



AGENDA BILL

Agenda Item No. 7.A.

Date: November 19, 2019
To: El Cerrito City Council
From: Melanie Mintz, Community Development Director, Community Development Department
Subject: El Cerrito Plaza BART Transit Oriented Development (TOD)

ACTION PROPOSED

1) Receive a presentation regarding BART's Transit Oriented Development process for El Cerrito Plaza BART, provide feedback on the draft TOD goals and objectives; and 2) Adopt a resolution authorizing evaluation of a potential library to be included for study in the Request for Qualifications, and support BART's inclusion of Sustainable Access Studies and Strategies in the Request for Qualifications.

BACKGROUND

Numerous City plans and policies over many years have identified revitalization of the El Cerrito Plaza area as a key goal. Currently, due to the alignment of the San Pablo Avenue Specific Plan's transit supportive standards and goals and the San Francisco Bay Area Rapid Transit District's (BART) Transit Oriented Development (TOD) policy, there is an opportunity to partner with BART to seek a development partner and to help shape development at the El Cerrito Plaza station site.

Over the past several years, the City, region, State, and BART have all been working to align transportation and land use planning and to increase the supply of housing near transit to meet many aligned policy goals related to climate change, equitable access, and the region's shortage of housing. The passage of AB 2923 (Bay Area Rapid Transit District : transit-oriented development; Chiu) in September 2018 has provided new mandates regarding development at BART stations. (For a summary of AB2923, please see the 'Analysis' section of this report.)

In 2016, the City (Resolution 2016-68) asked BART to advance TOD at the Plaza station and to consider the inclusion of a library at the BART property as part of BART's development process and the City's ongoing efforts to build a new library. Due to the alignment of the City's standards and goals and BART's TOD policy, coupled with the need to implement AB 2923 mandates, BART is preparing to proceed with issuing a Request for Qualifications (RFQ) to seek a development partner to plan, design, and develop the El Cerrito Plaza BART site. The City Council is being asked to provide feedback on the draft *Goals and Objectives* (Attachment 2) that will be utilized to guide the development of the RFQ by BART staff and to authorize the RFQ to include a scenario with a public library at the El Cerrito Plaza BART TOD site as part of the process.

BART staff plans to update the BART Board of Directors on the RFQ process with a focus on the draft Goals & Objectives in January 2020. Once a development partner is selected, and pursuant to their respective roles, the City and BART would engage in extensive community engagement to develop a project that would be achievable, feasible, and fulfill both BART's and the City's adopted goals and plans, as well as the approved *Goals and Objectives*. BART currently has 24 TOD projects either completed or underway, and El Cerrito Plaza has been prioritized as the next station to enter the TOD process.

ANALYSIS

Below are brief summaries of some of the issues that would frame development at the Plaza BART site, including: the San Pablo Avenue Specific Plan as it applies to the El Cerrito Plaza site; AB 2923; BART patron parking and access; affordable housing; and library feasibility and parking. At this time, the City Council is being asked to provide feedback on the draft *Goals and Objectives* for development of the RFQ, to authorize evaluation of inclusion of a potential library in the TOD process, and to support BART's inclusion of Sustainable Access Studies and Strategies in the RFQ. The City Council and the BART Board will have future opportunities to determine whether to proceed with a library at this site, based on the outcomes of community engagement and early project development which would include high level cost estimates.

San Pablo Avenue Specific Plan

In 2014, the El Cerrito City Council adopted the San Pablo Avenue Specific Plan (SPASP) to further the City's goals to stimulate investment and create vibrancy along the San Pablo Avenue corridor and near the City's two BART stations. Numerous economic development studies and financial feasibility studies over the years identified allowing increased heights and reduced parking requirements as key to stimulating development and economic activity. Attracting new residential development was identified as a key element towards attracting new, high quality businesses as well as supporting existing businesses.

The approximately 6-acre El Cerrito Plaza BART site is largely within the Transit Oriented Higher Intensity Mixed Use (TOHIMU) district of the Plan and borders four SPASP "Street Types" (Major Commercial, Neighborhood, Gateway, Ohlone Greenway) which dictate the development standards for the site. Figure 1 shows the BART El Cerrito Plaza parcels, labeled by letters A-D. One parcel (Parcel A, *Figure 1*) is outside of the Plan area and may need to be rezoned pursuant to AB 2923 (see below.) The Plan provides development standards for the site, which include allowable height, parking requirements, required transparency, common/public open space and numerous other standards. The Plan, generally, allows a project of 65-feet, which is equivalent to six-stories or up to 85-feet, or eight-stories, with affordable housing (pursuant to the State Affordable Housing Density Bonus). This is consistent with BART's mid-rise building goals for the site and AB2923 (see below).

Whereas at some development sites within the Specific Plan area, the public open space and art requirements can be met through in lieu payments, pursuant to the SPASP at El Cerrito Plaza BART both open space and art would be provided on site due to its critical location and size within the lower Fairmount and Downtown commercial area.

Figure 1: BART El Cerrito Plaza Parcels and Existing Conditions (*Graphic by Group 4*)



Note: Parcel Letters for communication purposes only. Parcel A lies outside the San Pablo Avenue Specific Plan Area, as described in the text above.

BART TOD Policy, AB 2923, and BART’s TOD Process

BART TOD Policy: BART adopted a new Transit-Oriented Development Policy in 2016. BART’s TOD vision is that BART’s real estate assets can be used to “catalyze transit-oriented development in furtherance of BART’s purpose and goals.” BART views local governments as key partners in implementing BART’s TOD program. Through their policies and studies BART has stated, at this point in time, that they will only solicit proposals for TODs in localities that have an adopted plan allowing for transit supportive land uses consistent with their TOD guidelines. More information about their TOD program can be viewed at bart.gov/about/business/tod.

AB 2923: In response to the regional housing crisis, the State is increasingly involved in passing legislation to support an increase in the production of housing. AB 2923, signed by Governor Brown on September 30, 2018, directs BART to adopt new transit-oriented zoning standards for each BART station by July 1, 2020. For BART stations in jurisdictions that do not conform zoning to these standards by July 1, 2022, BART’s standards would become the operative zoning for all BART-owned land near its stations. Local zoning plans consistent with BART’s standards, such as the San Pablo Avenue Specific Plan in El Cerrito, will remain in effect. Per AB 2923, unless BART adopts new standards by July 1, 2020, the El Cerrito Plaza BART station must be zoned

to allow for a height of seven stories and the El Cerrito del Norte BART station must be zoned to allow for a height of 5 stories. In a June 13, 2019 presentation to the BART Board, BART staff indicated there is no current intention to adopt new standards other than what is proposed in AB 2923 by the July 1, 2020 deadline.

A key item of interest to El Cerrito residents, discussed extensively at recent public meetings held by BART and online forums, will continue to be how patron parking and other multimodal access options will be provided. AB 2923 Section 3 identifies that for any station where district commuter parking is reduced as a result of a TOD project on land where TOD standards apply, BART will “develop and fund an Access Plan that maintains station access for at least the number of customers affected by the reduced number of commuter parking spaces, which shall include special consideration for customers that live further than one-half mile from the station.” How the access is provided will be analyzed and evaluated during the TOD process, as described below.

BART TOD Process: BART’s TOD process includes Pre-Solicitation, Developer Solicitation/Selection, Project Refinement/Developer Agreement, and Permitting and Construction phases.

Pre-Solicitation: BART is currently in the pre-solicitation phase at El Cerrito Plaza. Once BART confirms that a City’s land use plans are transit supportive and identifies a station as a priority, as it has with the El Cerrito Plaza station, BART staff begins to do further evaluation of the site, including preliminary access and operational needs, and initiates a community engagement process in partnership with the City. BART staff have attended City SPASP Update meetings, held an Open House about future TOD at the El Cerrito Plaza BART station on August 14, 2019, and held a well-attended workshop at Hana Gardens on October 3, 2019. During this phase, the draft *Goals and Objectives* for the development will be developed, which inform the criteria that will be used to select the developer. The draft *Goals and Objectives*, including further evaluation of the public library in the process, will be presented to the BART Board for approval prior to the final development and issuance of the RFQ.

Developer Solicitation/Selection: During this phase, BART issues a solicitation, selects a developer, and updates the community and the Board of Directors. Notably, in the case of El Cerrito Plaza, BART intends to issue a *Request for Qualifications* (RFQ) rather than a *Request for Proposals* (RFP) because an RFQ gives BART flexibility and the ability to understand from a developer’s perspective what is feasible in a TOD project at the Plaza site. An RFP would not be as advantageous given that certain decisions have not been made at this point. For instance, BART has not decided on which potential levels of replacement parking are expected to be provided in the project. In addition, the City has also requested (and BART will be seeking direction from its Board of Directors) that the developer explore the potential to include a new library with parking. Both of these items have anticipated cost implications. Ultimately, the developer solicitation/selection process allows BART to select a highly qualified developer who is willing to collaborate with the City and BART in making critical decisions that will have a major impact on the financial feasibility and funding strategy of the development.

Project Refinement/Developer Agreement/Ground Lease Negotiations: This phase is when the selected developer works with BART and the community to develop a viable project that best meets all the needs of the various stakeholders. This phase includes the following elements and components:

- BART completes access study
 - Developer funds access study (pursuant to AB 2923) to finalize improvements to ensure station access, including parking replacement levels, locations, and funding strategies
- Developer progresses design
 - TOD architecture and program
 - Housing affordability
 - Circulation, design and public realm
 - Options *with and without* a library
- Community Outreach & Engagement
 - Ongoing
- Internal BART Staff team review
- Project Level CEQA and Entitlement Process (City)
- Negotiation of Financial Terms

Finally, at the culmination of this process, the BART Board would consider/approve a Development Agreement and Ground Lease. During this process, prior to progressing to entitlement and design, the City would need to make a determination about inclusion of the library, based upon the information gathered in the project refinement phase.

Parking

Two distinct parking issues arise as TOD is contemplated for El Cerrito Plaza BART station: 1) parking for the new development; 2) parking for BART patrons who currently drive and park at the station. Addressing both of these issues will be a key component of the development process. Selection of a developer who has worked on projects with similar challenges will be a key selection criterion articulated in the RFQ. As noted above, an Access Study will be funded by the developer to identify feasible options for providing station access. Goal E: Transportation Choice, Objective 2, in the draft *Goals and Objectives* states:

Minimize the need for BART patron parking replacement in an on-site garage by maximizing the use of existing available parking capacity in close proximity to the station and exploring other parking and access options for patrons who do not live near the station.

A third parking issue that will be addressed and studied during the project refinement phase will be evaluating the costs of providing parking for library patrons, as further discussed below in the Library section.

Affordable Housing

Pursuant to BART's Affordable Housing Policy, each developer solicitation issued by BART relating to proposed residential development projects at BART stations shall include a minimum of 20% of the residential units as affordable, with a priority given to residential units made available to very low income (< 50% AMI) and low income (51-80% AMI) households. This policy further requires BART to evaluate proposals on the basis of depth and quantity of affordable housing.

Library

As mentioned in the background section of this report, the City Council adopted a resolution in 2016 requesting the BART Board to advance development at the El Cerrito Plaza BART station and to authorize the City Manager to enter into an Memorandum of Understanding with BART to study the feasibility of transit-oriented development and a potential new library at the El Cerrito Plaza BART station (Resolution 2016-68). The City and BART entered into this MOU in February 2018. The City retained Group 4 to evaluate the site for the library from a high-level site capacity standpoint. Group 4 has identified visibility, functionality, parking, timeline/phasing, and cost/financing as key evaluation criteria that the City would use to determine whether to proceed with the library at this site. From a high-level site planning standpoint, the City's goals for the library and BART's goals for TOD could be accommodated and Group 4 recommended continuing with BART's RFQ process. During the early part of the project refinement phase, the selected developer would consider a scenario with a 21,000 square foot library (as identified in the City's 2015 Library Needs Assessment), including Group 4's recommendation of 63 parking spaces (which is equivalent to one parking space per 3,000 square feet).

Respondents to the RFQ will propose a process that articulates what information will be provided to allow the City and BART to evaluate the trade-offs of scenarios with and without a library and identify high level cost estimates such that the City could evaluate whether to proceed with the library into further phases, and the BART Board could evaluate the trade-offs (both costs and benefits) associated with integration of a public library into the TOD. If the City and BART decide to proceed, further feasibility, to determine actual costs and trade-offs, would be identified during the latter part of the Project Refinement phase and a determination would need to be made prior to BART entering into a Lease Option Agreement. City staff, during this process, would also engage the community as information is developed in evaluating the BART site in relation to other possible library sites. The TOD process through entitlements could take as little as two to three years but will depend on market readiness and availability of affordable housing subsidies.

STRATEGIC PLAN CONSIDERATIONS

Transit-oriented development at El Cerrito Plaza BART fulfills numerous Strategic Plan Goals, including:

Goal B - Achieve long-term financial sustainability: Maximize opportunities for existing and expanding businesses.

Goal C - Deepen a sense of place and community identity: Develop a vision for underdeveloped and underutilized properties through advanced planning efforts that encourage investment and/or new development.

Goal F - Foster environmental sustainability citywide:

- Encourage alternative modes of transportation to the single occupancy vehicle.
- Implement and monitor the City's Climate Action Plan to reduce vehicle miles traveled (by creating a well connected, pedestrian, bicycle and transit-oriented forms that will make it easier for residents and visitors to leave their car behind.)

ENVIRONMENTAL CONSIDERATIONS

None at this time. During the project entitlement phase, the approvals will be processed pursuant to the California Environmental Quality Act.

FINANCIAL CONSIDERATIONS

There are no immediate financial considerations or costs for the City associated with approving BART's draft Goals and Objectives or authorizing inclusion of the library in the El Cerrito Plaza BART TOD process. Costs and revenues associated with the development, access alternatives, and a potential library, will be identified during the Project Refinement phase once a developer is selected, and decision-makers would determine at future phases whether to proceed.

LEGAL CONSIDERATIONS

The City Attorney has reviewed this report and there are no legal considerations at this time.

Reviewed by:



Karen Pinkos, City Manager

Attachments:

1. Resolution
2. BART TOD PRELIMINARY DRAFT Goals and Objectives

RESOLUTION NO. 2019–XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO AUTHORIZING EVALUATION OF A POTENTIAL LIBRARY TO BE INCLUDED IN THE BAY AREA RAPID TRANSIT DISTRICT'S REQUEST FOR QUALIFICATIONS AND SUPPORTING THE DISTRICTS INCLUSION OF SUSTAINABLE ACCESS STUDIES AND STRATEGIES IN THE TRANSIT-ORIENTED DEVELOPMENT PROCESS

WHEREAS, the City of El Cerrito supports transit-oriented development; and

WHEREAS, the El Cerrito Plaza BART Station as identified in the City's San Pablo Avenue Specific Plan is located in Downtown El Cerrito, the City's entertainment/theater and shopping district that serves as the southern gateway to the City; and

WHEREAS, transit-oriented development at the El Cerrito Plaza BART station would help fulfill objectives identified in various City planning documents including the San Pablo Avenue Specific Plan, Climate Action Plan, and Strategic Plan, and responds to the Climate Emergency; and

WHEREAS, development at the El Cerrito Plaza Station would deepen a sense of place and community identity, strengthen the City's partnership with BART, promote the everyday use of transit, and serve as a catalyst to attract private investment to El Cerrito; and

WHEREAS, Resolution 2016-68 authorized the City Manager to execute a Memorandum of Understanding (MOU) with the Bay Area Rapid Transit District (BART) to study and pursue Transit-Oriented Development opportunities and a potential new library at the El Cerrito Plaza station; and

WHEREAS, Resolution 2016-68 also supported transit-oriented development, reduced parking requirements, and affordable housing at the El Cerrito Plaza BART station as soon as possible, and;

WHEREAS, the BART Board's September 1, 2016 Executive Decision Document similarly authorized the General Manager to execute a MOU between BART and the City of El Cerrito to pursue feasibility related to transit-oriented development including a potential new library at the El Cerrito Plaza BART Station; and

WHEREAS, the MOU was executed in 2018 and BART and City staff have met regularly on the topic and recommend that the next step in the feasibility process would be to issue an RFQ to attract a highly qualified development team to develop a transit-oriented development, including scenarios with and without a library; and

WHEREAS, BART has held two public open houses on to present and discuss the many factors driving future TOD at the El Cerrito Plaza BART station on August 14, 2019 and October 3, 2019; and

WHEREAS, AB2923 (Bay Area Rapid Transit District; transit-oriented development) was signed by the Governor on September 30, 2018 directing BART to adopt new transit-oriented zoning standards for each BART station by July 1, 2020; and

WHEREAS, staff from the two agencies have collaborated in drafting Goals and Objectives to meet both agencies' priorities at the station; and

WHEREAS, BART's Request for Qualification (RFQ) will include development of a scenario that includes a potential library as a requirement; and

WHEREAS, the RFQ will require that the developer fund development of Sustainable Access Studies and Strategies to "minimize the need for BART patron parking replacement in an on-site garage by maximizing the use of existing available parking capacity in close proximity to the station and exploring other parking and access options for patrons who do not live near the station" and

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of El Cerrito authorizes evaluation of a potential library to be included in the Bay Area Rapid Transit District's Request for Qualification and supports the District's inclusion of Sustainable Access Studies and Strategies in the Transit-Oriented Development Process.

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on November 19, 2019 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on November XX, 2019.

Holly M. Charléty, City Clerk

APPROVED:

Rochelle Pardue-Okimoto, Mayor



BART El Cerrito Plaza Transit-Oriented Development
PRELIMINARY DRAFT Goals and Objectives
For El Cerrito City Council Review – November 19, 2019

A. Complete Communities

1. **Regularly engage with the community** in the development of the project and associated access investments, and trade-offs between parking, housing and community amenities.
2. **Enhance the Ohlone Greenway's** role in increasing connectivity, sustainability and placemaking.
3. **Create visual and physical connection** between the BART station, adjacent neighborhoods, and shopping/services in El Cerrito Plaza, and along San Pablo Avenue and Fairmount Avenue.
4. **Create active ground floor** on Fairmount Avenue, with a mix of uses that complements and leverages the surrounding area.
5. **Manage area parking** to ensure neighborhood and business needs can be met.
6. Explore **options for integrating public library** into the TOD in partnership with City.

B. Sustainable Communities Strategy

1. **Deliver community serving facilities and dense residential mid-rise uses at the station** to support envisioned growth in the "San Pablo Avenue Corridor" Priority Development Area and the San Pablo Avenue Specific Plan.
2. **Address the regional housing need** while simultaneously helping the City put in place transportation management tools to avoid potential congestion and traffic impacts of population growth.
3. **Incorporate green and sustainable design** to minimize vehicle- and building-related greenhouse gas emissions.

C. Ridership

1. **Increase BART ridership at times and locations when BART has capacity.**
2. **Attract BART patrons from the larger San Pablo Avenue Specific Plan** area and beyond through sustainable access alternatives.

D. Value Creation & Value Capture

1. **Deliver a feasible development** that generates long term revenue to support BART operations.
2. **Participate in future area-wide financing efforts** (such as a parking benefit district, enhanced infrastructure financing district or business district) to capture value changes resulting from TOD to support community amenities and other investments.
3. **Leverage innovative third-party funding and financing options** that deliver TOD-related BART infrastructure and programming.

E. Transportation Choice

1. Per BART's Access Policy, **increase the share of patrons who walk, bike, or take transit to BART** through access improvements that offer safe, viable non-auto alternatives to BART patrons.
2. **Minimize the need for BART patron parking replacement** in an on-site garage by maximizing the use of existing available parking capacity in close proximity to the station and exploring other parking and access options for patrons who do not live near the station.
3. Per BART's TOD Policy, develop an **Access Plan** to identify future access needs and strategies.
4. **Enable new residents of the development to reduce their reliance on cars** by providing transportation alternatives through GreenTRIP certification or equivalent.
5. **Expand the pedestrian and bicycle network** – particularly connecting to the Ohlone Greenway – to support the City and BART's active transportation goals.
6. **Embrace the rapid evolution of mobility trends and technologies** to adapt to future transportation needs.

F. Affordability

1. **Minimum of 20% of housing units will be affordable** to low and very-low income households or below, and support BART's 35% systemwide affordability goal by aiming for a higher percentage of affordable units.
2. **Support local economy through project labor agreements** for construction of project. Aim for Small Business Enterprise inclusion in design and construction of the TOD.