27	Persons Served

FISCAL IMPACT CALCULATION

II. <u>Fiscal Impact Category</u>	<u>Fiscal Impact Amount</u>
Police Department	\$156,453
Public Works	\$22,057
Parks & Recreation	\$20,828
Non-Departmental	\$21,652
Capital Projects	\$792

Total Multiplier Expenditures	\$221,782
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NOTES:

[1] Based on City of Concord Operating Budget, Fiscal Year 2015-2016.

* All figures subject to rounding

EXHIBIT A-9
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 CASE STUDY EXPENDITURES ANALYSIS

Infrastructure & Parks Maintenance Costs

i. Estimated Additional Infrastructure Requirements [1]		
Estimated Lane Miles of Roadway		0.0
Estimated Number of Signalized Intersections		0
Estimated Number of Streetlights		0
Estimated Acres of Parks		0.0
Estimated Acres of Open Space/Slopes		0.0
Estimated Acres of Basin		0.0
Estimated Mileage of Storm Drains		0.0
Estimated Mileage of Sidewalks/Trails		0.0
ii. Estimated Annual Costs [2]		
Roadway Maintenance Costs per Lane Mile		\$7,834
Traffic Signal Maintenance per Intersection		\$4,938
Street Light Maintenance per Light		\$126
Park Maintenance Costs per Acre		\$10,955
Open Space/Slope Maintenance per Acre		\$517
Basin/Lake Maintenance per Acre		\$5,164
Storm Drain Maintenance Per Mile		\$1,177
Sidewalk/Trail Mileage per Lineal Mile		\$3,497
iii. Estimated Annual Infrastructure & Parks Maintenance Calculation		
Roadways		\$0
Signalized Intersections		\$0
Street Lights		\$0
Parks		\$0
Open Space		\$0
Basin		\$0
Storm Drains		\$0
Sidewalks/Trails		\$0
Total Infrastructure & Parks Maintenance Costs		\$0

NOTES:

[1] Source: Meadow Creek Group, LLC; reflects only those improvements to be operated and maintained by the City's General Fund. Subject to change.[2] Based on data obtained from the DTA Public Works database, in concert with research from the Engineering News-Record.

* All figures subject to rounding

EXHIBIT A-10
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 GENERAL GOVERNMENT EXPENDITURES ANALYSIS

ASSUMPTIONS

Total Recurring General Fund Expenditures (excluding General Government Overhead) [1]	\$70,923,995
Recurring General Government Overhead Expenditures (as a % of Total Recurring General Fund Expenditures) [2]	24.8%
Marginal Increase in General Government Costs	50%

FISCAL IMPACT CALCULATION

<u>i. Fiscal Impact Category</u>	<u>Fiscal Impact Amount</u>
Total Multiplier Expenditures (Exhibit 8)	\$221,782
Total Case Study Expenditures (Exhibit 9)	\$0
	Projected Recurring General Fund Expenditures \$221,782
	Plus: General Government Costs \$27,505
	Total Recurring Expenditures \$249,287

NOTES:

- [1] Based on City of Concord Operating Budget, Fiscal Year 2015-2016.
- [2] General Government Overhead Expenditures defined as costs for City Attorney, City Manager, Finance, etc.
- * All figures subject to rounding

**EXHIBIT A-11
 CONCORD, CALIFORNIA: FOUR CORNERS REDEVELOPMENT PROJECT
 NET FISCAL IMPACT SUMMARY**

<u>RECURRING GENERAL FUND REVENUES [1]</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>
Secured Property Tax	\$119,434	34.2%
Unsecured Property Tax	\$3,285	0.9%
Property Transfer Tax	\$6,207	1.8%
Property Tax In-Lieu of Vehicle License Fee	\$74,954	21.4%
Direct Sales Tax	\$0	0.0%
Indirect Sales Tax	\$73,079	20.9%
Tax Revenue	\$7,960	2.3%
Business Licenses	\$0	0.0%
Franchise Fees	\$23,024	6.6%
Use of Money and Property	\$1,996	0.6%
Charges for Services	\$19,125	5.5%
Licenses and Permits	\$6,724	1.9%
Fines and Forfeitures	\$3,075	0.9%
Net Transfers In	\$8,097	2.3%
Other / Miscellaneous	\$773	0.2%
Investment Income	\$1,721	0.5%
Total Recurring General Fund Revenues	\$349,454	100.0%

<u>RECURRING GENERAL FUND EXPENDITURES [2]</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>
Police Department	\$156,453	62.8%
Public Works	\$22,057	8.8%
Parks & Recreation	\$20,828	8.4%
Non-Departmental	\$21,652	8.7%
Capital Projects	\$792	0.3%
General Government	\$27,505	11.0%
Infrastructure & Parks Maintenance Costs	\$0	0.0%
Total Recurring General Fund Expenditures	\$249,287	100.0%

<u>NET FISCAL IMPACT</u>		
Total Annual Recurring General Fund Surplus/(Deficit)	\$100,167	
Total Annual Revenue/Expenditure Ratio	1.40	
Total Fiscal Surplus/(Deficit) per Unit	\$419	

NOTES:

[1] Please see Exhibits 4-7 for the derivation of these calculations.

[2] Please see Exhibits 8-10 for the derivation of these calculations.

* All figures subject to rounding

Recurring General Fund Revenues

- ▢ SECURED PROPERTY TAX
- ▢ PROPERTY TAX IN-LIEU OF VEHICLE LICENSE FEE
- ▢ Tax Revenue
- ▢ Use of Money and Property
- ▢ Fines and Forfeitures
- ▢ Investment Income
- ▢ Unsecured Property Tax
- ▢ Direct Sales Tax
- ▢ Business Licenses
- ▢ Charges for Services
- ▢ Net Transfers In
- ▢ Property Transfer Tax
- ▢ INDIRECT SALES TAX
- ▢ Franchise Fees
- ▢ Licenses and Permits
- ▢ Other / Miscellaneous



Recurring General Fund Expenditures

- ▶ POLICE DEPARTMENT
- ▶ Non-Departmental
- ▶ Infrastructure & Parks Maintenance Costs
- ▶ Public Works
- ▶ Capital Projects
- ▶ Parks & Recreation
- ▶ GENERAL GOVERNMENT

