

**VALENCIA  
BRIDGE AND MAJOR THOROUGHFARE  
CONSTRUCTION FEE DISTRICT  
UPDATE REPORT**

Prepared for:



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## **I. SUMMARY**

This report presents to the Los Angeles County Board of Supervisors and the Santa Clarita City Council for approval, an area of benefit for financing specific improvements in the Valencia area of the Santa Clarita Valley, within Los Angeles County and City of Santa Clarita jurisdictions. Improvements include, but are not limited to new and improved roadways, bridges, intersections, and interchanges.

Update of the Valencia Bridge and Major Thoroughfare District, hereto after referred to as the District, will provide an equitable financing mechanism by which new development within an identified area will share the costs of providing necessary improvements.

State Subdivision Law and both the Los Angeles County and City of Santa Clarita codes authorize the use of bridge and major thoroughfare construction fee districts for the funding and construction of improvements, provided these facilities are identified on the local agency's adopted transportation element of its General Plan. Based on the transportation needs in this area of the Santa Clarita Valley, and the limitations of other funding sources, this funding method has been determined to be the best alternative to provide needed improvements.

This report describes the concept and mechanics of the District. Information included in this report will enable subject property owners to determine the fee to be assessed against their property if and when it is developed. A map of the District has been included as Figure 1.

### ***A. NEED FOR DISTRICT UPDATE***

Some major highway infrastructure improvements have been completed in the Valencia B&T District since its formation in June, 1999. Some of these improvements include: Valencia/I-5 interchange, I-5/SR-126 interchange, Magic Mountain Phase I interchange, Decoro Drive bridge, Avenue Scott bridge, and the Cross Valley Connector (Newhall Ranch Road between I-5 and Copper Hill Drive).

The largest of the improvement costs that remain in the District are: Phase II of the Magic Mountain/I-5 interchange, the completion of Copper Hill Drive, widening of the McBean Parkway bridge over the Santa Clara River, and widening the Copper Hill Drive and Newhall Ranch Road bridges over San Francisquito Creek. The majority of future development that is left in the District to pay for these improvements include the West Creek Area A (Tract 52455-03) and the remaining phases of Tesoro del Valle.

# VALENCIA B & T DISTRICT

## LEGEND

### ENTITLEMENT STATUS

- APPROVED
- PENDING
- RECORDED/BUILT
- VACANT / NO MAP FILED

- B&T District Boundary
- Easements
- City of Santa Clarita Boundary

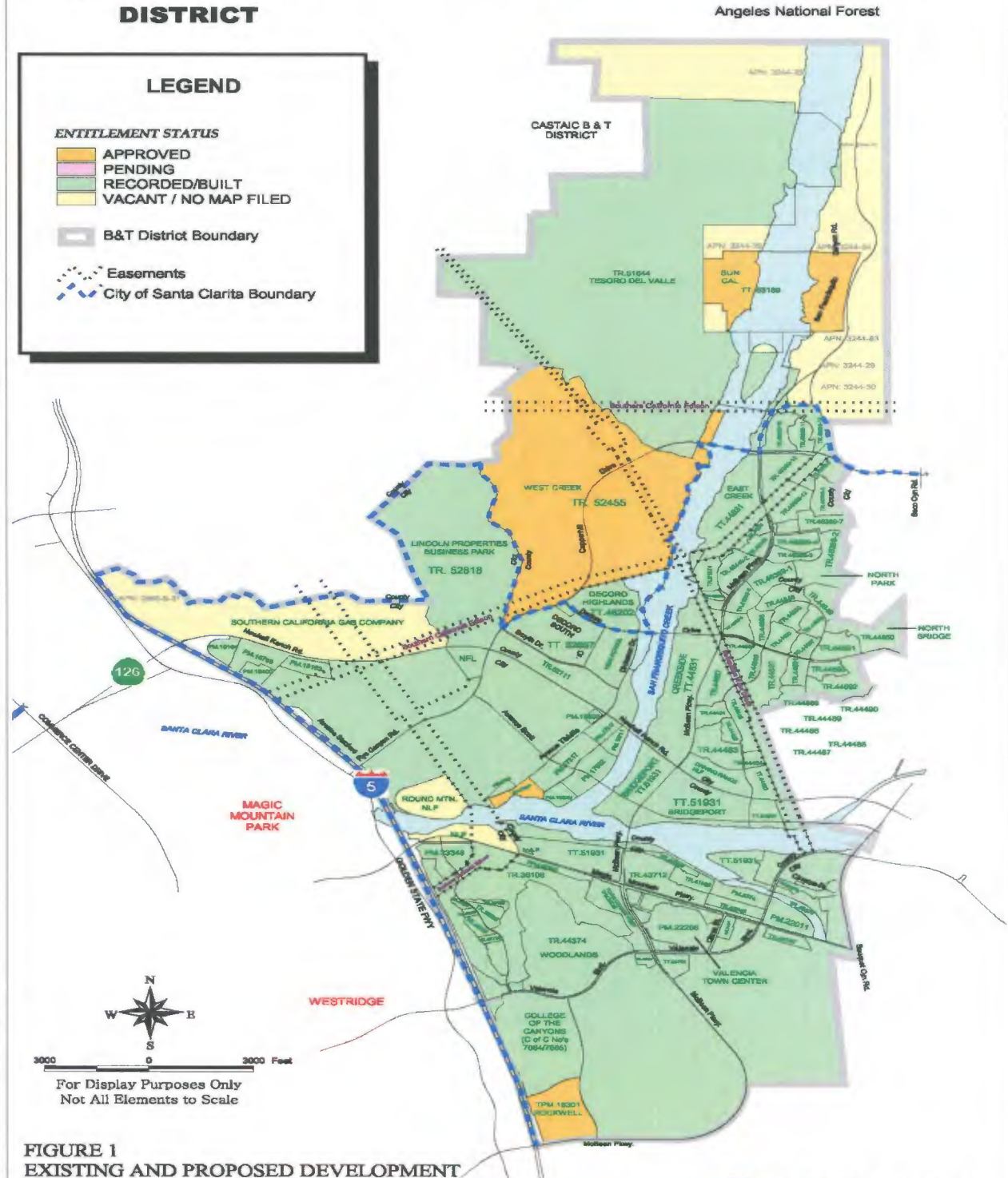


FIGURE 1  
EXISTING AND PROPOSED DEVELOPMENT

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The proposed Valencia B&T fee, \$19,650, almost double the existing fee \$11,320. The two major reasons for this escalation are related to construction costs and change in project scope. Changes in scope have occurred due in part to the level of information that was available at that time of District formation versus the detail we have now. In order for projects to be adequately funded, the District fee needs to be updated to keep pace with the significant changes in construction costs and project scope.

The remaining costs for District improvements are 58% of the original costs (approximately \$69.2M versus \$118M). Some of these remaining costs are for improvements that have been completed by the developer, but not yet been reimbursed, or issued credit, by the City or County.

Although costs are 58% of the original costs, only one-fourth of originally projected development units remain to fund the improvements (2,817.3 FDUs versus 11,184 FDUs).

The District documentation is also being revised to allow for a yearly change ranging from plus 5% to minus 5% in the fee rate based on the Construction Cost Index. This should allow the fee to better keep pace when there are fluctuations in construction costs. Currently, the District has a built-in escalation clause that limits the yearly fee increase to a maximum of 2% based on the local Construct Cost Index. However, over the last few years the construction cost increase has exceeded 2%. Construction costs have gone up 50 to 100% on some items.

## **II. THE BRIDGE AND MAJOR THOROUGHFARE CONSTRUCTION FEE DISTRICT**

### ***A. AUTHORITY***

The State of California Government Code Section 66484, regarding Subdivisions, gives local agencies the authority to adopt local ordinances that “may require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing bridges over waterways, railways, freeways, and canyons, or constructing major thoroughfare.” The local adopted ordinance must refer to the circulation element of its general plan, provide for a public hearing, provide for the establishment of boundaries of an area of benefit, and provide for the identification of the costs, a fair method of allocation of costs to the area of benefit and a fair fee apportionment (to be disclosed at the public hearing). Further, the local ordinance must provide that the payment of fees shall not be required unless the major thoroughfares are in addition to or a reconstruction of any existing thoroughfares serving the area at the time of district adoption, and that the planned bridge facility is an original bridge serving the area, or an addition to any existing bridge facility serving the area, at the time of district adoption. It must further provide that if owners of more than one-half of the area of property to be benefited by the improvement(s) file proper written protests, the district proceedings as proposed shall be abandoned for at least one year. The local ordinance allows acceptance of considerations in lieu of the payment of fees, permits a local agency to advance money from its general fund or road fund to be reimbursed from bridge and major thoroughfare funds, permits a local agency to incur an interest bearing indebtedness for the construction of bridge or major thoroughfare facilities, and does not preclude an agency from providing funds for the construction of bridge or major thoroughfare facilities to defray costs not allocated to the area of benefit.

The Los Angeles County Board of Supervisors adopted Ordinance No. 82-0050 on March 2, 1982, adding Section 21.32.200 to the Los Angeles County Code, providing for the establishment of bridge and major thoroughfare construction fees to be paid by sub divider or building permit applicants. Within the City of Santa Clarita, payment of such fees is established by City of Santa Clarita Subdivision Code Section 16.21.190. These codes are consistent with the requirements and provisions of the State law.

### ***B. PURPOSE***

The District has been designed to accommodate the needs of future development anticipated by the City of Santa Clarita General Plan and Los Angeles County’s Santa Clarita Valley Area Plan. Updating the District will provide local and regional benefits. Some District improvements may be eligible for local, state, and federal funding. The

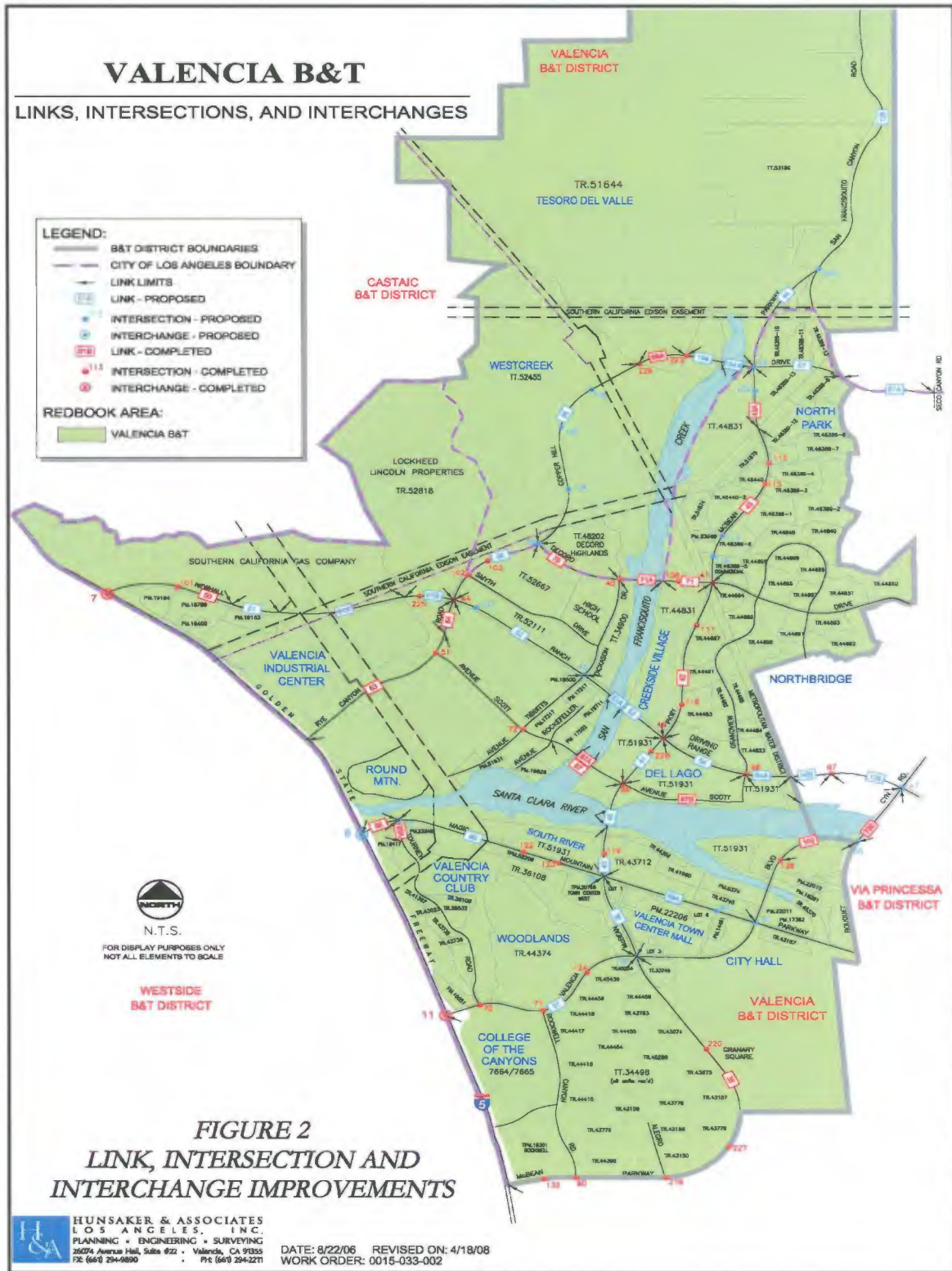
district intends to pursue all potential sources of out-of-district funding for these improvements including, but not limited to, State and Federal Gas Taxes, Propositions A and C Sales Tax, Transportation Planning and Development Sales Tax on Gasoline, County Transportation Tax, State Transportation Improvement Program Funding, Federal Transportation Efficiency Act for the 21<sup>st</sup> Century funds, State and Federal Highway Trust Funds, special grants, and other sources that may be eligible. The District will provide the matching funds necessary to pursue greater funding from the aforementioned sources. A Proposition C grant for the Magic Mountain Parkway/I-5 Phase 2 Interchange Project has been anticipated and formulated into the proposed District fees. If outside funding not anticipated in the District update is received; or if funds anticipated are not received, the District costs will be revised, and the District fee may be adjusted accordingly.

**C. CONCEPT**

As authorized by statutes cited above, the adoption of a specific area of benefit permits the County of Los Angeles and City of Santa Clarita to levy a fee against future development located within the area of benefit. This funding method appropriately assesses developments, which create the need for additional improvements, for the additional public facility costs. The charge is levied in proportion to the estimated number of trips generated by the development which is translated into Factored Development Units (see description of FDU's on page 17 below).

The adoption of this type of funding district does not charge existing development. The District fee is collected at the time of recordation of a final map or just prior to the issuance of a building permit.





### **III. VALENCIA AREA ACCESS**

#### **A. BACKGROUND**

Prior to the 1980's, the County was able to assist developers in the funding and construction of needed highway improvement. Land development was primarily concentrated in flatter areas, expanding away from urban centers. Public facilities were constructed to accommodate this expansion. Gas tax revenue no longer provides sufficient funding for highway improvements in both the City and County unincorporated areas of the Santa Clarita Valley.

Development is occurring in outlying areas where topography is more rugged and restrictive. Geographical characteristics dictate development locations resulting in increased costs to provide necessary public facilities, including roadways.

#### **B. EXISTING CIRCULATION AND PROPOSED IMPROVEMENTS**

The primary road network for the Valencia area consists of Interstate 5, three interchanges with Interstate 5, and ten arterials which are classified as either Major or Secondary Highways on both the City and County Highway Plans. (See Figure 2). The upgraded District proposes to provide full mitigation for roadways identified in the City and County circulation elements, including intersections and interchanges. Full mitigation improvements to these facilities generally include, but are not limited to: full-width grading, base, pavement, curb, gutter, sidewalks, medians, bus turnouts or bus pads (where applicable), bike lanes (where applicable), fully improved and signalized intersections, signal interconnect (where applicable), street lighting, roadway-related utility relocation, roadway-related drainage structures, and full-width decking with footings for proposed bridges and interchanges. Right-of-way is assumed to be dedicated by individual development projects, except for that needed for State highway projects and roadway construction not related to private development projects.

*Update to the Report on the Bridge and Major  
Thoroughfare Construction Fee District for Valencia*

The remaining proposed improvements are listed below.

<b>LINKS</b>		
<b>LINK #</b>	<b>LOCATION</b>	<b>IMPROVEMENT</b>
39	McBean: Valencia to Magic Mountain Pkwy	Stripe east side from 3 to 4 lanes
40	McBean: Magic Mountain to Santa Clara River	Complete portion of raised median before bridge
41	McBean: Avenue Scott to Newhall Ranch Road	Complete portion of raised median after bridge
44	McBean: Copper Hill to 1500' north	Construct 2 lanes of roadway from Copper Hill Drive to 1,500 feet north.
45	McBean Parkway Bridge widening over Santa Clara River	Widen bridge from 6 to 8 lanes
125	San Francisquito Canyon Road	Minor roadway improvements consistent with limited secondary highway standards
63	Rye Canyon Road: Avenue Stanford to The Old Road	Add two southbound right-turn lanes
65	Copper Hill: Newhall Ranch Rd. to Decoro	Add sidewalk to the west side
66	Copper Hill: Decoro to W'ly bndy. of Tesoro	Widen road from 2 to 6 lanes (including median and storm drain)
194	Copper Hill: E'ly bdy. Tesoro to McBean	Widen road from 4 to 6 lanes (including median retrofit)

*Update to the Report on the Bridge and Major  
Thoroughfare Construction Fee District for Valencia*

<b>LINKS</b>		
<b>LINK #</b>	<b>LOCATION</b>	<b>IMPROVEMENT</b>
194A	Copper Hill Road Bridge over San Francisquito Creek	Widen bridge from 4 to 6 lanes
67	Copper Hill: McBean to E'ly District bdry.	Stripe from 4 to 6 lanes and modify median
67A	Copper Hill: E'ly District bdry. to Seco Canyon Road	Widen roadway from 4 to 6 lanes (including median)
97	Valencia Bl: I-5 to McBean	Shift median to north and restripe 8th lane
89	Magic Mountain: Tourney Rd. to McBean	Construct 8 lanes from Edison RW to I-5 (includes right-of-way acquisition)
89A	Magic Mountain: McBean to Valencia	Phase 1: Stripe to 6 lanes from McBean to Valencia; Phase 2: Add additional eastbound and westbound lane (6 to 8) between Auto Center Drive and Valencia Blvd. (including right-of-way acquisition)
52	Newhall Ranch Road: Copper Hill to Dickason	Widen roadway from 4 to 8 lanes (excluding Home Depot Frontage which is already constructed)
53	Newhall Ranch Road: Dickason to McBean	Widen road from 6 to 8 lanes (including median)
53A	Newhall Ranch Road Bridge over San Francisquito Creek	Widen bridge from 6 to 8 lanes

<b>INTERSECTIONS</b>		
<b>INTERSECTION #</b>	<b>LOCATION</b>	<b>IMPROVEMENT</b>
33	Magic Mountain and Tourney	Signal modification
39	Copper Hill and Decoro	Signal modification
43	McBean and Copper Hill	Phase 3: Add southbound right-turn lane Phase 4: Intersection modification due to 6-lane bridge Phase 5: Signal modification from 3 to 4 legs
44	Copper Hill and Newhall Ranch Road	Striping for 4 <sup>th</sup> eastbound through (striping cost included in link 52)
45	Newhall Ranch Road and Dickason	Signal modification/replacement due to 8-lane widening
46	Newhall Ranch Road and McBean Parkway	Striping for 4 <sup>th</sup> eastbound and westbound through lane
47	Newhall Ranch Road and Bouquet	Restriping to add 2nd southbound left, 3rd and 4th eastbound through, and 4th westbound through; Signal Modification and augmentation for one right-turn pocket and median modification
55	Valencia and Bouquet	Add 4 <sup>th</sup> northbound through lane
56	McBean and Magic Mountain	Signal modification and augmentation for westbound and eastbound dedicated right-turn lanes; stripe eastbound and westbound 3 <sup>rd</sup> through lanes; Striping for 4 <sup>th</sup> northbound through lane; pork chop modification to accommodate 4th eastbound and westbound through lane

*Update to the Report on the Bridge and Major  
Thoroughfare Construction Fee District for Valencia*

<b>INTERSECTIONS</b>		
<b>INTERSECTION #</b>	<b>LOCATION</b>	<b>IMPROVEMENT</b>
57	Valencia and Magic Mountain	Add northbound right-turn lane, east and westbound through lanes, additional westbound left-turn lane (relocate raised median) and westbound right-turn lane; obtain right-of-way.
59	Valencia and McBean	Add 4th Westbound Through Lane
85	Rye Canyon Road and Avenue Stanford	Signal Modification and de-facto right-turn pocket. Right-of-way acquisition
104	Copper Hill and Camino del Arte	Phase 1 – New 4-way signal (retrofitted for interim 3-way signalization) Phase 2 – Signal modification from 3 way to 4-way
105	Copper Hill and West Creek Dr./West Hills Dr.	New 4-way signal
106	Copper Hill and West Hills Drive	New 4-way signal
115	McBean and Skycrest	New 4-way signal
116	McBean and Summerhill	New 4-way signal
225	Newhall Ranch Road and Aurora	New 4-way signal
226	San Francisquito Canyon and future Tesoro entrance	New 3-way signal

<b>INTERSECTIONS</b>		
<b>INTERSECTION #</b>	<b>LOCATION</b>	<b>IMPROVEMENT</b>
227	McBean Parkway and Orchard Village Road	Add eastbound right-turn lane, southbound left-turn lane, and shared southbound left/southbound through lane.
231	Magic Mountain and Citrus	Relocate signal poles with 8-lane widening
233	Newhall Ranch Road at Home Depot Driveway	Signal modification
234	Rye Canyon Road and The Old Road	Signal modification and intersection augmentation to allow for two southbound right-turn lanes, three southbound left-turn lanes, and three northbound throughs (improvement cost to be shared with the Westside B&T District)

**SR-126/ I-5 Interchange**

Add 4<sup>th</sup> westbound through lane (improvement requires striping only).

**McBean Parkway/ I-5 Interchange (southbound ramps)**

Add second southbound left-turn lane (new lane configuration should be one southbound left, one combined southbound through/southbound right, one southbound right).

**Valencia Boulevard/ I-5 Interchange (southbound ramps)**

Convert second westbound right turn lane to a shared westbound through/westbound right turn lane (improvement requires striping only).

**Magic Mountain Parkway Phase 2 Interchange**

The Interstate 5/Magic Mountain Parkway Phase 2 project includes the reconstruction of the four northbound and southbound ramps and the relocation of the Old Road approximately 180 feet to the west. It includes the widening of the Old Road to its ultimate width from the Edison easement on the south to Feedmill Road to the north, transitioning back to the existing bridge over the Santa Clara River. It includes the widening of Magic Mountain Parkway from Tourney Road, under the new freeway overpass, and transitions back to existing roadway westerly of The Old Road intersection. As part of this project, the Chevron station will be relocated to the new site that has been graded behind the existing station.

The project construction cost is funded by a Metropolitan Transportation Authority Prop C grant of \$10,435,000. The balance of construction is being funded through the Valencia B&T and the proposed Magic Mountain/Westside B&T Districts.



## **IV. THE VALENCIA BRIDGE AND MAJOR THOROUGHFARE CONSTRUCTION FEE DISTRICT**

### ***A. THE AREA OF BENEFIT BOUNDARY***

The legal description of the area of benefit boundary is defined in Attachment A included herewith. It encompasses those properties which have yet to be developed and which will receive benefit from the improvements funded by the District. A map of the Area of Benefit is shown as Figure 1. The boundaries were determined by the I-5 freeway, topographical features in the Valencia area, ownership/parcel lines, national forest land boundaries, and existing and future access.

### GENERAL BOUNDARY DESCRIPTION

#### West Boundary Line

The western district boundary follows Interstate 5 before turning east at the Southern California Gas Company property. The westerly boundary turns north at the westerly boundary of Tract 51828 and follows the westerly boundaries of Tract 52455 and Tract 51644, and the easterly boundary of Tentative Tract 53822.

#### North Boundary Line

The northernmost portion of the District boundary is formed by the Angeles National Forest. The northern boundary of the western area east of Interstate 5 follows private property (Southern California Gas Company) and extends to the southern terminus of Biscailuz Drive.

#### East Boundary Line

The eastern boundary generally follows a major north-south ridgeline with consideration for recorded subdivision boundaries and ownership. This boundary is shared with the Bouquet Canyon and Via Princessa Bridge and Major Thoroughfare Districts. The boundary extends south from the National Forest boundary, east of San Francisquito Canyon Road, along private property west of Seco Canyon Road, and along the Metropolitan Water District fee parcel. The boundary then runs along the northerly banks of the Santa Clara River to

Bouquet Canyon Road and San Fernando Road, south of Soledad Canyon Road.

South Boundary Line

The south boundary line is shared with the Via Princessa Bridge and Major Thoroughfare District. It extends easterly from I-5, along McBean Parkway and private property to San Fernando Road.

**B. DEVELOPMENT ANALYSIS**

The analysis in Attachment C shows that an additional 2,135 residential units and 318 acres of non-residential uses are expected to be built on land located within the Area of Benefit<sup>1</sup>. The estimated number of residential units for remaining vacant lands within the District is based on the land use categories designated in the City of Santa Clarita General Plan and the SCVAP. In cases of projects which are currently filed (pending projects) within the City and County, the data shown on the pending tentative map was assumed.

**C. PROPOSED IMPROVEMENTS AND ESTIMATED COSTS**

Improvements to be funded by the District are based on a determination of the traffic needs of remaining development, and an analysis of the improvements designated on the highway plans of the adopted City and County General Plans. Improvements and associated costs have been estimated for purposes of determining the value of the District. Actual scope of work and costs may change as the improvements approach the final design stage. As improvement costs tend to increase once additional information is known at the final design stage, this District update has included a contingency in the cost of each of the remaining improvements in order to prevent a future funding shortfall. The amount of the contingency ranges based on the level of design information available for each improvement.

The proposed improvements are shown in Figure 2 and described in Section IIIB above. Total costs for the improvements are estimated to be approximately \$74,115,468. A summary of estimated costs is shown in Attachment B.

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<sup>1</sup> Of the non-residential acreage noted, approximately 217 acres lies within a large Edison easement. As only temporary uses will be allowed on this property, the FDUs derived from this property have been assumed at 50% of the typical rate.