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February 16, 2012

Association of Bay Area Governments
Executive Board
101 Eight Street
Oakland, CA 94607-4756
Attn: Ezra Rapport, Executive Director

RECEIVED

FEB 17 2012

EXECUTIVE DIRECTOR'S OFFICE

RE: City of Benicia Application for Priority Development Area (PDA) Designation
Industrial Park Area, Benicia

Members of the Board:

I am writing to you on behalf of West Coast Home Builders, Inc. (WCHB) with respect to the approximate 500 acres owned by WCHB, and commonly known as the Benicia Business Park. West Coast Home Builders recently discovered the December 16, 2011 application submitted to the Association of Bay Area Governments by the City of Benicia to establish the so called Northern Gateway – Benicia Industrial Park Priority Development Area under the FOCUS program (the "Application"). We understand applications are being reviewed at this time and that ABAG plans to select and adopt proposed PDA's on March 15, 2012.

WCHB was shocked to see its property included in this PDA application. No one from the City of Benicia contacted WCHB about this application even though the WCHB property supposedly represents over 50% of the proposed project area (the application indicates the total area to be 925 acres). WCHB strongly opposes the establishment of any PDA which would include its Benicia Business Park property. WCHB will vigorously pursue and oppose with any available legal remedies the creation of this PDA, including opposing any grant funding for the imposition of a Specific or Area Plan, related environmental review, and conditions imposed on development in the area of the proposed PDA.

The Resolution in support of the Application, adopted by the City of Benicia on January 17, 2012, includes an Exhibit A depicting the boundary of the proposed PDA. That map clearly shows the WCHB property within the boundary of the proposed PDA. We have also discovered that the City's December 16, 2011 Application to ABAG also includes the WCHB property (Part 3 "Maps of PDA"). A copy of the map submitted by the City which depicts the proposed PDA is attached as Exhibit 1.

The City's Application contains substantial erroneous and misleading information. The Application should be disqualified from the selection process.

Examples of errors in the City's Application include:

PART 1 – Applicant Information & Area Details:

- **Item b: “Area Name and Location”**
The Application describes the PDA Boundary as “Northern Gateway – Benicia’s Industrial Park (At HWY 680 at Lake Herman Road in the north to East Channel Road/Bayshore Road in the south, and bounded by Southern Pacific Railroad to the east, and Lake Herman Rd to the west”. This narrative area description clearly does not include the WCHB property, yet the accompanying maps do include the WCHB property.
- **Item c: “Area Size”**
The Application claims an area of 925 Acres. WCHB obtained a boundary calculation by a registered civil engineer that shows that the area depicted in the PDA Application and City's Resolution is 1,447 Acres. Attached as Exhibit 2 is a copy of the City's map, with the area on the north side of the proposed PDA which is owned by WCHB highlighted in orange.
- **Item f: “Total Housing Units”**
The majority of the PDA area (the Benicia Industrial Park) is designated in the City's General Plan as General Industrial. That land use designation does not permit residential uses.
- **Item g: “Total Jobs”**
The total jobs predicted for the year 2040 within the PDA is 11,600. That is an increase of 5,100 jobs within the area of the proposed PDA (11,600 projected jobs less 6,500 existing jobs). This is preposterous and misleading. The existing Benicia Industrial Park, which is the vast majority of the area of the proposed PDA, is 98% developed. Even by adding a small amount of vacant land north of Lake Herman Road and west of Highway 680, it is not physically possible to add 5,100 new jobs within the 925 acre area described in item 1.b. and 1.c of the Application.

PART 2 – Additional Area Information:

As explained earlier, Exhibit A of the Council Resolution in support of the Application depicts the WCHB property within the PDA. (Exhibit 1, attached.)

Part 2, item b asks: "Have other plans been developed within the last 15 years that cover the priority area?"

The WCHB Benicia Business Park had several development applications to the City and several EIR's were prepared and processed through the City. The Application is erroneous and misleading regarding the property included and fails to describe the extensive planning which has been undertaken in the past 15 years.

PART 3 – Maps for PDA:

As discussed above, the map depicting the proposed PDA includes the WCHB property, while the description of the area in the text of the Application is inconsistent with the map.

PART 4 – Narrative:

The entirety of this Narrative is in contradiction with the Boundary of the proposed PDA. The existing Benicia Industrial Park is discussed at length. The narrative states that "the proposed PDA already has infrastructure in place". This statement is not true as to the WCHB property. There is no mention of the WCHB property at all (the Benicia Business Park). There is absolutely no explanation or justification regarding how this PDA program is going to generate 5,100 new jobs.

PART 5 – Potential Assistance Requested:

Part 5 seeks information that will aid in the development of "tools and incentives" for development of the PDA. The City requests assistance in funding a Precise or Specific Plan for the area, as well as funding for EIR to implement the area wide plan.

WCHB strenuously objects to the preparation and imposition of specific or precise plans for its property, or the creation of supporting environmental reports regarding development of its property. ABAG should not award State of California Grants to assist in creation of land use plans over the objection of property owners. Given the projected nine billion dollar state budget deficit, funding a plan that will be vigorously opposed by the effected property owner is unwise to say the least.

The City apparently does not want input from WCHB and has therefore decided to seek alternative funding to plan the WCHB property. Planning for a development that is not supported by the owner, contains unacceptable conditions and requirements, and is not economically viable, makes no sense. No developer will set out to build a project that does not make economic sense. Planning for a project

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that will not be built serves no legitimate purpose and is a waste of government resources.

The Application is erroneous and inconsistent. It is a mish-mash of misinformation. Almost nothing in this Application is accurate or reliable. The Application should be disqualified from the selection process.

Very truly yours,

MILLER STARR REGALIA

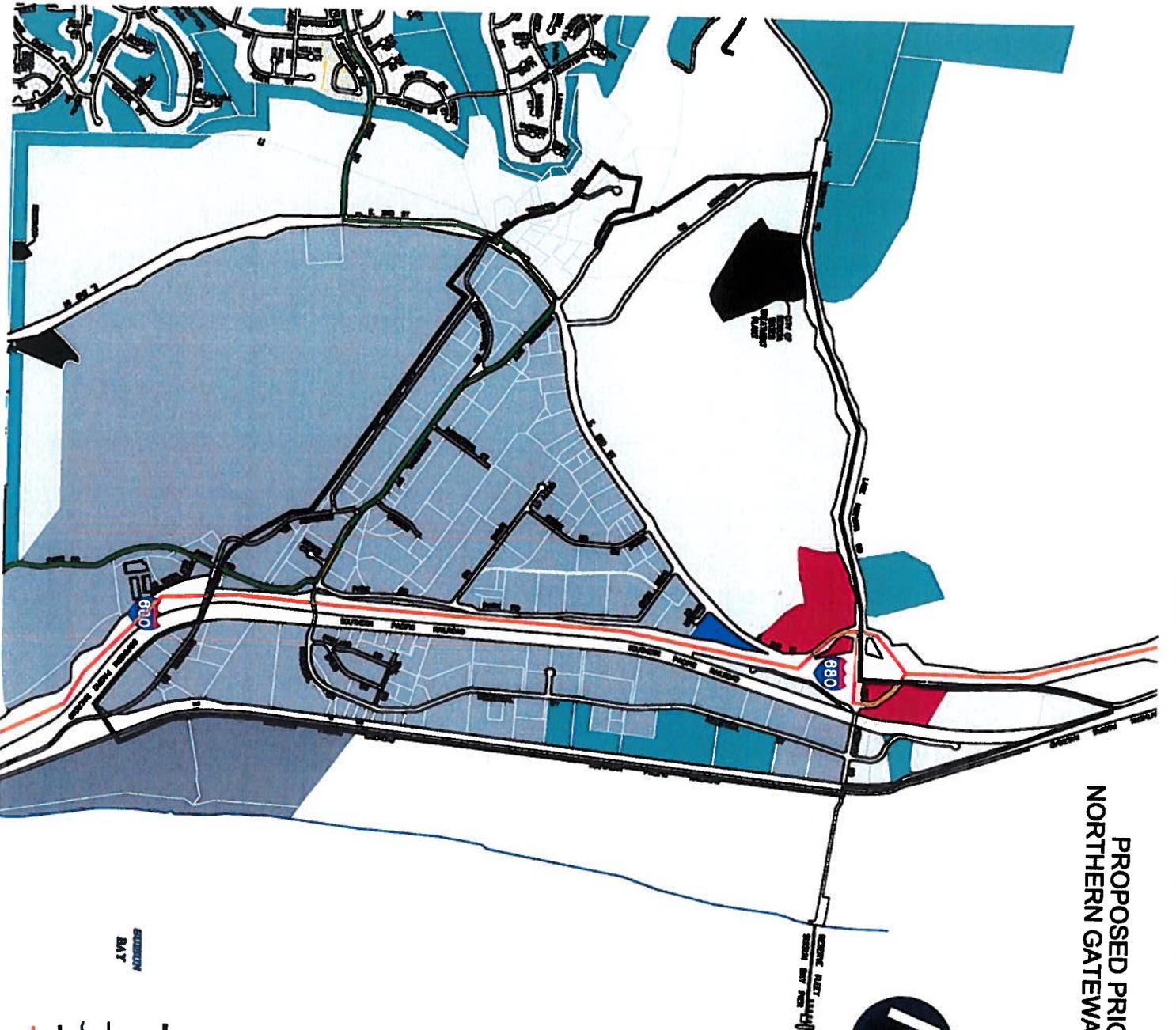


George B. Speir

GBS:mj
Enclosures

cc: Steve Heminger, Executive Director
Metropolitan Transportation Commission (w/encls.)

PROPOSED PRIORITY DEVELOPMENT AREA NORTHERN GATEWAY- BENICIAS INDUSTRIAL PARK



ZONING MAP LEGEND:

| | |
|----|---|
| OS | OPEN SPACE |
| PS | PUBLIC & SEMI-PUBLIC |
| R3 | SINGLE FAMILY RESIDENTIAL - 8 - 7 BUNGALOW |
| R4 | MEDIUM DENSITY RESIDENTIAL - 8 - 6 BUNGALOW |
| R1 | HIGH DENSITY RESIDENTIAL - 5 - 2 BUNGALOW |
| PD | PLANNED DEVELOPMENT |
| CC | COMMUNITY COMMERCIAL |
| CO | OFFICE COMMERCIAL |
| CG | GENERAL COMMERCIAL |
| CD | DOWNTOWN COMMERCIAL |
| CW | WATERFRONT COMMERCIAL |
| I1 | LIMITED INDUSTRIAL |
| I6 | GENERAL INDUSTRIAL |
| IW | WATER RELATED INDUSTRIAL |
| IP | INDUSTRIAL PARK |

GENERAL LEGEND:

| | |
|---|---|
| — | PROPOSED BOUNDARY |
| — | LOT / PROPERTY LINE |
| — | STREET / ROAD / HIGHWAY RIGHT-OF-WAY LINE |
| — | SHORE LINE / EDGE OF WATER BODY |
| — | NORTH-SOUTH BAY AREA (ROUTE 22) |
| — | EAST-WEST BAY AREA (ROUTE 49) |



**PROPOSED PRIORITY DEVELOPMENT AREA
NORTHERN GATEWAY - BENICIA'S INDUSTRIAL PARK**



Graphic Scale in Feet

**PDA AREA =
1,447±
ACRES**

- ZONING MAP LEGEND:**
- OS OTHER OFFICE
 - PS PUBLIC & SEMI-PUBLIC
 - RS SINGLE FAMILY RESIDENTIAL - 1/2 ACRE
 - R2 MEDIUM DENSITY RESIDENTIAL - 1/4 ACRE
 - RH HIGH DENSITY RESIDENTIAL - 1/8 ACRE
 - PD PLANNED DEVELOPMENT
 - CC COMMUNITY COMMERCE
 - CO GENERAL COMMERCE
 - CD DOWNTOWN COMMERCE
 - CV INTERMEDIATE COMMERCE
 - I1 LIMITED INDUSTRIAL
 - I2 GENERAL INDUSTRIAL
 - I3 WATER RELATED INDUSTRIAL
 - I4 INDUSTRIAL PARK

- GENERAL LEGEND:**
- PROPOSED DEVELOPMENT
 - EXISTING DEVELOPMENT
 - STREETS / HIGHWAY RIGHT-OF-WAY LINE
 - RAILROAD RIGHT-OF-WAY LINE
 - WATER
 - WATER RELATED INDUSTRIAL
 - INDUSTRIAL PARK

