



Bay Area 2009 TOD MarketPlace

Bringing Cities and Developers Together Around Transit-Oriented Development

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The Urban Land Institute's mission is to provide leadership in the responsible use of land and to build and sustain thriving communities worldwide. On the local level, ULI San Francisco District Council's 2,200 members serve the Bay Area's public and private sectors with professional land use expertise and education.

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TOD MARKETPLACE

Bringing Cities and Developers Together Around Transit-Oriented Development

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1 Introduction

Transit-Oriented Development Meets Legislative and Market Demands

Just a few weeks after the Bay Area’s 2008 TOD MarketPlace last year, the State of California took an important step toward reducing greenhouse gas emissions with the passage of Senate Bill 375. The bill provides incentives for regions and cities to link transportation and land use to help achieve the 2020 emission targets set forth in California’s 2006 Global Warming Solutions Act.

Transit-oriented development (TOD) – with its convenient mix of housing, employment, services, entertainment, and transit – is an essential tool for carrying out Senate Bill 375. Concurrent with these legislative mandates, market demand for TOD projects has continued to increase.

Due to the number of stakeholders and complexities involved, developing TOD projects requires effective public-private partnerships. For this reason, the Urban Land Institute’s San Francisco District Council (ULI San Francisco) founded the TOD MarketPlace in 2005 to unite land use decision makers and the private sector in exploring transit-oriented development opportunities in the Bay Area.

Keynote Excerpt: Moving towards walkable urbanism

Just as we in real estate got really good at building drivable sub-urban development...the market changes on us

Pendulum Swings in How America Invests

Post 1946

Mid-1990s on

Walkable Urban

Option of Either

Drivable Sub-urban

The Beginning of Another Structural Shift

THE BROOKINGS INSTITUTION METROPOLITAN POLICY PROGRAM

Source: Christopher B. Leinberger, The Brookings Institute



Keynote speaker Christopher B. Leinberger, The Brookings Institute
Source: Karl Nielsen

TOD MarketPlace

2009 marks the 4th annual TOD MarketPlace, organized by ULI San Francisco in cooperation with the Metropolitan Transportation Commission (MTC), Association of Bay Area Governments (ABAG), Reconnecting America, TransForm, Greenbelt Alliance, and the Non-Profit Housing Association of Northern California. The effort had two parts: a series of TOD opportunity tours in which ULI Technical Assistance Panels reviewed plans and evaluated opportunity sites, followed by a day-long TOD MarketPlace conference where the panels presented their recommendations for the sites. These activities, along with best practice presentations and workshops at the conference, involved key TOD stakeholders from throughout the Bay Area.

To accomplish the first part of the effort, ULI San Francisco convened a series of Technical Assistance Panels (TAPs) – teams of developers, economists, and urban designers – to help Bay Area cities evaluate plans for new transit-oriented developments. ULI worked closely with our partners to select five out of 120 Priority Development Area cities that were in the process of developing TOD plans. The five TOD opportunity cities selected for 2009 were Antioch, Cloverdale, Menlo Park, Oakland, and San Jose. Over the summer, each city led a ULI-sponsored tour of the TOD area and presented the plan to their assigned TAP. The TAPs then analyzed and developed recommendations for each, focusing on the feasibility of each city’s development strategy. Panel findings and recommendations are summarized in this report.

The second part of the effort was the TOD MarketPlace itself, a day-long event that took place on Thursday, September 24, 2009 at the Hilton San Jose that attracted more than 300 attendees from the public and private land use sectors. The

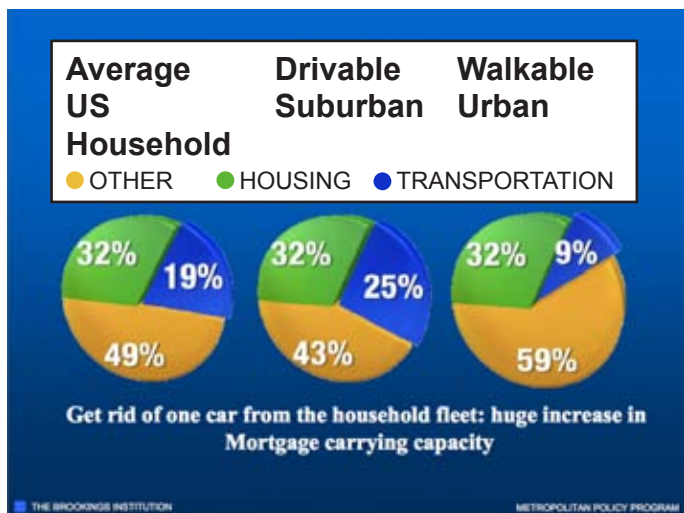


Rendering of Proposed Baseball Stadium, Diridon Study Area | Downtown San Jose
Source: City of San Jose

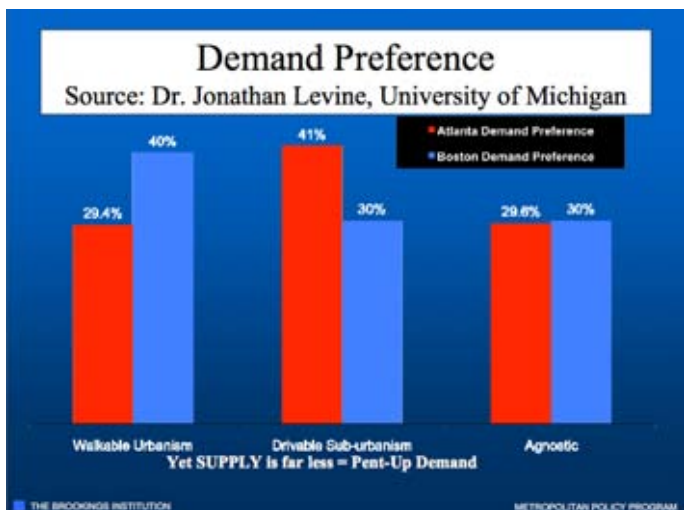
conference opened with a keynote address by Christopher B. Leinberger of the Brookings Institute, who presented arguments supporting the idea that walkable urban development would be a key driver for economic recovery. Following the keynote address, three Best Practice sessions discussed lessons learned from recently completed TOD projects. These sessions were followed by the Technical Assistance Panels' presentations of their findings and recommendations regarding plans and strategies for this year's TOD opportunity site cities. Finally, two workshops, one on TOD policy by Christopher Leinberger and another on TOD financing by Dena Belzer, presented TOD tools and strategies for success.

The TOD MarketPlace continues to evolve as a model for effectively connecting cities and developers throughout the Bay Area and the State of California around TOD and is now being replicated in Los Angeles and Orange County.

Keynote Excerpt: Cost of drivable suburbanism



Keynote Excerpt: Pent-up demand for walkable urbanism



Source: Christopher B. Leinberger, The Brookings Institute

FOCUS: Bay Area Focused Growth

Recognizing the need for regional and local governments to work together, in 2007 the Association of Bay Area Governments (ABAG), Metropolitan Transportation Commission (MTC), Bay Area Air Quality Management District (BAAQMD), and Bay Conservation and Development Commission (BCDC) created a regional development and conservation strategy to promote a more sustainable pattern of smart growth and compact development in the Bay Area. This strategy, known as the FOCUS initiative, encourages incentive-based cooperation among various stakeholders to achieve community, mobility, and environmental goals within identified Priority Development Areas (PDA). Cities are integral partners in the FOCUS initiative and nominate their PDAs.

Sustainable development in Priority Development Areas is an essential building block for the region's response to SB 375. Through its efforts, FOCUS has helped reduce barriers to planning, designing, funding, and building TODs in the Bay Area. As a spin-off project of the FOCUS initiative, ABAG and MTC are sponsors of the TOD MarketPlace.

For additional details and a PDA showcase, visit: www.bayareavision.org/pda

TOD Quick Facts

- The Bay Area will spend more than \$10 billion on transit investments over the next decade creating thousands of strategically located development opportunities.¹
- BART, Caltrain, and VTA experienced increased demand and record ridership in the midst of soaring gas prices in 2008.^{2,3,4}
- Caltrain ridership rose 48% from 2002 to 2009. BART ridership rose 17% from 2002 to 2009. Overall, Bay Area transit ridership increased 2% from 2002 to 2009.⁵

For details regarding individual tours, the TOD MarketPlace, and the FOCUS initiative, visit:

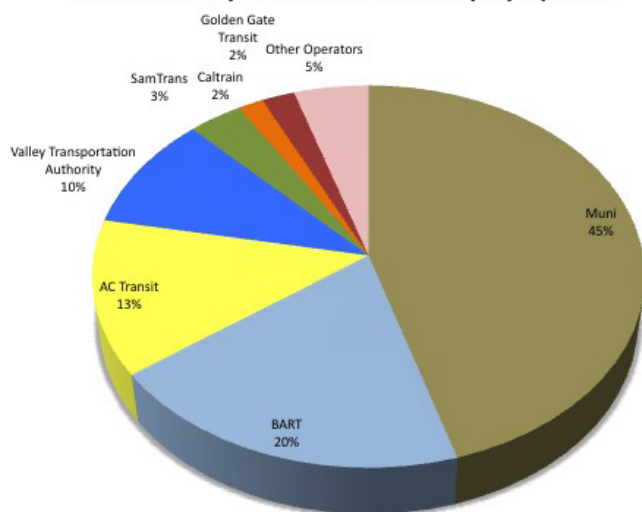
www.todmarketplace.org

Bay Area Transit Ridership Mode Split⁵

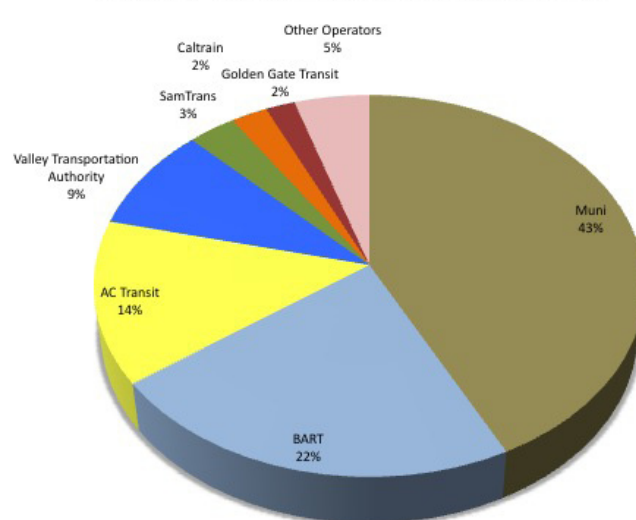
Ridership on Bay Area Transit Systems by Operator, Fiscal Years 2002-03 – 2006-07

Operator	Thousands of Annual Boardings					Percent Change	
	2002-03	2003-04	2004-05	2005-06	2006-07	2005-06–2006-07	2002-03–2006-07
Muni	216,947	217,049	218,205	212,067	207,677	-2%	-4%
BART	93,799	98,026	99,516	103,857	109,423	+5%	+17%
AC Transit	62,755	64,906	65,076	66,963	67,415	+1%	+7%
Valley Transportation Authority	46,864	39,776	38,486	40,935	43,434	+6%	-7%
SamTrans	16,859	15,064	14,510	15,017	15,210	+1%	-10%
Caltrain	7,870	8,015	9,185	10,135	11,608	+15%	+48%
Golden Gate Transit	10,261	9,789	9,466	9,465	9,402	-1%	-8%
Other Operators	23,232	22,391	22,438	23,398	23,884	+2%	+3%
Total – All Operators	478,587	475,016	476,882	481,837	488,053	+1%	+2%

2002-2003 Bay Area Transit Ridership by Operator



2006-2007 Bay Area Transit Ridership by Operator

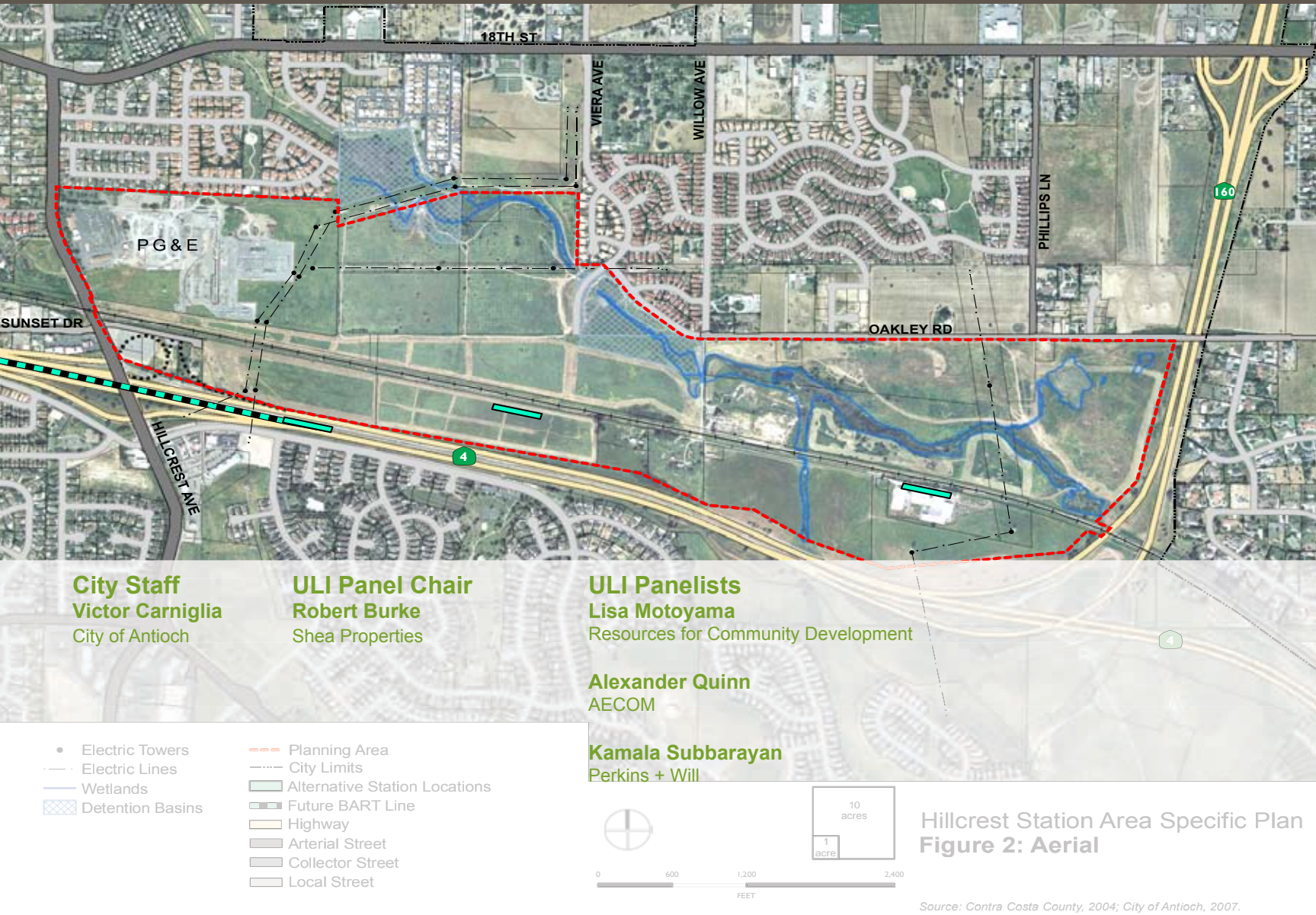


Source: State of System Report, MTC|Caltrans

1. MTC, Transportation Improvement Program (TIP), www.mtc.ca.gov/funding/tip (accessed November 10, 2009).
2. BART, "BART to SFO ridership jumps 65%," (June 26, 2008) www.bart.gov/news/articles/2008/news20080626.aspx (accessed November 10, 2009).
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4. VTA, "VTA Marks Record September Light Rail Ridership," (October 17, 2008) www.vta.org/news/releases/2008/10_oct/nr10-09_2008.html (accessed November 10, 2009).
5. MTC|Caltrans, State of System Report - Transit Ridership, www.mtc.ca.gov/library/state_of_the_system/2008/transit_ridership.pdf (accessed November 10, 2009).

2 Hillcrest Specific Plan

Antioch



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- Electric Towers
- Electric Lines
- Wetlands
- ▨ Detention Basins
- - - Planning Area
- - - City Limits
- ▨ Alternative Station Locations
- ▨ Future BART Line
- ▨ Highway
- ▨ Arterial Street
- ▨ Collector Street
- ▨ Local Street

Hillcrest Station Area Specific Plan
 Figure 2: Aerial

Source: Contra Costa County, 2004; City of Antioch, 2007.

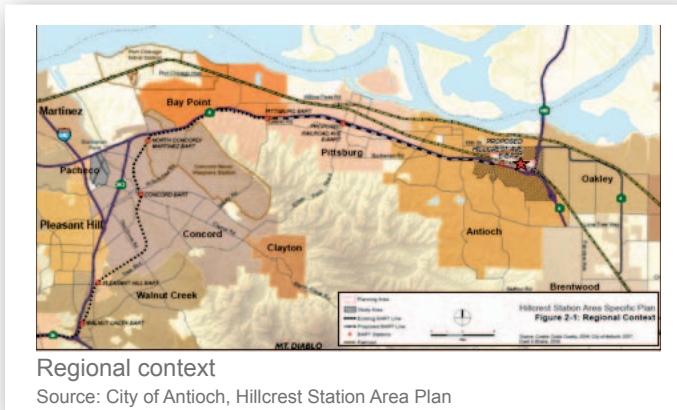


Context

The Hillcrest Station area is located in the northeastern portion of Antioch. The City of Antioch is centrally located in eastern Contra Costa County as part of a constellation of areas that has experienced rapid growth in the last decade. Antioch is bordered to the west by Pittsburg, Concord, and Walnut Creek, which are major regional employment destinations. To the east are Brentwood, Oakley, and Discovery Bay, cities which have experienced significant residential growth in the last decade.

Iman Novin
 BRIDGE Housing
 Lead Author

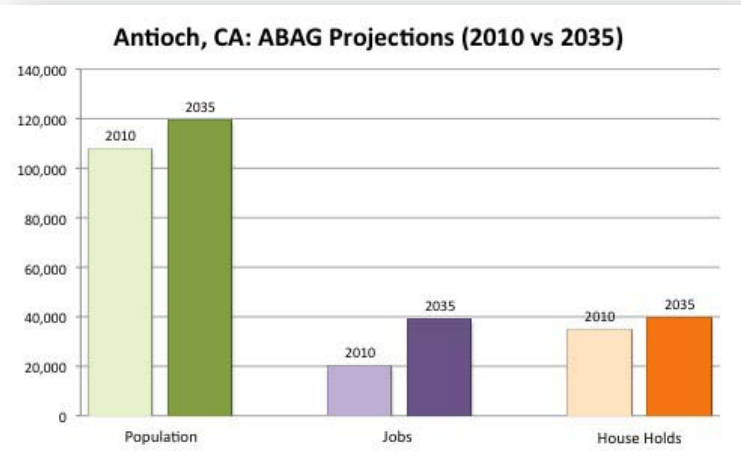
Images and renderings courtesy of city, panel, and lead author.



Antioch is the third largest city in Contra Costa County. Between 1990 and 2007, Antioch’s population increased from 62,195 people to 100,150, a 61-percent increase over a 17-year period. This growth was much faster than in the nine Bay Area counties overall, where the population increased by 20 percent from 6.0 million to 7.2 million residents over the same period. Further, land in Antioch remains plentiful and affordable compared with other parts of the Bay Area. In 2007, the Association of Bay Area Governments (ABAG) estimated that Antioch will grow to a population of 128,400 (almost 30 percent) and will have 40,800 jobs (almost 100 percent increase) by 2035.

The subject 375-acre Hillcrest Station project area was annexed to the City in the 1980s. A large chemical fertilizer plant had occupied approximately 50 acres of the project area since the 1940s; it was eventually torn down and the site was cleaned in the late 1990s. The eastern portion of the project area has historically been used as a sand borrow site, and as recently as January 2009 sand was still being excavated.

The project area is characterized mostly by unimproved open space with some scattered residential and industrial uses.



Source: ABAG, Projections and Priorities 2009: Building Momentum



ULI Opportunity Tour - Hillcrest site is mostly undeveloped open land and serves as a Union Pacific storage site

Existing industrial facilities include a car towing and storage yard and an aluminum casting facility that closed in January 2008. The northwest corner of the area is occupied by a 70-acre PG&E substation. A BART park-and-ride facility occupies about 5.2 acres in the southwest corner of the area. Five single-family residences are located within the project area, but at least one of them appears to be abandoned.

The project area is divided by East Antioch Creek, which runs through the site, as well as by a number of large regional electrical transmission lines and the Union Pacific railroad. State Route 4 and State Route 160 immediately adjoin the project area and create additional physical and visual barriers between the project area and the existing residential neighborhoods to the south and east.

The planning effort for the Hillcrest Station area began in 2005 when the Antioch City Council authorized a study to determine how to enhance vehicular access to the area. Over the past 18 months, community members, property and business owners, City staff, regional and local agencies, and technical experts

have collaborated to create and adopt a flexible, long-range Specific Plan that will guide the transformation of the area. They have worked to identify the numerous opportunities and constraints that shape the land use, circulation, and open space components of the plan. Some of the major planning milestones include:

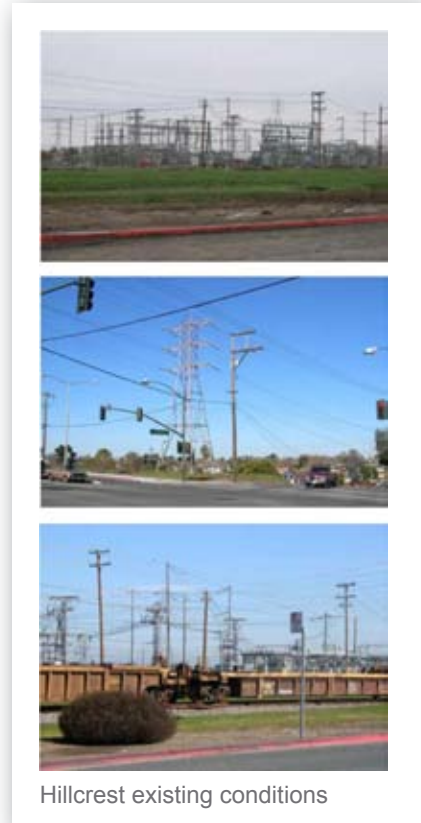
- Completion of a detailed “EPS report” that estimates the future absorption rate for various types of housing products in June 2008.
- Approval of the EIR, Specific Plan, and required General Plan Amendments by the City Council on April 14, 2009.
- BART Board approval of a BART extension to Antioch on April 23, 2009, known as East Contra Costa County Extension or eBART.

The Vision

The Hillcrest Station Area Plan is a blueprint document that establishes development concepts, which reflect transit-oriented development (TOD) principles and include mixed-use development, a wide range of housing types and densities, regional and neighborhood retail, and office development.

The plan includes a number of alternatives to help identify the best land use and circulation for the area, including two alternative station locations. The BART-proposed station location is within the State Route 4 highway median approximately 1,275 feet east of Hillcrest Avenue and the State Route 4 interchange. The City-preferred station location or the East Median Station (EMS) is also located within the highway median but approximately 2,175 feet east of the Hillcrest Interchange. The median station is the less expensive but would still require major infrastructure, including a tunnel under the westbound State Route 4 lanes. The eastern location has several major advantages, including a decreased walking distance from the station to developable areas, improved visual context of the station area for development (by not focusing on the PG&E substation), and more flexibility for shared parking. BART has completed only a preliminary evaluation of the EMS location but believes the

“Up to 3,450 residential units, 1.0 million square feet of retail, and 1.4 million square feet of office may be developed on 375-acres around the eBART station.”



Hillcrest existing conditions

additional costs are exorbitant. Depending on which alternative is ultimately chosen up to 3,450 residential units, 1.0 million square feet of retail, and 1.4 million square feet of office may be developed on 375 acres around the eBART station. The vision developed for the Hillcrest Station area during the planning process is summarized as follows:

“Create a vibrant signature area for Antioch, offering shopping, restaurants, hotels, and entertainment, combined with office and residential uses, in a compact pedestrian-oriented setting... where residents, workers, and visitors can take advantage of transit instead of driving, and can walk to stores, restaurants, and services.” – Hillcrest Station Area Specific Plan



Example of the envisioned character for Hillcrest Station Area
Source: Santana Row, www.cooltownstudios.com

STRENGTHS

- Large land acreage
- Nearly two miles of freeway access (at intersection of State Routes 4 and 160)
- East Antioch Creek
- Strong median household income

OPPORTUNITIES

- eBART station to open in 2015
- Trend toward more households of singles and couples (who are more likely to live in smaller housing units near transit)
- Improvement of East Antioch Creek as a major open space

WEAKNESSES

- Considerable physical and transportation barriers
- Poor existing access to the site
- Limited existing infrastructure
- Rail/freeway noise
- Limitations on development options due to PG&E, creek, and rail

THREATS

- Antioch’s images as a sprawling, “low and moderate income” community
- Low density development adjacent to the site
- Higher density development untested in the area
- Competition from single-family detached homes in eastern Contra Costa County
- Limited local and state resources
- Significant capital investment required
- Possibility of State Route 4 expansion reducing attractiveness of eBART

Strengths, Weaknesses, Opportunities, and Threats

Strengths

The site is unique in eastern Contra Costa County given its very large land acreage, nearly two miles of freeway visibility, and strategic location at the intersection of State Route 4 and State Route 160.

While East Antioch Creek bifurcates the project area and creates access issues, once improved the creek area has the potential to become a major open space feature for future residents, with beautiful landscaping, pedestrian and bicycle trails and pocket parks.

Weaknesses

Current paradigm for growth in Antioch is to grow out instead of up. About 91% of the residential growth in the East Contra Costa County market area has occurred through development of single-family detached housing over the last 18 years. Single-family detached housing now makes up about 80 percent of the total housing stock. Changing future development patterns will be a challenge for accomplishing TOD.

Opportunities

BART is scheduled to open the new end-of-the-line eBART station by 2015 connecting to the existing Pittsburg/Bay Point line and rest of the BART system. eBART will create an opportunity for mixed-use, transit-oriented development that takes advantage of the major public investment in transit infrastructure to create a vibrant compact area with both jobs and housing.

Recommendations

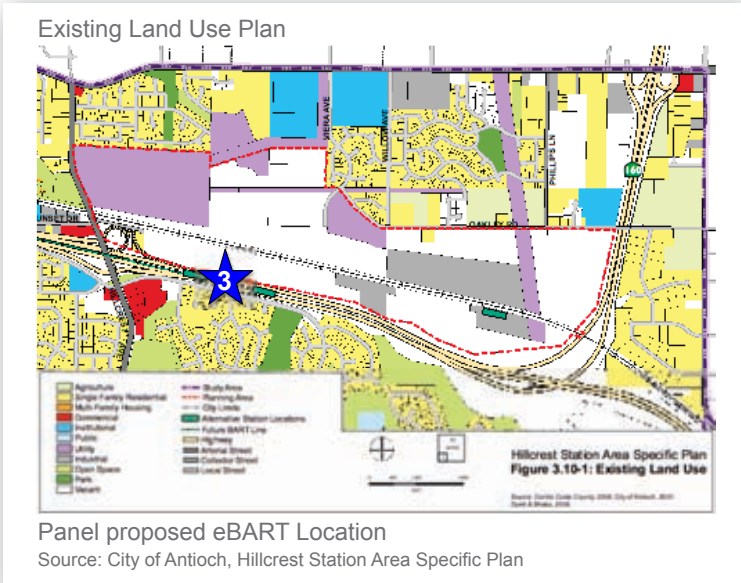
The City posed four specific questions for the panel to address:

1. What are the pros and cons of the station alternatives?
2. What is the best land use plan if the BART-preferred station location is selected?
3. What is the best way to handle parking?
4. How should the large existing PG&E substation be screened?

The City’s four questions are addressed in the following recommendations.

Recommendation #1: Consider a Third Location for the Proposed eBART Station

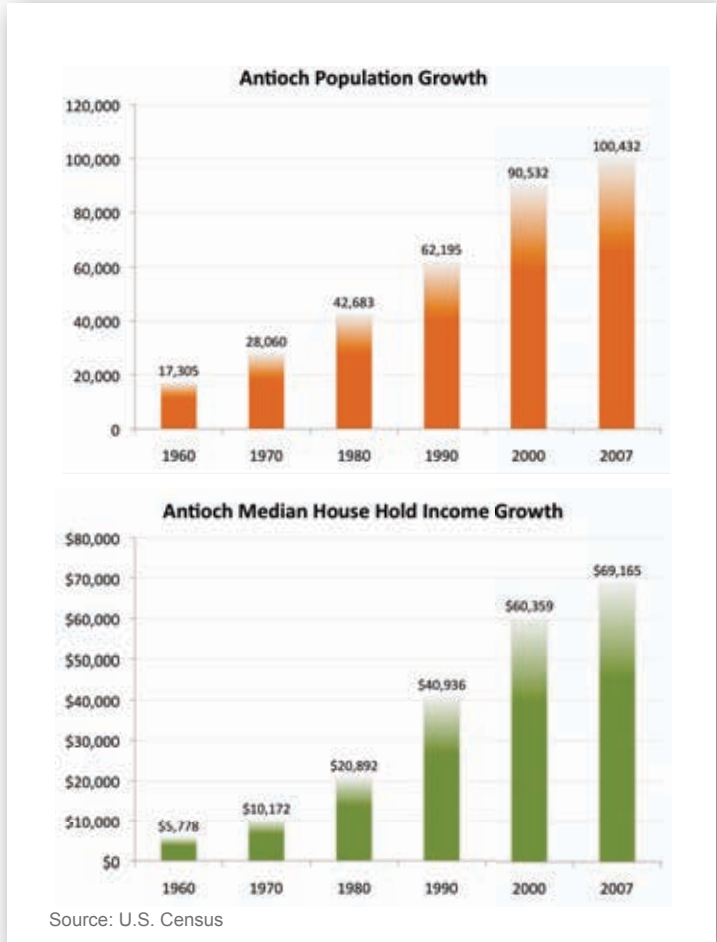
The approved Specific Plan depicts two possible locations for the planned eBART station: the City-preferred station location or the East Median Station (EMS), and the BART-proposed station location or the Median Station. The panel prefers the EMS from a physical standpoint for many of the same reasons the City identifies in the Specific Plan, including the fact that it is closer to the developable area and allows for better access across the railroad right-of-way (given less grade change). Initial estimates by BART indicate that the EMS location is too expensive; a study is currently underway to more accurately evaluate the real cost differential between the two station alternatives.



The demographic trend in Antioch is toward more households of singles and couples. Between 2000 and 2012, three demographic groups – college and career starters (ages 18-24), singles and couples between the ages of 55 and 64, and retirees (ages 65 and over) – are expected to increase, while all other cohorts are expected to decline. Typically, these three demographic groups are more likely to live near transit and in smaller housing units as opposed to single-family detached houses. Furthermore, residents of the area enjoy a strong median household income. According to the 2005 American Community Survey the median household income of Antioch is \$66,755, which is comparable to that of Santa Clara at \$71,284.

Threats

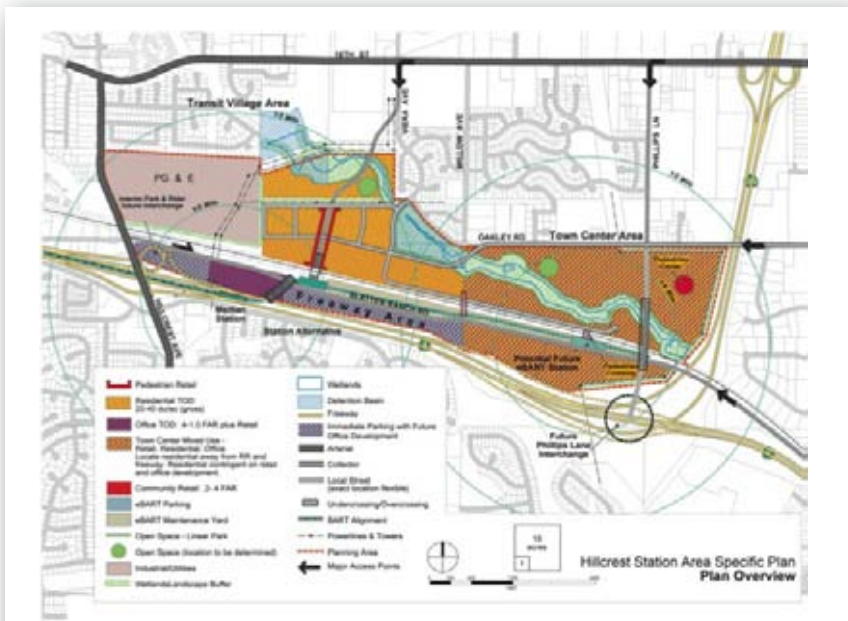
Despite comparable median household income and education level to those living in Walnut Creek and Santa Clara, Antioch continues to struggle with a negative image as a sprawling, predominately “low and moderate income” community. This negative perception has made companies and executives less likely to move to Antioch. As a result, one of the City’s primary goals for the redevelopment of the station area is to create a robust employment center.



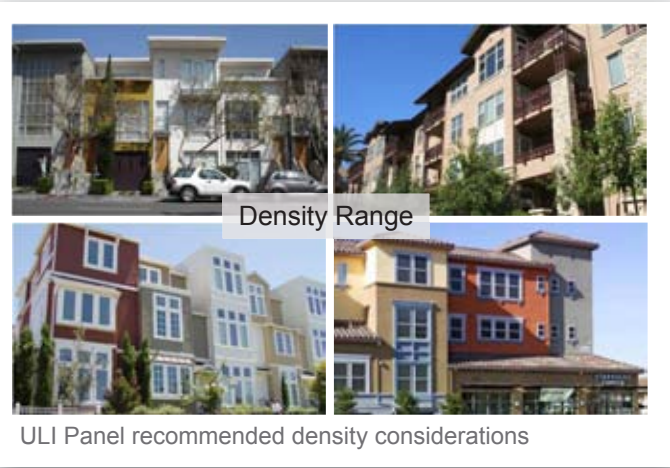
While preferring the EMS, the panel also notes that both proposed eBART locations create the potential for transit-adjacent development rather than true transit-oriented development. The panel believes that there is very limited advantage to a station located in the freeway median and instead recommends a third alternative location closer to the Union Pacific right-of-way. The third location would call for running the new eBART rail line adjacent to the existing Union Pacific rail line instead of bifurcating the site even more that it already is. The third location would also allow for greater development within one-quarter to one-half mile radius of the station. This location would also enable grouping of rail easements, which would produce more usable parcels and reduce grade changes, thereby improving pedestrian and bicycle access.

Recommendation #2: Move Toward Transit-Oriented Development, not Transit-Adjacent Development

The existing land use plan emphasizes office TOD and reflects the City’s primary objective of job creation. The panel feels that the best land use plan should emphasize residential TOD by moving proposed residential uses closer to the station. Housing makes more sense given that residential TOD produces higher transit ridership rates than office. Allowing residential use closer to the station would also help affordable housing developers, given that many funding sources award proximity to transit. Lastly, a true residential TOD would help create more pedestrian activity outside the 9-5 workday timetable.



ULI Panel proposed land uses - the location of eBART should account for residents first and office second.
Source: City of Antioch, Hilcrest Station Area Specific Plan



ULI Panel recommended density considerations

If office uses must be located near the station, one suggestion would be to implement a land banking strategy by initially using the land near the station as surface parking and building higher density office later when the market supports it. If land banking is not an option, the City should consider reducing the minimum office Floor Area Ratio (FAR) in the near term, which the City has indicated is a possibility.

The panel further believes that the land use plan should take advantage of the community center’s visibility from the freeway by moving the center even closer to the road. The plan should also take full advantage of proximity to transit by promoting walkability and an enhanced pedestrian experience with inline retail, including amenities for transit riders positioned in the path of travel toward the station.

The panel also recommends that the plan include a wider range of densities, from high-density townhomes (12 to 15 units per acre) to traditional multi-family units (40 to 50 units per acre). Density should be phased in, with the highest density starting near the station and gradually stepping down to lower density townhomes closer to the existing single-family neighborhoods that surround the project area. Parking for multi-family development should be used to transition between the PG&E substation and office/commercial areas. Lastly, the panel encourages the City to work with PG&E to transfer a portion of the southeast corner of PG&E’s site to open up visual access to the BART-preferred station location.

Recommendation #3: Improve Connectivity

The plan as it currently stands reflects current community sentiment, which has indicated little interest in connecting to the future eBART station to surrounding neighborhoods because of traffic concerns. This may be a shortsighted concern, however, and the plan should be able to evolve over time to increase linkages with surrounding neighborhoods and allow for the easy passage of pedestrians, bicycles, and shuttles to the station. While many hurdles exist, in the long term creating an interconnected street system that connects across both sides of the freeway while addressing traffic concerns through traffic calming street design will add value.

Within the site, the need for car, bicycle, and pedestrian connections across barriers should be considered. For example, the creek is an attractive amenity, but it also creates a barrier. The plan should consider ways for cars, bicycles and pedestrians to cross the creek.

Other circulation-related recommendations include aligning Slatten Ranch Road so that all rights-of-way are grouped together, allowing for sizable development parcels; evaluating the Phillips interchange location; and including over- and under-passes across the Union Pacific rail right-of-way.

Case Study: Downtown San Mateo has a great street network and high-density street intersections resulting in a vibrant neighborhood with strong ridership for Caltrans. On the other hand, the Hillsdale area has very awkward connections with cul-de-sacs ending on streets that could just as easily have connected through.



Success of Downtown San Mateo - interconnected street edge



Hillsdale lacks connectivity. Cul-du-sacs prevent seamless mobility within the road network.

Source: Google Maps



Emeryville provides convenient transit services that promote ridership

Source: Flickr

Recommendation #4: Make Transit Easy for Patrons to Use

The eBART system is an untested model with unknown success. If transit ridership does not meet goals, eBART may have no “transit” value to the surrounding development. This would affect the type and success of the surrounding development. For this reason – and since the ultimate goal is to make the transit experience convenient for patrons – it is important to consider how eBART connects to other systems. Plans should provide for other transit connections, such as Bus Rapid Transit (BRT) that extends out to other parts of Antioch. BRT could also connect to other areas such as Oakley, Brentwood, and Discovery Bay, helping to create a better regional draw for eBART. Rubber-wheeled shuttle service should also be explored further for the surrounding development as well as other parts of

Antioch to connect the Hillcrest Station to other employment and residential areas. However, given the low-density commercial and residential development in the surrounding areas as well as the relatively small area covered by the Specific Plan, the cost of implementing an efficient and effective shuttle service will likely be high. An example of a shuttle service currently in operation is the Emery-Go-Round shuttle that connects the MacArthur Transit Village to Emeryville. The Emery-Go-Round costs over \$1 million each year to operate.

Recommendation #5: Create Vibrant Residential Communities

Both the Transit Village and Town Center areas designated by the Specific Plan offer opportunities to create vibrant communities. The Transit Village area is large enough to provide a variety of housing densities and types. The Town Center area, with its greater focus on commercial use, may be better suited for mixed-use development at a lower scale. Both the Transit Village and Town Center areas offer opportunities to create vibrant neighborhoods with mixed uses and a mix of housing types, including housing for seniors, empty nesters, and single people. A blend of uses that encourages residents and visitors to be out on the street will make this area very successful.

Case Study: Bella Monte in Bay Point, CA

is a mixed-use and mixed-income Resources for Community Development project with 52 affordable rental units and 50 single-family houses for first-time homebuyers. The project, with a total density of 22 units per acre, offers an idea of what some of the density in Antioch could look like.



Bella Monte Project

Recommendation #6: Encourage Development by Funding Infrastructure in Key Areas

Infrastructure is needed to make everything possible. Given that the majority of the project area has historically been vacant, little infrastructure currently exists. Further, the area presents an especially difficult infrastructure challenge given the number of transit and access improvements that are proposed (i.e. Phillips Interchange, rail infrastructure and tunnels for eBART). These improvements are very expensive, and the cost will be much more than what a developer would be willing to assume alone.

Someone must make the initial investment, however, and since the project is located in a redevelopment area everyone is looking to the redevelopment agency for help. As agencies across California struggle with the State grab of local redevelopment dollars, infrastructure funding becomes an even more difficult challenge. To catalyze the plan, however, the redevelopment agency should take the lead and investigate alternatives for generating enough tax increment revenue to justify investment of redevelopment funds to develop the appropriate infrastructure.

Recommendation #7: Carefully Consider Residential Absorption and Integration

It is important to examine carefully how absorption times influence project feasibility. The economic development study prepared for the project area projects a 60- to 65-year absorption period for housing. Absorption has a huge impact on value, and the longer the absorption time the lower the present value of the property. In turn, if the present value is lower, it becomes more difficult to justify paying for infrastructure.

The panel recommends integrating residential development with commercial development to differentiate the Hillcrest Station area product offerings and diversify absorption scenarios.

“The Economic Development study projects a 60-65 year absorption period for housing.”



Mixed Use Examples: Santa Clara detached residential and San Mateo office uses above retail

Housing over retail is not the only option, and in fact is a fairly expensive approach. The panel recommends that office over retail or housing adjacent to retail be considered. A number of vertical and horizontal mixed-use options should be studied to help generate additional revenue so that development can occur sooner.

Recommendation #8: Reduce Required Minimum Residential Density

Residential density above 30 units per acre is untested in eastern Contra Costa County, and homes surrounding the project area are all single-family detached. The panel recommends initially reducing minimum density down to 10 units per acre to offer greater flexibility of product type. Higher density housing is an important element of transit-oriented development and a long-term goal, but in the near term people may not be ready to give up single-family housing for the convenience of living close to the eBART. Reducing the minimum density would allow some lower density townhome-type development now, with higher density gradually phased in later.



Recommendation #9: Use Affordable Housing as a Catalyst

The panel recommends taking the “guess work” out of meeting the affordable housing requirement and designating specific locations for affordable housing to achieve the greatest impact. The City should create affordable housing opportunities for the broadest range of needs and clarify how affordable housing requirements will be met to allow market-rate developers to better factor in the cost, if any, of providing inclusionary housing.

Assuming construction of up to 1,200 units within 25 years and a 15-percent affordable housing requirement,

“Take the “guess work” out of meeting the affordable housing requirement and designate specific locations for affordable housing to achieve the greatest impact.”

the result would be about 180 affordable housing units. Some units can be provided through inclusionary housing. However, the City and redevelopment agency will have a better result and more control through the development of two or three larger stand-alone affordable housing developments. This will also take the burden off of market-rate developers.

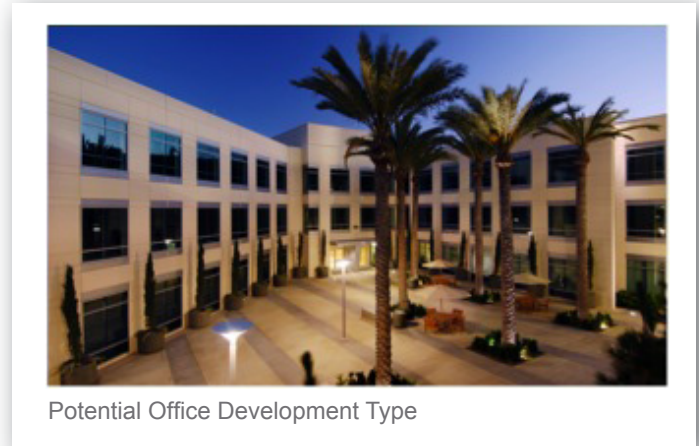
There is an important need to distinguish between Section 8 vouchers and project-based Section 8. The community has asked for “no more Section 8” and demanded that any new affordable housing be ownership, not rental, housing. Unfortunately Section 8 is often associated with poorly run privately owned rental properties. In Antioch, there have been some notable examples of troubled and blighted properties that had Section 8 subsidies, but none were nonprofit-owned or deed-restricted affordable housing, which generally have better property management and resident screening. In fact, project-based Section 8 is used by many high-quality affordable housing projects built by nonprofit and for-profit developers that specialize in the field. Community education strategies and opportunities should be considered to help people understand that distinction, along with the features and benefits of various programs.

Further, it is not realistic to limit “affordable” development to home ownership only. The foreclosure epidemic in eastern Contra Costa County highlights how many foreclosed homes are now being used as rental units; not everyone wants or is ready to handle the responsibilities of home ownership. Creating a vibrant neighborhood means providing for a full spectrum of housing needs, including rental to home ownership, with smaller units for single-person households and seniors and large family units at all levels of affordability.

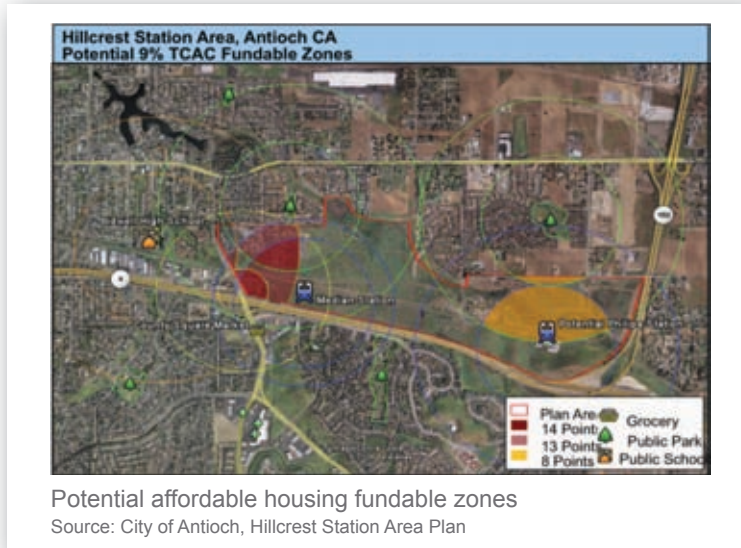


Recommendation #10: Maximize Access to Affordable Housing Funding

The map below depicts affordable housing “fundable zones” based on California Tax Credit Allocation Committee (TCAC) regulations and existing amenities in the area. The map serves as a guide to the best locations for affordable housing in order to leverage the most funding. The panel recommends strategically locating any new compatible institutional and commercial uses (e.g., public parks, pharmacy, library) to maximize access to affordable housing dollars, in turn helping to create a vibrant community.



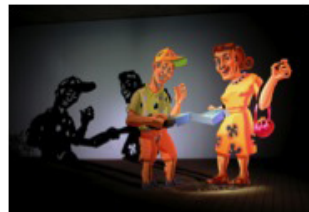
Potential Office Development Type



Potential affordable housing fundable zones
Source: City of Antioch, Hillcrest Station Area Plan

Recommendation #11: Negotiate with PG&E

The City posed the question of how to screen the large PG&E substation. Currently a quarter of the eastern portion of the PG&E substation site has yet to be developed. The panel recommends that the City pursue an agreement with PG&E that limits future development on this eastern portion. Limiting new development there will allow for visual access to the eBART station. The City could screen the rest of the substation using a decorated masonry wall, public art, and heavy landscaping. Public art can play a role in creating a positive space out of what is now a negative one.



Screen the Substation

Recommendation #12: Reduce Expectations for Office Development

Since eastern Contra Costa County lacks precedent for successful office development, the panel believes that expectations for office development should be tempered in the near term. eBART will help make new office development more viable and attractive. Building executive-type housing could also help, given that decisions about where to locate new office projects are often linked to where managers and CEOs live and where they want to work.

The minimum required FAR of 0.4 is too dense in the near term because it translates into a four- to five-story building and begins to force the need for some structured parking. The panel recommends allowing some office at around 0.32 FAR (i.e., two- to three-story buildings with surface parking), because it is more cost-effective and has a better chance of materializing in the near term.

e-BART and the Phillips Interchange are vital components for office success. Once they are in place, the site will have a competitive advantage over other eastern Contra Costa County locations, given the great freeway visibility and access as well as the potential to share office, retail, and residential uses in a true mixed-use environment.

Recommendation #13: Consider Alternatives to Office Development

The market study prepared for the project projects a 50-year absorption period and local office market conditions that do not justify high-density office in the near term. The relatively slow office demand in Antioch is in part due to significant competition from lower density and lower cost back office space available directly to the west in other parts of eastern Contra Costa



Consider alternative uses adjacent to the station, such as educational institutions

County. The result is a relatively slow demand of approximately 40,000 square feet per year.

A 50-year absorption period essentially translates to zero land value, regardless of the discount rate used. Such a long absorption period makes attracting investment early on very difficult.

The City should consider allowing interim uses to prepare for future more intensive uses. For example, if storage and warehouse facilities were allowed in the Office TOD zone, that zone could later be redeveloped into high-density office.

While interim uses will help spur development sooner, the downside is that they will make the future redevelopment of the site more difficult because the improvements will increase land value. For some key sites, a land banking strategy may be a better alternative.

Considering the market challenges and a strong interest in developing commercial uses adjacent to the station, the City should consider possible alternatives to office use, including a city college or other institutional use.

Recommendation #14: Consider Retail Development Carefully

Retail is all about place – creating a sense of place and managing it well. Larger format regional retail development should be integrated with pedestrian-oriented shops and community/neighborhood uses. A public-private Partnership should be established to effectively manage the commercial spaces, given the large volume of public areas that will be incorporated within the retail development.

The panel recommends holding off on lifestyle and entertainment uses, as they are not feasible in today's market. The Streets of Brentwood is a good example, given its proximity and the struggle it is facing in the current economy. While the panel is not opposed to a theater, the area is already oversaturated with them and it will be difficult to secure another.



Regional retail integrated with pedestrian-oriented shops. Rivermark Village, Santa Clara

Ground floor retail should be limited to residential areas. While everyone loves street-fronting retail on the ground floor with housing above, this development type should not be overdone in the project area because – unlike, for example, San Francisco – the area will not have enough density to support it.

eBART, while a great asset, will have very little impact on retail demand. Some retail facilities near transit are very successful; an example is Market Hall near the Rockridge BART station. It is important to note, however, that most of its patrons come from the surrounding community rather than from BART.

Recommendation #15: Recognize Implementation Challenges

The goal is to build a high-density environment. One challenge is parking. Land values of \$350 per square foot are generally needed to justify building at higher densities with structured parking. Land prices in Antioch are well below that threshold in 2009, with a gap of at least \$200 per square foot. Thus, Antioch is far from achieving a high-density structured parking environment. This situation creates a compelling argument for phasing in density and starting out with development that can get by with unstructured parking at least in the first five to ten years.

The second major challenge is the cost of infrastructure, which is too high to transfer to developers and will require federal, state, and local funding. The City and landowners must look

at possible redevelopment financing (e.g., tax increment) to help offset initial infrastructure costs. As sufficient capital is not available to fund infrastructure all at once, a carefully crafted infrastructure phasing plan or “Infrastrategy” is needed to assure success.

Recommendation #16: Use Shared Parking and District Parking

The panel recommends the use of shared parking and district parking. BART should purchase the land and use it as surface parking in the near term, with the goal of one day building structured parking and freeing up land for commercial development. The future BART parking garage can be shared by office users, residents, and BART patrons.

Case Study: The City of Pasadena built a shared parking structure to reduce the burden of parking on developers. District parking allows for fine-grained development because developers no longer have to worry about providing parking on-site. This is an important opportunity, especially when dealing with office development where occupants do not expect to park right where they work. Developers sometimes worry that receiving local subsidies will trigger prevailing wage requirements. If the City pays for the parking structure, however, this portion of the development is the only piece that will be subject to these requirements.



One recommendation is to use affordable housing as a means to leverage money for infrastructure and as a catalyst for higher density mixed-use development. Affordable housing is somewhat removed from the market and can be built now. One example of this strategy is the proposed mixed-use and mixed-income transit-oriented development planned at the San Leandro BART station. BRIDGE Housing and Westlake Development partnered to leverage state Proposition 1C TOD and Infill Infrastructure funds, successfully raising over \$24 million in grants for station area improvements and construction of a parking garage for BART patrons. The San Leandro Crossing project will help prove that there is a market for both market-rate and affordable housing in San Leandro.



Traditional parking strategies are not sustainable

Recommendation #17: Create an eBART Development Strategy

Transit agencies need revenues beyond increased ridership. As an example, transit agencies in other countries, such as MTR in Hong Kong, make their money off land lease revenues.

A formal land banking strategy can help BART realize higher profits. BART should also take steps to ensure that Hillcrest becomes eastern Contra Costa County’s major end-of-the-line transit destination by reducing parking at the Railroad Avenue and Pittsburg Bay Point stations while “overparking” the Hillcrest Station.



Hong Kong transit agency, MTR, leases property for revenue

Recommendation #18: Land Bank with Parking

Until high-density development becomes more feasible, the City should “hold the line” by creating reserve parking areas and a park-and-ride location in the near term. The most noteworthy example is the Fruitvale BART Station, but others include Walnut Creek, Pleasant Hill, and Hayward BART stations. Given the City’s expressed interest in office use, banking the land for future commercial development makes sense.



Hayward BART Transit Village phased development to accommodate higher density uses

Recommendation #19: Plan for Future Major Regional Infrastructure

When planning for infrastructure, the City should consider “people connections,” not just vehicle connections. While existing neighborhood sentiment is against linking to the eBART station, this perspective is short-sighted and will change over time as people begin to see eBART as an amenity. The City should keep a long-range perspective and plan regional connections. Even grandiose plans such as freeway caps over State Route 4 should not be taken off the table. Millennium Park and Mercer Park pictured here are examples of infrastructure improvements that, while too expensive to implement in Antioch now, show how improving connections to surrounding neighborhoods will be critical to the TOD’s success in the long term.



Early rendition of Millennium Park, Chicago



Mercer Island-Lid Park, Seattle

Planning for long-term opportunities to bridge a freeway or reduce barriers proved critical to the success of these sites

Recommendation #20: Hold the Line

Low-density development competes with high-density development, especially in eastern Contra Costa County where there is a large stock of existing single-family homes available at or below the price of a new condo or townhome. Unfortunately, most people do not take into consideration their cost of transportation nor their carbon footprint when buying a new home. Instead they look at factors such as price, the size of the yard, and nearby schools.

Since competition from single-family development makes high-density development very difficult in eastern Contra Costa County, the City should hold the line by taking a carefully measured approach to new development. Livermore, Petaluma, Portland, and Davis are all examples of cities that have been more resilient to downturns in the housing market.



Plan for the long term and appropriate densities. This Boston mixed-use property illustrates model housing densities the City should consider for the future

Conclusions

The Hillcrest Station Area Plan offers an ambitious vision that will redefine development in Antioch and eastern Contra Costa County. The project area presents a number of unique challenges and opportunities and will require dedicated partnership and cooperation among the City, developers, landowners, technical experts, and the community.

In summary the panel's recommendations were as follows:

1. Encourage development by funding key infrastructure projects and consider a third location for the eBART station.
2. Residents drive ridership; create a vibrant place to live with an appropriate mix of residential uses while carefully planning for market driven residential absorption and integration rates.
3. Leverage affordable housing as a catalyst for development and reduce the required minimum residential density.
4. Plan for transit-oriented development, not transit-adjacent development by focusing on residential development first, then office. Both must seamlessly connect to future transit improvements.
5. Make using transit easy for residents and visitors. Focus on improving connectivity to the site, to residential areas and its amenities.
6. Recognize implementation challenges regarding parking constraints and parking costs, as well as the PG&E's substation. Use shared parking and district strategies where appropriate to land bank property for future development. Negotiate with PG&E to address substation constraints.



BART and automobiles share road
Source: VTA



ULI site opportunity tour

3 Station Area/Downtown Plan

Cloverdale



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The City of Cloverdale is located 85 miles north of San Francisco and 32 miles north of Santa Rosa in California's wine country. At 2.7 square miles in size and with a population of approximately 8,454, Cloverdale offers small-town ambiance and a rural, natural setting in northern Sonoma County.

The city was historically served by the Northwestern Pacific Railroad. In the early 1990s, the former Cloverdale Station was demolished as part of the expansion of U.S. Highway 101 through Cloverdale. In 2000, Caltrans built the existing Cloverdale Depot to mitigate the removal of the historic station.

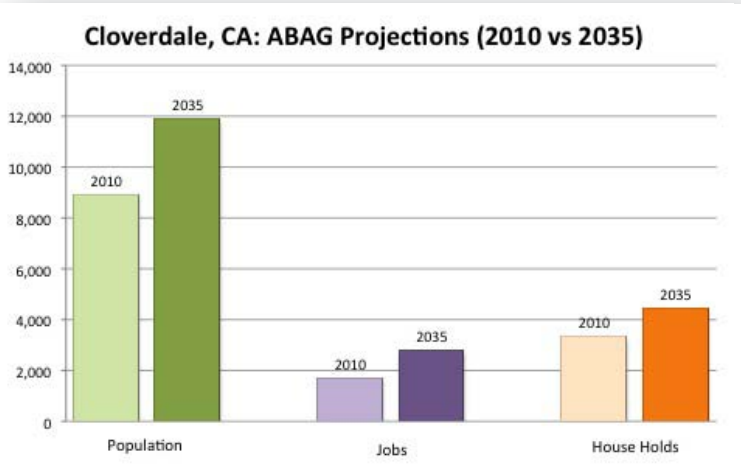
Images and renderings provided by panel and lead author.

Although Cloverdale Depot has yet to see any use, this relatively new station will serve as the northernmost terminus of the Sonoma-Marín Area Rail Transit (SMART) line, a new passenger rail system that will provide rail service from Cloverdale Depot to the San Francisco-bound ferry terminal in the City of Larkspur in Marin County. Extending along 70 miles of the existing Northwestern Pacific Railroad alignment, the SMART rail line will parallel Highway 101 and serve 14 stations along its corridor, including stations at the major population and job centers of the North Bay: San Rafael, Novato, Petaluma, Cotati, Rohnert Park, Santa Rosa, Windsor and Healdsburg. In addition to upgrading the existing Northwestern Pacific Railroad line for passenger and commuter-oriented service, which is expected to begin in 2014, the SMART project will build a new bicycle/pedestrian pathway parallel to the rail corridor that links all 14 rail stations. SMART’s environmental studies project that 5,300 passengers per day will ride the train and 7,000 to 10,000 people a day will use the bicycle/pedestrian pathway.

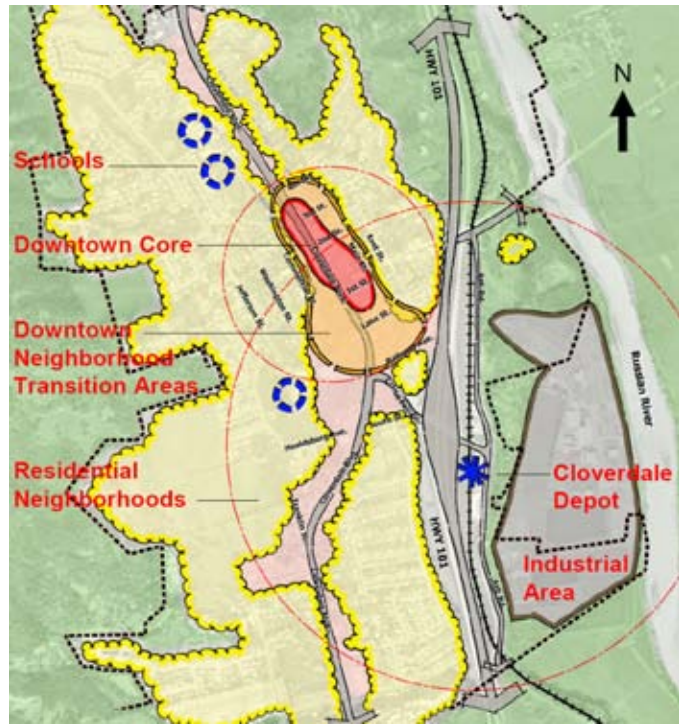
In anticipation of the commencement of passenger rail service along the SMART line, the City of Cloverdale secured a grant from the Metropolitan Transportation Commission to create a Station Area Plan that will evaluate the potential of Cloverdale’s greater downtown area for transit-oriented development (TOD). Since its commencement in May 2009, the completion and ultimate adoption of the Station Area Plan has become a top priority for the City, which is eager to determine how best to structure and implement land use policies that will capitalize on the future benefits SMART will provide and yet preserve the small-town atmosphere that Cloverdale has historically enjoyed.



Planned SMART Rail Line
Source: SMART Train



Source: ABAG, Projections and Priorities 2009: Building Momentum



Existing City land use pattern
Source: Freedman, Tung & Sasaki

Strengths, Weaknesses, Opportunities, and Threats

STRENGTHS

- Small-town charm
- Linkages with transit, including (in addition to coming SMART rail line) a City bus, Sonoma County Transit buses, a Greyhound bus stop, and an Amtrak bus connection service to the Martinez rail station
- Proximity to groceries, medical care, and other civic and community facilities
- Expedited approval for affordable housing

WEAKNESSES

- Train depot disconnected from downtown
- Weak market for retail

OPPORTUNITIES

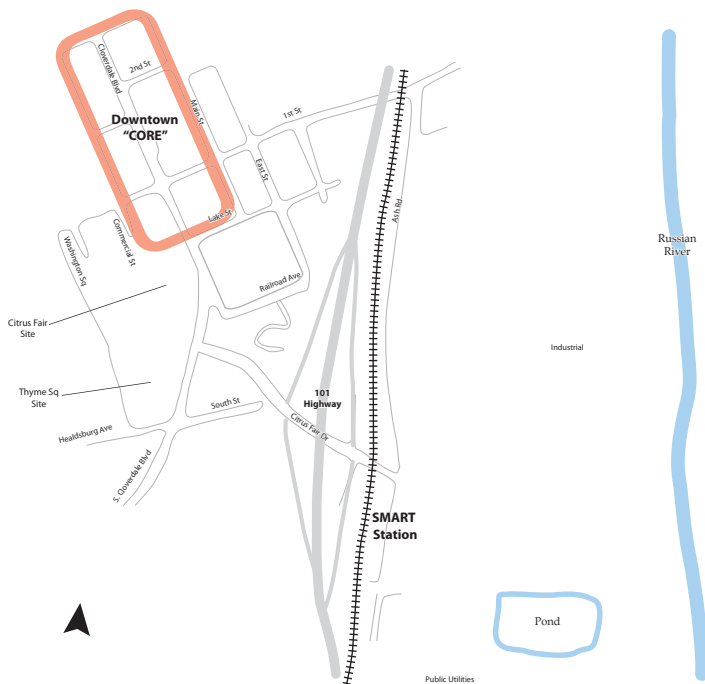
- Becoming a model of small-town TOD
- Re-use of Citrus Fair and Thyme Square sites
- \$2 million in affordable housing funds

THREATS

- Flood plain limits development east of station
- Over-identification with small-town/cultural resistance to growth

“While the small town feel benefits Cloverdale in many ways, it could also hinder feasibility and marketability of new development.”

“Through the establishment of a TOD designated development zone, the City can create incentives for both maintaining and enhancing Cloverdale’s core downtown.”



Existing Conditions
Concept by Calvin Platt, Images by Rick Gosalvez



Existing access to station along Citrus Fair Drive

Recommendations

The City called upon ULI to provide recommendations for the following issues:

1. What is the best way to implement creative land uses to both expand SMART’s ridership base in Cloverdale and foster business growth downtown?
2. How can the City improve City-wide connectivity?
3. What is the best strategy for attracting a supermarket downtown, despite current market weaknesses?
4. How can the City encourage development and design ideas that maintain the City’s small town atmosphere?
5. How can the City identify the best uses of City resources to achieve the above goals?

The following recommendations address these issues.

Recommendation #1: Facilitate Smart Growth in Light of Current Economics

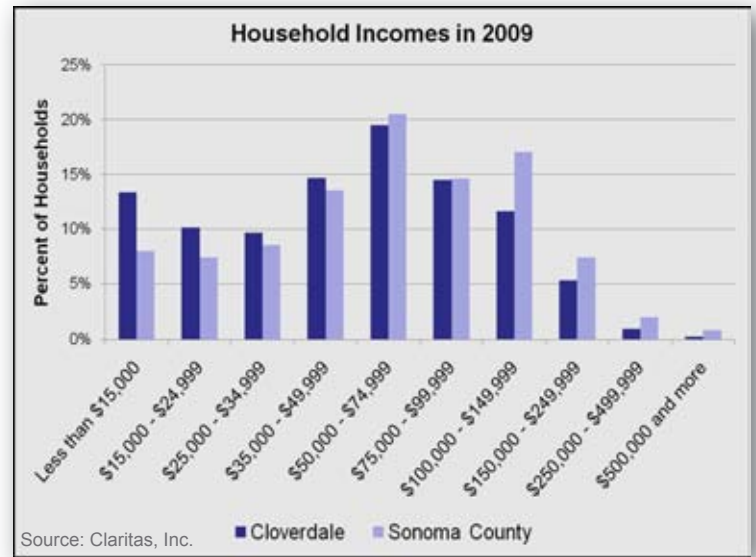
Despite the current economic downturn and limited market, any development in Cloverdale should be consistent with several general economic principles germane to transit-oriented development.

Consider Market Demand (Especially for Housing and Visitor-Serving Uses)

First, the City should encourage land uses that meet market demand. Recent market activity and expected future demand point primarily to housing and visitor uses.

ABAG’s recent projections suggest that Cloverdale will enjoy a 34-percent population increase over the next 25 years, adding roughly 3,000 residents by 2035. Relatively low housing costs – Cloverdale’s median home price is approximately \$235,000, compared to \$364,000 for Sonoma County – will likely contribute to the city’s projected population growth. Given the projected demand increase of only 46 additional dwelling units per year over the next 25 years, Cloverdale will most likely benefit from lower thresholds of densities and sizes of developments.

While the City has identified retail, commercial, and job-creating uses as those most needed in Cloverdale, a recent market study revealed weak demand for retail. Accordingly, the city currently suffers from a surplus of commercial property. There is approximately 60,000 square feet of vacant retail and office space in Cloverdale, of which roughly 40,000 square feet are predominantly located downtown.



With respect to future retail development, market studies project that the city can support approximately 22,000 square feet of additional retail space by 2025. However, while a smaller, neighborhood grocery is currently located downtown, there is neither an immediate nor even short- to mid-term sufficient demand for a supermarket in Cloverdale’s current development horizon. As market demand picks up over time, another small to mid-size neighborhood grocery could be supported in and around the downtown in the longer term.

“There is neither an immediate nor even short- to mid-term sufficient demand for a supermarket in Cloverdale.”

Although there is no immediate demand for retail, the City can help support its existing retail by maintaining its current concentration of civic uses and locating additional housing and visitor-serving uses downtown and near the station area. These uses will help to support existing retail and build support for the desired downtown retail anchor. Housing that complements the SMART line can also help to improve access to job centers – an important consideration, given that approximately 72 percent of Cloverdale’s employed residents commute out of the City for work.

Encourage Uses and Densities that Contribute to Transit Ridership

Secondly, the City should encourage land uses and densities that contribute to transit ridership. These uses would include residential and neighborhood retail at densities slightly greater than or equal to seven units per acre. Higher densities cannot necessarily be justified, due to the lower regional connectivity that transit affords (or will afford) Cloverdale.

Recommendation #2: Implement Connectivity Measures

The Northwestern Pacific Railroad line and the historic station were originally located adjacent to downtown Cloverdale; however, the existing rail line was left separated from the downtown (on the east side of the freeway) following the expansion of Highway 101. Consequently, the new Cloverdale Depot was also built on the east side of the freeway.

With the vast majority of the planned development located west of Highway 101, the physical separation of Cloverdale Depot from the downtown area presents a significant connectivity issue and poses a challenge to SMART's ridership base both to and from Cloverdale. The land adjoining the new station to the east is mostly a flood plain and may not be suitable for residential or commercial uses. Moreover, there is poor pedestrian and bicycle access from downtown Cloverdale to the new station, as potential SMART riders must walk/ride a minimum of a half-mile (about 15 minutes) to or from the downtown area while traversing several busy streets, the freeway's on- and off-ramps, and an unfriendly freeway underpass. Even for automobiles, the existing configuration of the Citrus Fair Drive/Cloverdale Boulevard intersection provides an unattractive and disorienting entry to downtown from both freeway off-ramps and the new station.

By implementing street improvements and changes designed to create a more consistent grid with grid-shaped, walkable blocks, the City can substantially improve connections to and from Cloverdale Depot. These improvements will encourage greater use of the SMART line and other existing transit. Improved pedestrian and visual connections between Cloverdale Depot and downtown will also promote visits by day-trippers and tourists.

Realignment of the Citrus Fair Drive/Cloverdale Boulevard Intersection

The most effective way to connect the station and downtown is to realign the intersection of Citrus Fair Drive and Cloverdale Boulevard so that the part of Citrus Fair Drive coming from the station and freeway aligns directly with Cloverdale Boulevard

“The most effective way to connect the station and downtown is to realign the intersection of Citrus Fair Drive and Cloverdale Boulevard going north into downtown.”

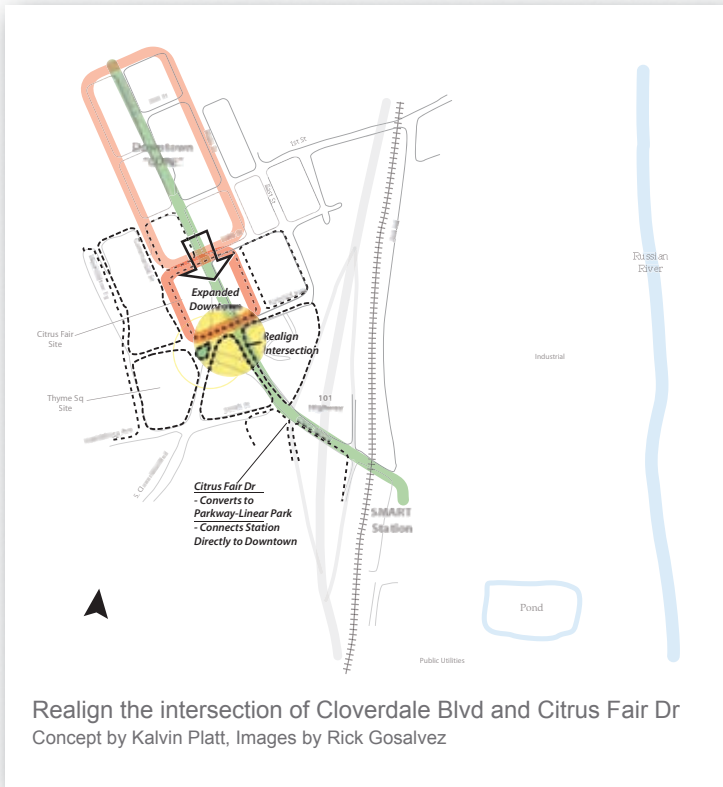
going north into downtown. This would both create a direct, single street connection between downtown and the station and allow the recently beautified pedestrian and streetscape treatment of downtown Cloverdale to extend along the entire route between these two critical community assets. This realignment project would require the City to acquire a small, inefficient commercial parcel near the existing intersection, but the current rights-of-way would allow the reconfiguration to create a slightly larger area of commercial potential in a much more key location along Cloverdale Boulevard. Cloverdale Boulevard coming from the south would also be reconfigured into a new intersection with traffic signals, which would connect to northbound Cloverdale Boulevard (and downtown) via double left-turn lanes.

Aside from increased connectivity, a commercial benefit to downtown would accrue from the reconfigured roadway access from the station and freeway. New off-ramp configurations would provide an enhanced vehicular entry into downtown and a more efficient connection to Highway 128 and Mendocino County to the north. New signage on the freeway, which would exclude heavy trucks but entice visitors to use the modified off-ramps and the realigned Cloverdale Boulevard as a more aesthetically pleasing route to the coast, could also attract additional visitor business downtown.

Modifications to Citrus Fair Drive

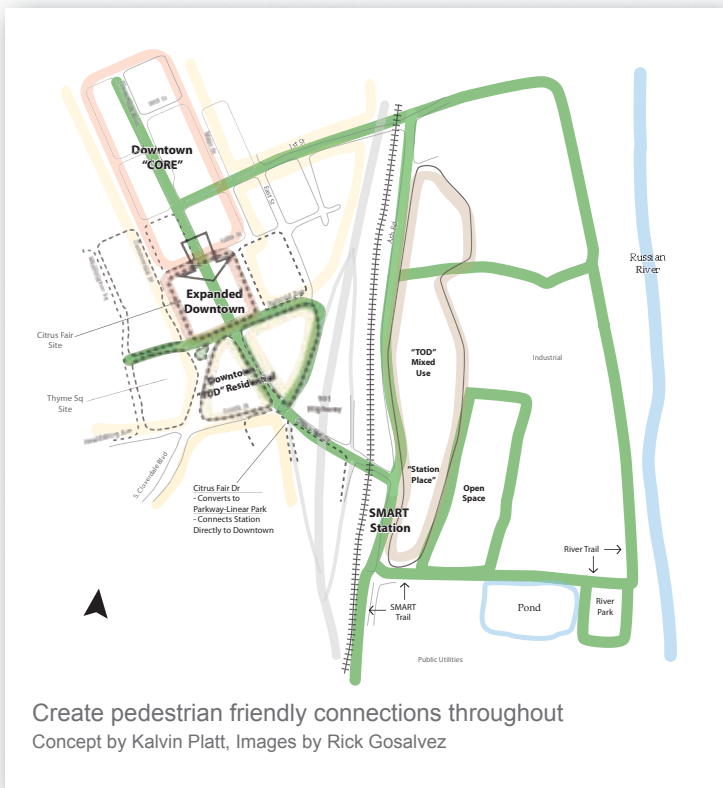
Citrus Fair Drive between downtown and Asti Road would also require modification in order to improve the connection between Cloverdale Depot and downtown. This existing section of Citrus Fair Drive was designed as a high-speed, exclusively vehicular road. To create a more sustainable, multimodal corridor that encourages walking, bicycle use, and calmer traffic, the road could be reconfigured as follows:

- Reduce the number of vehicle lanes to one in each direction and create a slower speed design
- Use the remaining right-of-way for wide sidewalks and bicycle lanes in each direction
- Provide a landscaped median
- Provide street trees, pedestrian lighting, directional signage, and graphics
- Modify on- and off-ramp intersections with Citrus Fair Drive to include stop signs, pedestrian crossings, and tighter curves and widths to enhance safe crossings at the ramps and pedestrian crossings of Citrus Fair Drive



Other Connectivity Improvements

To create more efficient connections to Cloverdale Depot from the residential areas south of downtown, the sound wall currently separating the Tarman Tract and Highway 101 should have a pedestrian and bicycle opening at South Street. Additionally, a pedestrian and bicycle path should connect South East Street to Citrus Fair Drive along the southbound off-ramp of the freeway. Cloverdale's existing transit services, or a new shuttle bus system, should also be employed to transport SMART patrons to and from downtown and the city's other residential areas.





Existing transit Sonoma County Transit service



City Hall, Downtown

Recommendation #3: *Preserve Cloverdale's Small-Town Atmosphere*

Especially in light of the current economic downturn, Cloverdale will have to compete with other towns and cities in Sonoma County that have become less expensive, offer more amenities, and are closer to the employment centers to the south (Santa Rosa, Marin County, and San Francisco). Additionally, Cloverdale faces the conundrum of creating a more compact, mixed-use downtown in a semi-rural area where residents may prefer a more “spacious” lifestyle and may not be interested in denser residential living.

Despite these concerns, the panel recommends that Cloverdale's small-town atmosphere be maintained not only as a community value but as a model of small-town TOD for the future. Higher density development should not be character-changing and height limits and densities should be carefully considered. Bay Area-wide density criteria (such as MTC's Resolution 3434 definition for TODs) should be balanced against the community's existing size, character, and location in the region. Cloverdale, as the “end of the line” for the SMART rail and the northernmost town in Sonoma County, may benefit from lower thresholds of densities and development sizes without compromising regional sustainability goals.



Street improvements on Cloverdale Blvd, Downtown



Street improvements Downtown Cloverdale, Ca



Intersection of Citrus Fair Drive and Cloverdale Boulevard Source: Google Maps

Recommendation #4: Focus on Downtown-Oriented Development

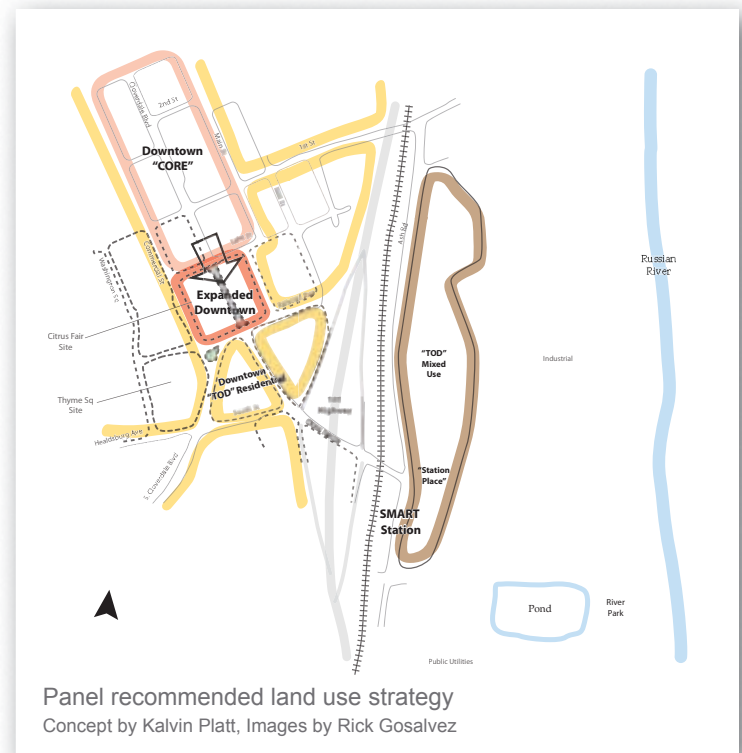
Downtown is the city’s greatest asset. Cloverdale’s downtown is compact, attractive, and easily walkable, and it offers a variety of land uses over its small grid of blocks. These features need to be protected while allowing for increased activity downtown. Sprawl on the city’s edges should be limited and the majority of new development (both commercial and residential) should be focused downtown and in the city’s core. The city’s civic uses should be concentrated downtown as well.

The improved connectivity gained through the reconfiguration of Cloverdale Boulevard (discussed above) can also foster new creative land uses to increase activity in the downtown core. First, the downtown’s commercial and mixed-use development can be expanded one block south to Railroad Avenue (on the east side of Cloverdale Boulevard); these uses will directly front the Cloverdale Boulevard following its reconfiguration. Downtown’s existing wide sidewalk treatments can also be extended, thereby reducing the walking distance from downtown to the station by one block.

Reuse of the Citrus Fair Site

The future integration and activation of the Citrus Fair Site is critical to the successful connection of downtown to the station area and increased activity downtown. The 6.2-acre Citrus Fair site, located south of downtown and west of the intersection of Citrus Fair Drive and Cloverdale Boulevard, is

currently underused. The existing facility on the site was built in 1951, and a large parking lot (which comprises the majority of the parcel’s useable space) fronts the main thoroughfare, Cloverdale Boulevard. Consequently, the site’s current configuration provides an unattractive entry into downtown along Citrus Fair Drive from Highway 101, which only exacerbates the connectivity problem and lack of flow between the station area and downtown. Despite its rich history as the home of the Cloverdale Citrus Fair Wine Competition (now named the San Francisco Chronicle Wine Competition), the Citrus Fair facility and parking lot currently monopolize a large parcel of prime land that would be more appropriately used as a southern anchor to the downtown.



Panel recommended land use strategy
Concept by Calvin Platt, Images by Rick Gosalvez

There are two possible alternatives for the site’s redevelopment and reuse:

- Relocate the Citrus Fair (possibly near the SMART station on Asti Road) and redevelop the entire site for mixed residential and commercial uses; or
- Maintain the existing fair uses west of Commercial Street and redevelop the Cloverdale Boulevard frontage of the site (the existing parking lot) for downtown uses.

No matter which alternative is selected, the City should align new buildings right along Cloverdale Boulevard, thereby extending downtown’s “look and feel” and creating a southern anchor

to the downtown. The Cloverdale Boulevard reconfiguration would add about a half-acre to the Citrus Fair site and also align the frontage of the parcel with the rest of downtown.

Additionally, although no immediate or short- to mid-term demand exists for a supermarket in Cloverdale, redevelopment of the Citrus Fair site could present an opportunity for such a supermarket use in the longer term. If located along the street frontage of Cloverdale Boulevard, the market could include traditional sections for food shopping while also offering prepared food sections, deli takeout, and sidewalk café-style dining along the boulevard's widened and landscaped sidewalks. Parking should be located at the rear of the market on this large site, rather than along the street frontage of Cloverdale Boulevard.

“The Thyme Square site should ideally be developed as support uses for the downtown, such as higher density housing in the 6 to 15 units per acre range.”

Development of the Thyme Square Site

Development of the currently vacant 5.3-acre Thyme Square site to the south of Citrus Fair is also critical to the future success of Cloverdale's downtown and station areas. Though located south of what will become the downtown's southern anchor (the Citrus Fair site), the Thyme Square site should ideally be developed as support uses for the downtown, such as higher density housing in the 6- to 15-unit-per-acre range, reflecting the small-town atmosphere of Cloverdale. Depending on market conditions, housing on the Thyme Square site could take the form of small-footprint, small-lot “cottages” and some walkup or townhouse units.



Opportunity site: Thyme Square

Recommendation #5: Encourage Complementary Land Uses Near the Station Area

Although the City's primary development focus should remain on downtown Cloverdale, creative land uses should also be considered in the direct vicinity of Cloverdale Depot to the east of Highway 101, as there are a substantial number of acres of undeveloped land fronting Asti Road. Land uses near the station area should complement, not compete with, land uses in and around the downtown.

Some of the land is flood plain, but some of it sits on higher ground and is tree-covered. The environmental issues of flooding and tree preservation should be studied. Some potential uses would be a “Station Place” development, incorporating visitor uses and higher density residential development among the trees, facing a preserved flood plain, open space, or the river. Additionally, some small riverfront parks and new bicycle and hiking trails could be located along the riverside in order to connect the northern terminus of the regional SMART trail system at Cloverdale Depot with the Russian River trail systems to the north. This combination of transit and riverfront recreational facilities would offer a unique opportunity for a sustainable, mixed-use development.

Apart from the undeveloped land near the station, a possible reuse for some of the industrial lands in this area could be for new Citrus Fair facilities, if the City elects to relocate the fair from downtown.



Housing densities appropriate near downtown
Source: Calthorpe Associates, The Crossings, Mountain View

Conclusions

In comparison to the other North Bay cities along the new SMART line, “TOD” means something markedly different in Cloverdale, which falls somewhere between a rural and semi-rural town. Unlike Santa Rosa, Rohnert Park, or even Healdsburg, Cloverdale will not likely see significant growth during the early implementation stages of the SMART rail system. Furthermore, as the SMART line’s northernmost terminus, Cloverdale will not, in the foreseeable future, serve as a significant sub-regional transportation hub.

Being mindful of these characteristics and well aware of the economic realities associated with development of increased densities, the panel finds it difficult to support density merely for density’s sake in Cloverdale – rail station or not. A development plan for the station area and downtown Cloverdale that mandates increased building heights and densities would not likely serve the best interests of Cloverdale, its residents, or Sonoma County as a whole. Although development patterns in and around the downtown should be somewhat denser, to the rural or semi-rural home buyer seeking tranquility and small-town charm, such an increase in densities probably does not translate into a condominium flat three floors up.

For Cloverdale, transit-oriented development (and its aligned goal of smart growth) means recognizing where the city should grow and then implementing development policies that help create a true, highly functioning downtown. This entails:

- Focusing the majority of the city’s development activity in the downtown area and discouraging any annexation or development outside of the core downtown;
- Maintaining the City’s existing civic uses as a northern anchor of downtown and creating new southern anchors closer to the station area;
- Relocating and/or redeveloping the Citrus Fair site;
- Realigning Cloverdale Boulevard and humanizing Citrus Fair Drive to provide for increased connectivity between downtown and the station area;
- Encouraging land uses near Cloverdale Depot that are complementary to, not competitive with, the downtown; and
- Ensuring that any higher density development is not significantly character-changing.

The City’s implementation of the panel’s suggestions will not materially change Cloverdale’s desirability as a retail or residential destination in the near term. By working toward these goals, however, the City can create a more rail-friendly environment that capitalizes on existing infrastructure and currently underused and undeveloped parcels. Most importantly, the adoption of the planning tools and concepts illustrated herein will allow Cloverdale to grow intelligently and maintain its small-town charm.



Existing townhomes west of Thyme Square

4 El Camino Plan/Downtown Plan

Menlo Park

CITY OF MENLO PARK
EL CAMINO REAL/DOWNTOWN VISION PLAN



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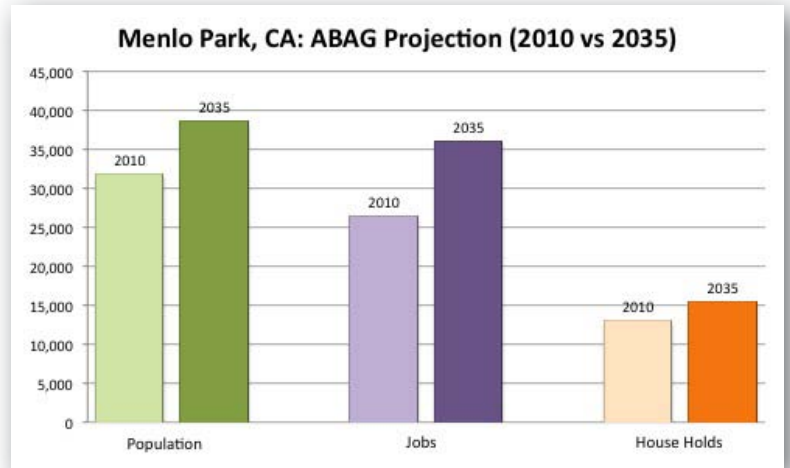
Jessie Woodyard
Barry Swenson Builder
Lead Author

The mid-1800s gave birth to the sleepy town of Menlo Park. Even before its incorporation in 1874, the city was a desirable community in which to live, work, and raise a family. The town's origins were focused around the train station, as people travelled from their homes to Menlo Station to commute to jobs in San Francisco. The original station platform remains and is a recognizable landmark at today's Caltrain Station platform. The first incorporated streets were those immediately adjacent to the train station. Santa Cruz Avenue was the first of these streets and remains important today as it is the heart of Menlo Park's downtown.

Images and renderings courtesy of city, panel, and lead author.



Historic Rail Road Station



Source: ABAG, Projections and Priorities 2009: Building Momentum



City of Menlo Park, San Mateo County, CA.

Menlo Park is centrally located in San Mateo County between Highway 101 and Interstate 280. To the east is San Francisco Bay, to the south is the City of Palo Alto, to the west are the Woodside hills, and to the north is the City of Atherton. With a little over 30,000 people, according to the 2000 U.S. Census, Menlo Park maintains a small-town feel similar to surrounding cities such as Redwood City, Woodside, and San Carlos. Its downtown has a quaint character that belies the city’s robust economic base. Sand Hill Road, home to the nation’s top venture capitalists and angel investment firms, runs directly through Menlo Park.

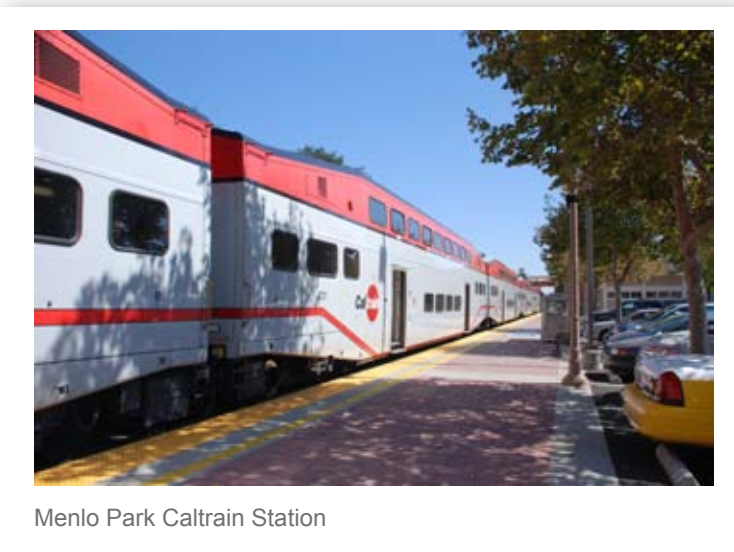
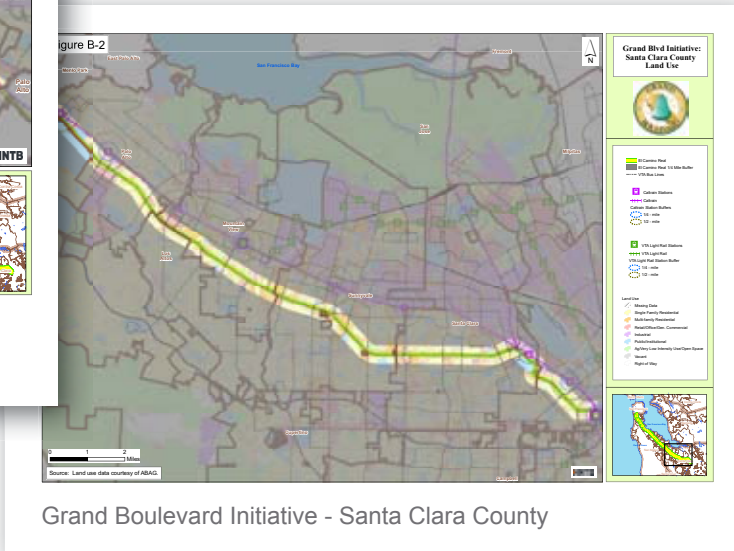
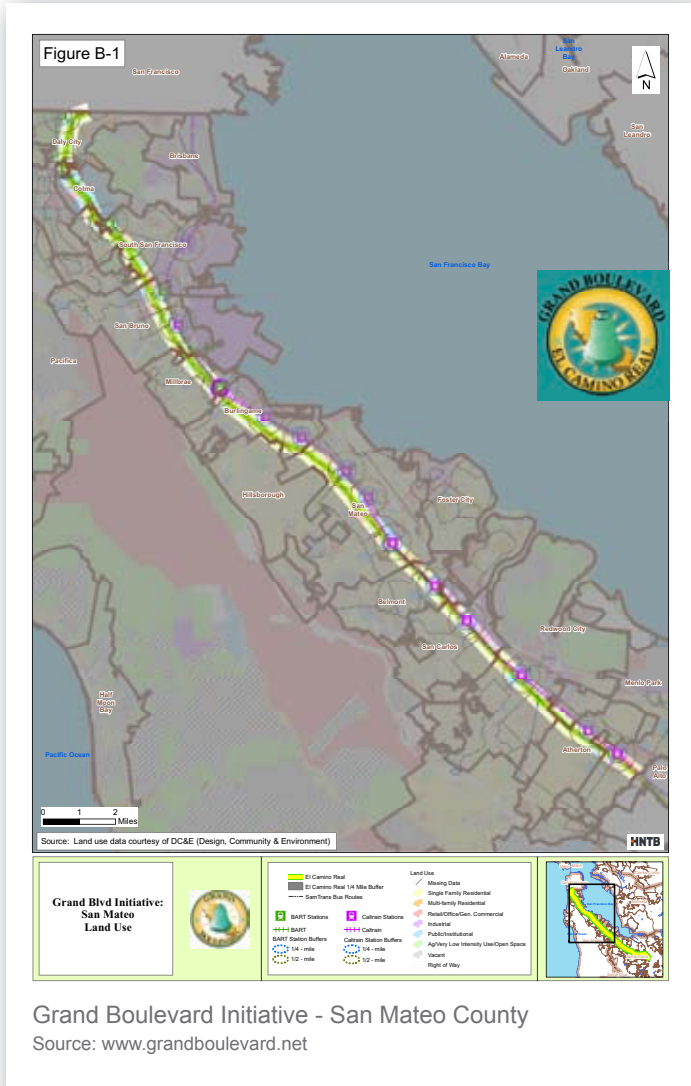
High-Speed Rail

A major project that will affect Menlo Park and the rest of the Peninsula is the new high-speed rail system linking northern and southern California. The presence of high-speed rail will lessen the impact of automobile and air travel on the environment and increase connectivity between California cities. Travel time between Los Angeles and San Jose, for instance, will be approximately two hours, making rail the most efficient and cost-effective mode of travel between these cities. As the only state that enjoys matching state and local financial support, California is well-positioned to receive federal approval and funding for high-speed rail. The state is also unique in having more than a decade’s worth of pre-planning, design, and project engineering. The high-speed train would bypass the Menlo Station, but its impact on the Peninsula and the local cities would nonetheless be significant. The nearest station stop would be in either Redwood City or Palo Alto.

“High-speed rail is essential for the economic future of the Bay Area as well as the future of the state in terms of its competitiveness. This is a vision that we can manifest in our lifetime. Let’s get moving, let’s build it.”
 – San Francisco Mayor Gavin Newsom

The Grand Boulevard Initiative

Menlo Park is participating in “The Grand Boulevard Initiative,” a collaboration among 19 cities within San Mateo and Santa Clara counties seeking to improve El Camino Real, the main arterial through the Peninsula. Once completed in the coming decades, the project will unite areas between Daly City and downtown San Jose’s Diridon Caltrain Station. The Grand Boulevard Initiative is a coordinated effort by the San Mateo County Transit District (SamTrans) and the Santa Clara Valley Transportation Authority (VTA). Partners also include the Silicon Valley Network, San Mateo City/ County Association of Governments (C/CAG) and SAMCEDA (San Metro Economic Development Association), as well as environmentalists, labor groups, policy advocates, policy makers, neighborhood groups, City Councils, and City staff.



Menlo Park's Challenges

In downtown Menlo Park, Santa Cruz Avenue is active by day, featuring small retailers along the street. It transforms into a quiet corridor by night. The surrounding districts along El Camino Real and the train station are marked by heavy traffic and dated retail buildings. Few retailers populate the streets and housing is virtually non-existent in the immediate vicinity. Menlo Park is an auto-reliant community, with few connections between downtown, El Camino Real, and the station area. These areas today are underutilized and pose a challenge to Menlo Park's future as a thriving and environmentally friendly community.

Menlo Park faces a number of development challenges. For example, the Stanford-owned car dealerships, which once dominated the section of El Camino Real near the Menlo Park Caltrain Station, are now boarded-up showrooms and large empty concrete slabs.

In 2006 Derry Lane, LLC proposed the Derry Lane mixed-use project, located on the north side of Oak Grove Avenue, sparking a momentous uproar among local residents concerned over residential density. The local debate ultimately led the City of Menlo Park to begin a two-step process of preparing a Vision Plan. In 2007, Phase I was planned as a visioning process in order to establish overall guidelines for development. Phase II would refine the Vision Plan by more intensely studying the details of the initial visioning process of Phase I. At this point in the process, an Environmental Impact Review (EIR) would be conducted and a Specific Plan would be adopted, along with associated zoning and General Plan amendments.

Issues identified through the Vision Plan process included the car dealership vacancies, piecemeal zoning, and general issues facing the city's future: population growth, the need for economic expansion, affordable housing, and the need to create a more environmentally sustainable community.



Vacant Parking Lot in Downtown/El Camino Area

Strengths, Weaknesses, Opportunities, and Threats

STRENGTHS

- Central location
- Existing train station
- Robust economic base
- Quaint character

OPPORTUNITIES

- Grand Boulevard Initiative
- Vision Plan
- Opportunity sites

WEAKNESSES

- Vacant car dealerships
- Lack of activity (especially at night)
- Auto-reliant community
- High housing prices

THREATS

- Competition from other cities
- Community resistance to change

Recommendations

The City, having outlined the problems and collaborated on resolutions, posed four key questions to the panel:

- Are the preliminary scenarios financially viable?
- What types of development are best suited to the primary opportunity sites (the Stanford car dealerships)?
- How should El Camino Real corridor development distinguish itself from development downtown?
- What types of public benefits can the community realistically expect to receive in exchange for these types of zoning changes?

The panel has made the following recommendations based on its study of Menlo Park and the City's questions.

Recommendation #1: *Increase Downtown Economic Vitality through a Business Improvement District, a Downtown Association, and a Business Incentive Program*

The City should create a Business Improvement District (BID) throughout downtown to stimulate economic vitality and provide for improvements. BIDs traditionally create additional taxes and/or fees applied to all businesses within the district. The money generated is applied toward improvements within the district itself to further maintain and beautify the area, priming it for visitors and residents alike.

A downtown BID would result in all the traditional benefits. The additional money would provide greater financial flexibility for continual downtown improvements, thereby attracting more visitors and expand local economic output. It would also contribute to additional marketing (branding of the downtown) and help fund parking alternatives (parking being another issue addressed by the panel) and other special services.

In addition to a BID, the City should encourage the development of a Downtown Association to increase tenant participation and contribution to local issues. It would promote local activity and strengthen relationships among businesses and between businesses and the City.

Lastly, the City should create a Business Incentive Program, which would make Menlo Park more competitive in attracting new businesses and retaining existing ones. Certain tax reductions should be offered to new businesses considering relocation into Menlo Park's downtown.



Santa Cruz Avenue, Downtown Menlo Park



Santa Cruz Avenue, Downtown Menlo Park

Recommendation #2: *Promote a Sustainable Community*

The City should take steps to create a more sustainable community by integrating land uses, reducing auto dependence, and preserving open/ public space. Appropriate densification in areas close to the train station and around El Camino Real will encourage greater use of public transportation and reduce greenhouse gases by reducing per capita miles traveled. It will also create or preserve more open space as sprawl on the city's edge is reduced.

Create a High-Density Train Station Overlay District

Higher density in and around the Menlo Station area would provide opportunities for people to live where they can walk to public transportation, thereby reducing automobile dependency. Density could foster much-needed connectivity between the downtown, El Camino Real, and the station area.

The panel recommends creating a Station Overlay District that encompasses the entire train station area, allowing new height limits with a minimum of 60 feet. Higher density residential will trigger an influx of supportive retail and create a more bustling area. The new residents will be within walking distance of downtown, making Downtown an attractive shopping, dining, and entertaining option.

Adding height, encouraging connectivity, and creating a more balanced mix of public/open space will provide sense of arrival for passengers entering and leaving Menlo Park.

Encourage High Density Residential and/or Office/Medical Office Along El Camino Real

The Stanford-owned car dealership properties and the few retail and office buildings areas along the El Camino corridor are desolate and prohibitive to attracting new businesses and promoting economic growth and sustainability.

The panel recommends higher density on the Stanford car dealership properties. Zoning regulations for this area should allow building heights of at least six stories or 60 feet. Higher density residential will bring more residents who will populate the streets and provide business to nearby retailers. Density will “put feet on the street,” activating El Camino Real, feeding more pedestrians into the train station district, and helping to energize downtown.

The City should encourage small retail, office, and medical office uses along El Camino Real. Mixing offices with housing will create an increasingly vibrant community, in addition to meeting the demand for more office space. The City should not encourage larger retail businesses such as Banana Republic, Gap, Williams Sonoma, or Tiffany & Co., which are all found at the Stanford Shopping Center just a few blocks south in Palo Alto. Menlo Park should maintain its quaint character in the form of “mom and pop shops” and other smaller, non-competing retail stores.

“To help create connectivity, the panel recommends clearly designed signage and signaled pedestrian pathways and nodes throughout these areas.”



Recommendation #3: Encourage Affordable Housing

Many local working families cannot afford even the median-priced home in Menlo Park. The City’s Below Market Rate (BMR) housing program is currently not meeting the need for housing that can be affordable for residents. The current BMR program requires developers to pay an in-lieu fee directly to the BMR Housing Fund and/or designate between 10 to 15 percent of the total unit count within a new residential development as BMR.

The panel proposes increasing the BMR requirements to provide for greater access to affordable housing in Menlo Park. In new residential developments, 15 to 20 percent of total units should be required to be BMR. The increase will contribute to community vitality and a greater socio-economic mix.

Recommendation #4: Increase Connectivity Between Downtown, El Camino Real, and the Station Area

Downtown, El Camino Real, and the train station area remain isolated from each other. To help create connectivity, the panel recommends clearly designed signage and signaled pedestrian pathways and nodes throughout these areas. Moreover, extending the tree-lined character of downtown to El Camino Real would also help create connectivity.

Recommendation #5: Use “Opportunity Sites” to Implement the Panel’s Recommendations

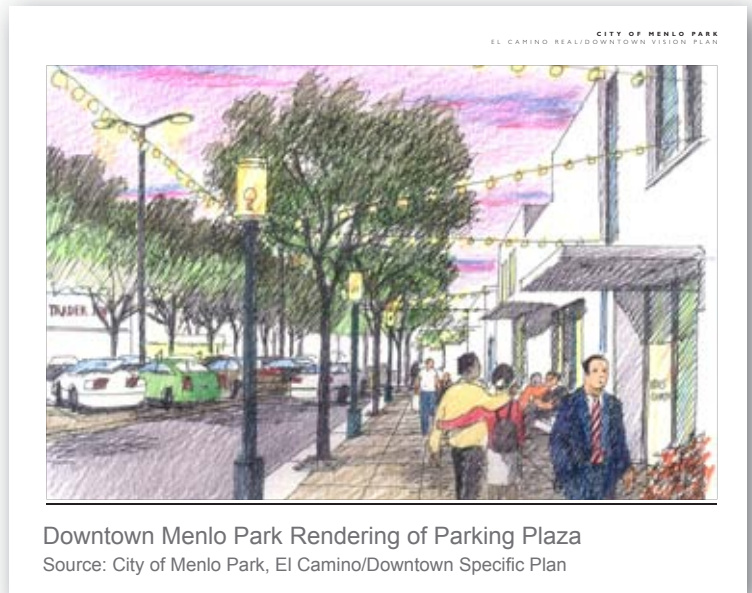
The panel identified four (4) key development opportunity sites within downtown, El Camino Real, and the train station district that can help implement the panel’s recommendations.

“Parking plazas located behind businesses fronting Santa Cruz Avenue represent key opportunity sites for the downtown area.”



Downtown Surface Parking Lots

Parking plazas located behind businesses fronting Santa Cruz Avenue represent key opportunity sites for the downtown area. The plazas are owned, operated, and maintained by the City of Menlo Park.

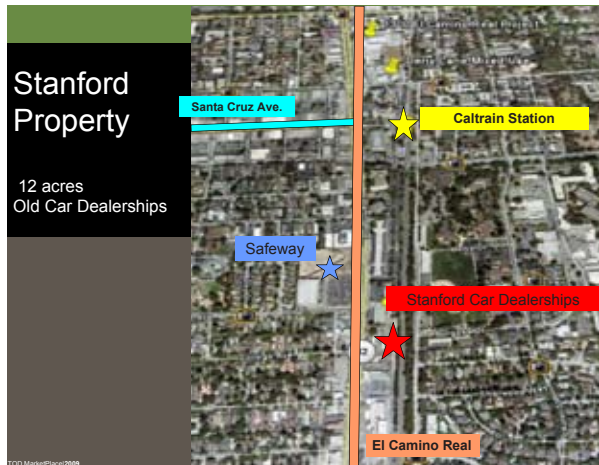


Since the plazas provide vital parking for downtown businesses, the parking spaces would need to be replaced if development were to occur in these areas. The panel recommends the construction of parking structures to condense parking areas and create new development sites.

The new sites would create opportunities for more public open space and for mixed-use residential and/or mixed-use office developments. While the community may generally support this type of development, financing of the new parking structures would create a potentially contentious debate among local businesses and residents concerned about additional taxes and fees. This issue would need to be handled with sensitivity by the City of Menlo Park.

The panel suggests creating an approximately 25,000-square-foot Town Center near El Camino Real and Santa Cruz Avenue. The Town Center could be located in the parking plazas and would complement Fremont Park, an existing public space located on the west end of downtown.

“The panel suggests creating an approximately 25,000-square-foot Town Center near El Camino Real and Santa Cruz Avenue.”



Property Controlled by Stanford University
Source: Google Maps



Derry Lane includes 108 condos and 24,925 sf of commercial space a quarter mile from the station.

Stanford Car Dealerships

The Stanford-owned car dealerships are located at the south end of Menlo Park at the city’s border with Palo Alto. This area encompasses approximately 12 acres and could play a dramatic role in revitalizing El Camino Real. The properties extend along El Camino almost to its intersection with Santa Cruz Avenue.

The properties are most appropriate for higher density housing. There could also be consideration for higher density office and medical office in conjunction with housing in these areas. Retail should also be encouraged along El Camino to help create a transition from residential or office/medical office along the street frontage.

The panel believes these properties are integral to the revitalization of El Camino Real and the future of Menlo Park. They will also be a key contributor to the Grand Boulevard Initiative as the corridor becomes more transit-oriented and housing is added near transit hubs.

Derry Lane Mixed-Use Project

The 3.45-acre Derry Lane mixed-use project site is located on the north side of Oak Grove Avenue between the Caltrain Station and the commercial uses along El Camino Real. Currently, the site contains small retailers and service providers.

The Derry Lane site is entitled for 108 condominiums and 24,925 square feet of commercial space. These uses fit well with the City’s Vision Plan, the Grand Boulevard Initiative, and the panel’s recommendations.



1300 El Camino Real includes 110,0625 sf of commercial space a quarter mile from the station
Source: Google Maps

1300 El Camino Real

Sand Hill Properties owns 1300 El Camino Real, a 3.4-acre property situated north of the Derry Lane project on El Camino Real. The site once contained a Cadillac dealership but is now vacant. The proposed development would feature two-story elements with a maximum building height of 40 feet.

At the City's request, the developer has proposed two project variations/options. The first option includes a grocery store/market, retail/restaurant, health/fitness club, and non-medical office. The grocery store/market and retail/restaurant would have associated alcohol sales, and the health/fitness club would incorporate a spa and related sports message services. The second option features only retail/restaurant, health/fitness club, and non-medical office uses. It would not incorporate a grocery store/market.

The panel sees this property as an opportunity site because of the potential to energize the El Camino corridor to the north of the property and the train station district slightly to the south. Development of the property would also be in line with the Grand Boulevard Initiative, which aims to further strengthen the El Camino corridor.



RENDERING OF POTENTIAL PLAZA AND BIKE UNDERPASS AT MIDDLE AVENUE

Downtown Menlo Park rendering of station area
Source: City of Menlo Park, El Camino/Downtown Specific Plan



RENDERING OF POTENTIAL STATION AREA DEVELOPMENT

Downtown Menlo Park rendering of station area
Source: City of Menlo Park, El Camino/Downtown Specific Plan



RENDERING OF POTENTIAL DEVELOPMENT AND PUBLIC IMPROVEMENTS ON SANTA CRUZ AVENUE

Downtown Menlo Park rendering of Parking Plaza
Source: City of Menlo Park, El Camino/Downtown Specific Plan

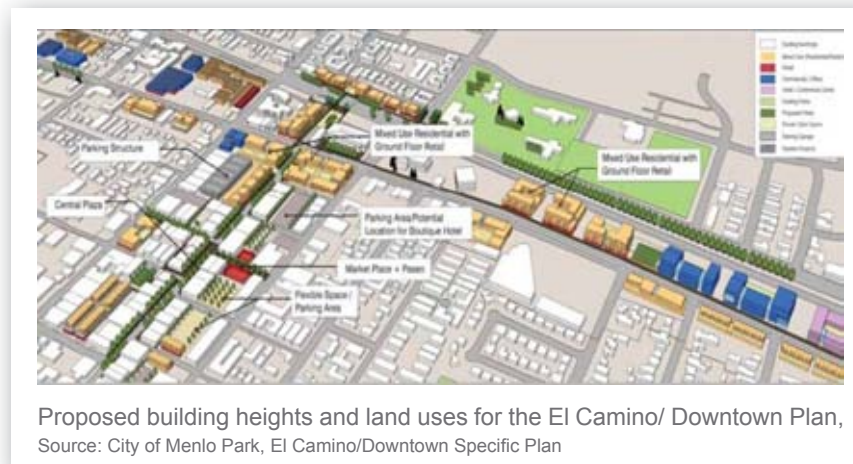
Conclusions

The Panel recognizes that Menlo Park has the opportunity to create a more transit-oriented, sustainable, and connected community. To accomplish this, the City must balance the desires of local residents and implement policy based on future demand. While change is a highly sensitive subject for many residents, the City can use the panel’s recommendations to plan for the community’s continued and future success.

As such, the Panel has identified four primary opportunity sites for intensified land uses and pedestrian improvements; including Downtown’s parking lots, the Derry Lane mixed-use project located adjacent to the train station, 1300 El Camino Real and the Stanford Car Lots. The parking lots should be considered for mixed use development and/or open space or possibly for parking structures. Derry Lane is a critical site to help the train station district merge into a more residentially dense and retail connected area. 1300 El Camino Real is currently being considered for one of two different commercial scenarios, both of which the Panel recommends and supports as it will help activate the commercial corridor of El Camino Real. Lastly, the Stanford Car Lots should be considered for higher density housing as well as a mix of small-shop retail, open space, and some professional office and/or medical office space. These uses for the Car Lots are important to help activate El Camino Real and provide the residential density to support a more vibrant Downtown and Train Station District. Scenarios evaluated could be viable if a Business Improvement District (BID) were created to augment financial burdens and help fund projects.

Congruent with the Panels recommendations, El Camino Real will better distinguish itself from Downtown by adding residential density. This distinction however, must not be confused with isolating El Camino Real from either the Downtown or the Train Station District. The City should better integrate the El Camino Real with its surrounding uses to activate its Downtown. More residences on El Camino Real will result in greater traffic into Downtown and encourage greater ridership at the train station.

Furthermore, the Panel recommends creating a 25,000 square foot Town Center for public enjoyment near El Camino Real and Santa Cruz Avenue. The tree-lined character of Downtown should be extended into El Camino Real and better emphasized a connection with the Downtown. Streetscape and pedestrian improvements that better connect the Downtown, El Camino Real, and train station will be essential for activating the area and better defining the area as a destination.



5 Broadway/Valdez District Plan

Oakland



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Context

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The Broadway/Valdez District Project Area is located in downtown Oakland in Alameda County, California. Oakland is the largest city in Alameda County and the eighth largest city in California, with a 2008 population of 420,183. Oakland is centrally located within the San Francisco Bay Area, eight miles from San Francisco. The 2000 Census shows Oakland as one of the most ethnically and racially diverse communities in the U.S. The residential character of the city is mixed, from downtown high-rise condominiums to large suburban homes in the hills. The city is home to many thriving neighborhoods, many of which were established as a result of the extensive Key System trolley line that ran through the city. Downtown Oakland is one of the core business centers of the Bay Area, with several concentrations of office uses, while West Oakland is home to one of the largest port facilities on the West Coast.

Images and renderings courtesy of city, panel, and lead author.

Broadway/Valdez Study Area



Broadway/Valdez Study Area
Source: City of Oakland, Broadway/Valdez Specific Area Plan

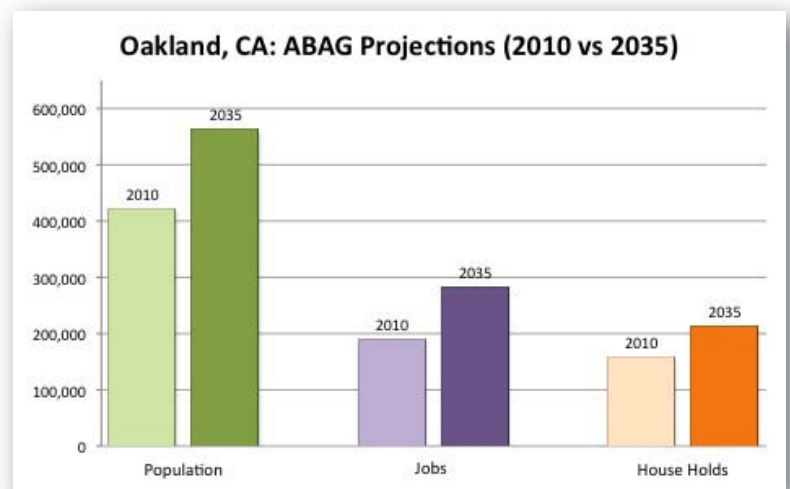
Much of the project area along Broadway is known as “Auto Row” and was once home to a thriving auto sales and support center that has begun to relocate to areas with more visible freeway frontage and access. This relocation has left many vacant auto warehouses and large parking lots, as well as a large number of auto-focused businesses that are still operating. The City of Oakland chose this project area based on the large number of sites likely to be affected by a transition away from these auto-focused uses.

The project area was chosen as a potential location for regional retail through a process that began in 2006, when the Oakland City Council made retail development a citywide priority, due in part to alarm about retail tax “leakage”. A citywide retail evaluation strategy identified the Broadway Retail Corridor as an appropriate area for comparison/lifestyle retail in a mixed-use setting that also incorporates housing and office spaces. The main reasons for choosing the Broadway corridor include:

- Proximity to downtown and other activity nodes such as the adjacent medical campuses and existing residential neighborhoods
- Broadway’s significance as Oakland’s ‘Main Street’
- The availability of transit services

The next steps in the planning process for the project area include development of the Broadway/Valdez District Specific Plan and EIR, a project that is currently underway. This process will “provide a vision and redevelopment strategy for transforming a section of the Broadway corridor just north of the Downtown into a regional retail destination” (Broadway/Valdez District Specific Plan, Existing Conditions Report, p. 5).

The 73.8-acre Broadway/Valdez District Project Area contains 242 parcels and 225 structures and is located the northern part of downtown Oakland. The project area is near many thriving downtown neighborhoods, including Pill Hill (Summit Alta Bates Medical Center) and the Telegraph/Northgate neighborhoods to the west and the Kaiser Center Office District and Uptown District to the south. Just to the north of the project area is another large medical complex, the Kaiser Permanente Medical Center. Lake Merritt, one of Oakland’s notable open space features, is southwest of the area. The project area does not immediately adjoin major rail transit; the 19th Street BART Station is located a third of a mile from the southern edge of the project area, and the MacArthur BART station is three quarters of a mile from the northern edge of the project area. The area is served by several AC Transit bus routes along Broadway.



Source: ABAG, Projections and Priorities 2009: Building Momentum

Strengths, Weaknesses, Opportunities, and Threats

STRENGTHS

- Central City location; proximity to a wide variety of districts
- Regional freeway access from Interstates 580 and 980
- Adjacent to the rapidly regenerating Uptown District
- Existing arts community
- Significant number of nearby open spaces (Lake Merritt, Mosswood Park, Adams Park)

OPPORTUNITIES

- Potential for transit connector running up Broadway
- Existing vacant/underused parcels offering potential infill opportunities
- Green connector to Lake Merritt
- Retail customer base from the large number of nearby workers

WEAKNESSES

- Site not served by major transit
- Fragmented parcelization and ownership

THREATS

- Weak economy that will hinder development
- Competition from adjacent cities/other areas of Oakland better positioned to handle regional retail
- Remaining auto service businesses that may be incompatible with residential uses

Recommendations

Since the planning effort for the Broadway/Valdez District is just beginning, no documents or publicly vetted draft concepts were available for the panel to review. The panel therefore decided that its greatest value was to provide “guiding principles” for the plan as it moves forward, understanding that there is still much technical analysis to be done, stakeholder and general public input to be received, and creative problem-solving to be conducted. While trying to be respectful of all the work still to be undertaken, the panel recommends that the process bear in mind the following three high-level principles, each of which is supported with example development case studies discussed below:

1. Beware of the Policy-Driven Plan
2. Be Willing to Invest According to Your Ambitions
3. Don't Forget the 'T' in the TOD



District character



District character



District character

Recommendation #1: Beware of the Policy-Driven Plan

Issues

- The City’s objective is to address fiscal shortfalls by retaining retail spending that is being lost to other cities.
- Preconceived, policy-driven plans may not work on the ground.
- First and foremost, urban development must acknowledge real estate fundamentals.
- Context matters.

Setting citywide policy goals such as the retention and attraction of retail sales tax revenue is understandable, particularly since Oakland is “leaking” significant amounts of such revenue to nearby jurisdictions. However, trying to force a preconceived,



District character

policy-driven development program into a complex historic urban setting is taking an already difficult task (neighborhood revitalization and economic development) and limiting its options for finding a successful way forward. In this case, the City of Oakland has established an expectation that the plan will focus on developing over a million square feet of regional retail. This direction dictates parcel sizes and assemblies, street configurations, parking and access demands, and urban design solutions that may otherwise not have been logical choices in this particular physical and locational context. While it is worth exploring the possibilities of realizing the regional retail-based plan, it is equally worth exploring alternative plans to understand their market realities, physical possibilities and impacts, and fiscal implications.

Case Study: Coyote Valley, San Jose, CA

A Policy-Driven Plan

- San Jose’s City Council set use, density, and fiscal performance standards before exploring physical and economic conditions and constraints.
- Restrictions were based on City’s overall budget; phasing was tied to the jobs-housing balance.
- The result: millions spent on planning before pulling the plug, with no plan adopted.

Relevance to Oakland: Adherence to pre-conceived policies can reduce the likelihood of success.

An instructive case study can be found in San Jose’s Coyote Valley area. This area in the southern reaches of the city has been held in an “urban reserve” for decades because City policy directed that the area should not be developed with a simple continuation of the suburban development standards found in the most adjacent neighborhoods. Instead, the City Council determined that the development could move forward only if it met certain scale and performance standards geared toward the laudable goals of urban density, job creation, and environmental and fiscal sustainability. Specifically, the plan for the area had to ensure that at least 50,000 jobs (of specific types) be located on the land, in addition to at least 25,000 housing units. Also, development could move forward only if the City’s overall budget situation met a certain standard, and even then the development would have to yield positive net revenues to the City.

Finally, restrictions were placed on the phasing of development, so that housing could only be built to the extent that a proportionate number of jobs had also arrived in the area.

These policy requirements were imposed before any significant amount of planning work had been conducted to understand the full extent of the area's physical opportunities and limitations (including fault lines, railroads, flood plains, and water tables) or the ability of the development to support the substantial costs of the required infrastructure and services. After years-long effort and expense to create a plan that met the policy directives, no plan has yet been adopted and no substantial development has yet occurred. In effect, the extremely specific pre-established policy goals for Coyote Valley have made the development of the area possible under only an extremely narrow set of circumstances, only some of which have anything to do with the character or quality of the development itself.



Coyote Valley, San Jose, Ca
Source: City of San Jose

Case Study: South Pas Plan, South Pasadena, CA

Incremental Infill in a Historic District

- In the heart of South Pasadena, South Pas is a 150,000-square-foot development of retail and residential within an underused downtown.
- The development will introduce five structures to define and enhance edges of the existing commercial district.
- The new buildings will be of a scale and character that will blend seamlessly into the patterns of the historic fabric.

Relevance to Oakland: Preserving historic fabric can add to placemaking and draw new users.

This project is an example of how working within the existing context, rather than “wiping the slate clean” and inserting development of a radically different scale into a downtown neighborhood, can reap benefits. This type of development also

allows for incremental change in concert with the marketplace and helps avoid having to coordinate among large numbers of landowners to assemble property. Locating the majority of the parking below grade will allow for more pedestrian-friendly streets and public plazas above.



South Pasadena downtown land use plan
Source: City of South Pasadena

Based on the lessons learned from the Coyote Valley and South Pasadena case studies, the panel recommends that plans for the Broadway/Valdez District:

- Consider development concepts other than one focused on regional retail.
- Focus on smaller projects, which are more appropriate for the existing physical context.
- Build on existing market forces in the area, allowing owners/developers to respond over time.
- Preserve existing fabric.

The panel's guiding principle is that the planning for the Broadway/Valdez District should consider development concepts other than the one focused on regional retail. The recent improvements in the Uptown District, including infill housing as well as a growing arts and entertainment scene, provide an example of an economic development trend that has responded to market factors and entrepreneurial activity (plus some public financial and regulatory assistance). Part of the allure of the Uptown District also lies in enhancing the existing historic fabric, as witnessed by the substantial success of the refurbished Fox Theatre. The broader initiative to produce 10,000 new housing units in downtown Oakland has also been highly successful because individual property owners or developers were able to respond to favorable market conditions with "bite-sized" projects, rather than massive projects requiring tremendous coordination among myriad entities. By contrast, creating a successful regional retail center requires a critical mass of retail, more or less constructed at the same time, and that would require the simultaneous motivation and mobilization of dozens if not hundreds of property owners, developers, and retail tenants. While this outcome may indeed be possible, it is worth exploring other potential outcomes that may be less daunting, to understand whether they too may represent an attractive result for the community. One obvious alternative would be a plan focused on residential development, with opportunities for retail and commercial space at the ground floors in strategic locations. Such a plan would build upon the market forces that are already evident in the area, rather than running counter to that momentum.

Recommendation #2: *Be Willing to Invest According to Your Ambitions*

Issues

- The City's commitment of funds and implementation assistance is unclear.
- Regional-scale retail poses implementation challenges.
- "Critical mass" requires parcel assembly, street reconfiguration, and increased parking.
- Retailers are unlikely to pay the going rate for land.
- These factors suggest the need for public-private partnerships and/or regulatory intervention.

A plan that focuses on an enormous amount of regional retail development (the equivalent of a suburban shopping mall with four anchor department stores) poses many challenges for implementation. Among these are the need to invest in extraordinary parcel acquisition and assembly, street



Auto-oriented retail uses

reconfigurations, and urban parking supply expansion, in addition to the normal issues of building construction and leasing. Preliminary information also suggests that the desired retailers are unlikely to be able to afford to pay the going rates for land in this urban setting, where high-density housing is currently allowed and the land price expectations of property owners are set accordingly. As such, land values may need to be written down to attract the desired retailers.

These challenges would be extraordinary for a private developer to undertake. More typically, a public-private partnership would be used to underwrite some of these costs with public dollars and/or regulatory intervention (such as upzoning). The panel was informed that the City of Oakland's original position was that it would invest public money into the expansion of the public parking supply for the area but would not be involved in property acquisition or the many other costly efforts required. If this remains the City's position, it is nearly impossible to imagine a profit-oriented company subjecting itself to the uncertain times and costs of all the efforts necessary for a regional retail-oriented plan. If the City does not have the resources to expend on these efforts, or simply does not wish to devote its scarce resources toward this goal, an alternative plan that encourages an incremental set of private efforts and expenditures should be considered. Again, this would suggest a plan focused on smaller infill housing development and some neighborhood-supported retail that could occur at its own market-driven pace without major changes to the local public infrastructure. An incremental plan could still accommodate some targeted land assembly by either the City or a private entity.

Case Study: Bay Street, Emeryville, CA

Public Investment in Major Retail Pays Off

- Issues facing this development included site assembly, environmental remediation, and impacts on cultural resources.
- Public investments were made in site assembly and remediation, affordable housing, and access.
- The results: 400,000 square feet of retail, 379 housing units, and a tax base increase of more than \$200 million.

Relevance to Oakland: Major retailers can require major investments but can create a substantial tax base as a result.

To attract regional retailers, the City may need to assist with:

- Property acquisition
- Parcel consolidation
- Land value write-downs
- Access improvements
- Streetscape
- Parking
- Transit
- Regulatory changes
- Multi-owner financing strategies

If the City cannot commit to these, it should consider a smaller-scale plan without major changes to local public infrastructure.



Emeryville's convenient shuttle service encourages ridership and patronage

Recommendation #3: Don't Forget the "T" in TOD

Issues

- The project area does not feature BART station or other major transit. AC Transit line 51 runs on Broadway, and a new split in-line service will reduce current delays.
- The area lies on the edges of a "walkable" radius from major transit stations.
- Retail could benefit from expansion of transit services that deliver shoppers.
- Transit service gaps could be bridged with service along the Broadway corridor.

Ironically, while the panel had been assembled to provide suggestions on realizing transit-oriented development, the project area does not contain a BART station or other major transit facility and lies on the edges of a "walkable" radius from such transit stations. Currently, the primary transit service in the area is a bus route on Broadway. Improved Bus Rapid Transit (BRT) service is planned for Telegraph Avenue, running semi-parallel to Broadway a few blocks to the west. There is also a long-term plan for BRT service on Grand Avenue a few blocks south of the project area.

Case Study: Downtown Portland, OR

Transit Helps Establish a Place and Create a Better Retail Environment

The Portland Transit Mall was a cooperative redevelopment effort that made a number of pedestrian, transit, and architectural improvements along 5th and 6th avenues in the Downtown Portland area.

- The Portland Mall features transit-only streets.
- The project leveraged \$30 to \$50 of public and private redevelopment for every dollar of original capital cost.
- Cooperative effort between the City of Portland, TriMet, and private developers.
- Free downtown transit (“Fareless Square”) encourages ridership.

Relevance to Oakland: Convenient and frequent downtown transit service can increase overall vitality.

Portland is a city of similar size and density to Oakland. While Oakland is not the urban center of its region, as Portland is, the downtown Portland case study provides lessons for Oakland. For example, enriching BART connections with free shuttle service (such as the Emery-Go-Round in Emeryville) could provide a boost to activity in the area at a lower cost.



Pearl District, Portland

To foster TOD, the panel recommends that plans for the project area consider the following:

- Diverse transit is critical if the area is to become a regional retail center.
- Transit would offer benefits regardless of whether the area is developed as retail or as housing and office.
- A mixed-use environment could provide transit-supportive densities while preserving existing urban fabric and character.
- Transit could connect all of downtown along Broadway to Jack London Square.
- A shuttle (possibly employer-financed) could provide the “last mile” of transit connection.

Conventional wisdom holds that few shoppers of regional retail centers take transit to those locations. However, San Francisco’s Powell Street/Union Square area provides a notable exception to this conventional wisdom. Like that area in San Francisco, retail in the Broadway/Valdez District could benefit tremendously from the improvement or expansion of transit services that deliver high volumes of shoppers to the area with minimal route or mode transfers. However, it is critical that development, in whatever form it takes, provides a mix of uses and creates transit-supportive densities. Without a lively, 24-hour environment and a critical mass of users, transit service cannot be sustained over the long run.

While recognizing that installing new fixed transit infrastructure that can deliver high passenger volumes to this location may be extremely expensive, the panel recommends that the plan fully explore such alternatives as an additional enticement to spurring development. Such service will be particularly critical if the area is to become a regional retail center. A less aggressive and costly transit solution would also be of benefit, whether the area is developed as a retail destination or takes on a more traditional character of urban housing and office space. Additional transit service that bridges the current gaps in service would be of benefit to the district, regardless of the eventual development



type. The addition of an employer-financed “shoppers shuttle” could link Pill Hill with Jack London Square and open up the entire corridor to employees for convenient lunch, dinner, and shopping opportunities.

Answering City Questions

The panel also specifically addressed several questions posed by the City of Oakland.

Question #1: *Do the economic data support the current development approach?*

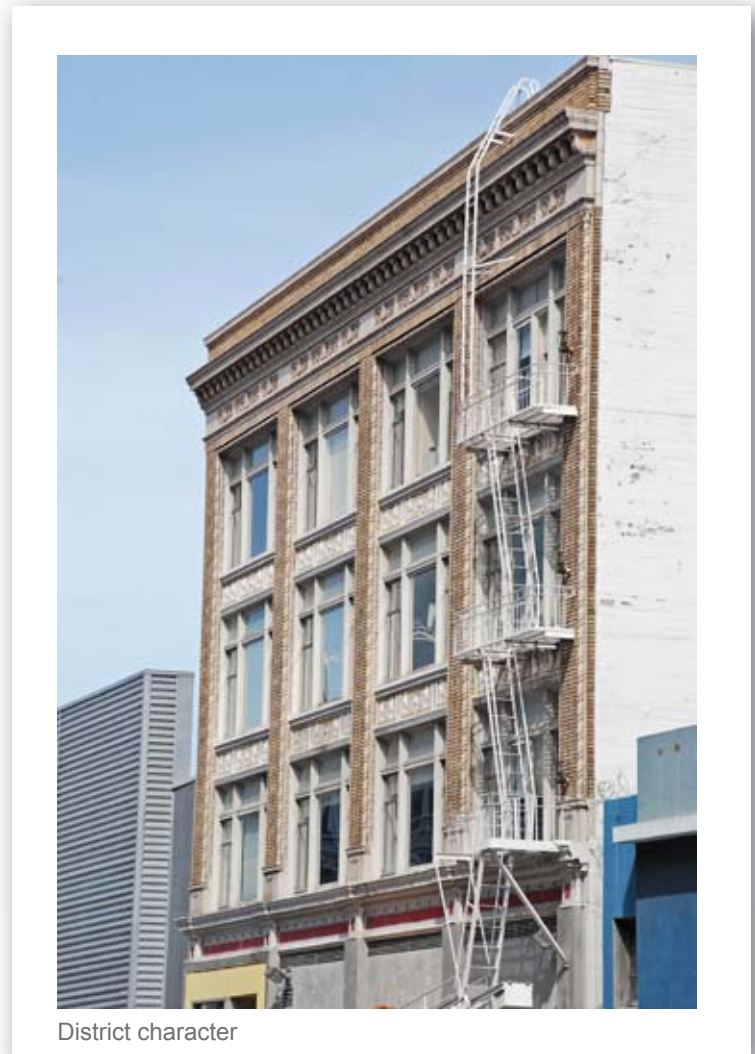
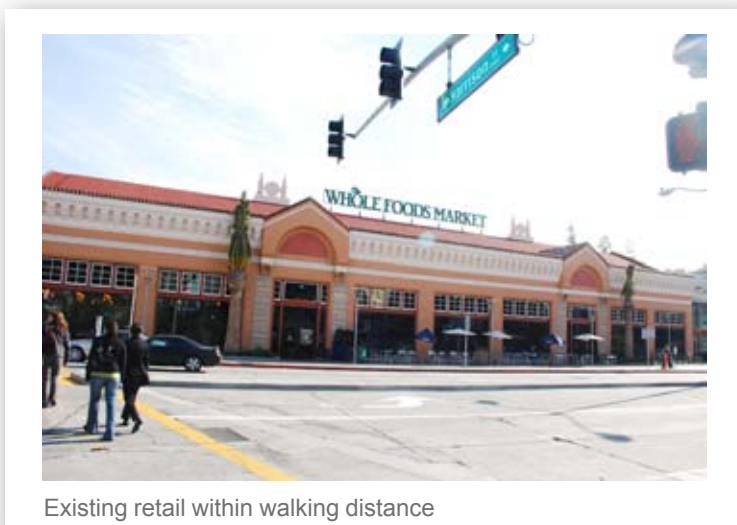
Demand Factors to Consider:

- With its strong demographics and incomes, Oakland offers a desirable market for retailers.
- Oakland does not currently capture its “fair share” of retail expenditures on comparison goods.

Supply Factors to Consider:

- Oakland is “under-retailed.”
- The competitive market area may already have plenty of retail.

There is ample reason to believe that Oakland – with its high average incomes, education levels, and other attractive demographics – represents a desirable market for retailers. There is also ample evidence that Oakland does not capture its “fair share” of retail expenditures on comparison goods, instead “leaking” sales to other cities such as Emeryville, San Francisco, and Walnut Creek.



What is not clear is whether the Broadway location is the best location, or even a possible location, for addressing these issues, given the many physical and economic obstacles to realizing the vision in this area. It is extremely challenging to conceive of a way to realize the goal of comparison goods/lifestyle retail without the City assuming a large part of the effort (e.g., through creation of a Specific Plan, assemblage of land, selection of a master developer). Even with that effort, the project’s success is far from guaranteed.

In short, the “economic data” tell only part of the story about the potential for success for major retail in this location. The implementation challenges are every bit as critical.

Question #2: What are the potential impediments to the project (as comparison goods/lifestyle retail)?

Physical Impediments:

- Parcelization/configurations
- Auto and transit access
- Retrofitting buildings
- Parking supply and locations
- Visibility
- Reluctance of national retailers to alter location/building standards

Economic Impediments:

- Value of land for development vs. value of existing uses
- Cost of acquisition vs. achievable values from retailers
- Competition from other retail locations
- Uncertainty of future retail business models
- Lack of public funds
- Delayed start date due to current economy

Comparison goods/lifestyle retail at this location faces a number of potential physical and economic impediments, mainly related to the existing dense urban context. The factors that would make the project area an excellent location for smaller-scale, mixed-use retail, office, and residential uses are the ones that would make locating comparison goods/lifestyle retail here relatively challenging. The existing diverse uses, parcelization, and ownership, as well as less-than-optimal auto access, would necessitate a large City commitment, including financing public improvements and assembling parcels and potential property write-downs. Fierce competition from other strong regional retail areas, as well as the reluctance of many national retailers to alter their location and building standards to fit a downtown location, also contribute to the difficulty of attracting comparison goods/lifestyle retail in this area.

The single biggest impediment to this project is the current economy, and this situation will not change for several years. For this reason, the City should take its time to develop a complete plan that adequately addresses the concerns of the community and helps to stop the retail dollar leakage from Oakland.

Question #3: What is the project feasibility?

Factors in Feasibility:

- Significant public financing is required to remove barriers for a major retail destination.
- Retail alone would not yield the land values expected by property owners.
- Relying on private residential development to subsidize retail may be challenging.
- Creating a “sense of place” would require additional parking, access, and streetscape improvements.
- Public funding options are limited.
- Incremental private development requiring modest public investments would face fewer feasibility challenges.

The comparison goods/lifestyle retail plan is probably among the least financially feasible concepts given the current and forecasted long-term market conditions. The current housing market downturn would mean that private mixed-use development projects that relied on high housing values to cross-subsidize low retail values would face great challenges. Because of the integrated nature of a regional retail development (that is, the necessity of creating a critical mass in one fell swoop), current market conditions would likely prohibit the private projects from moving forward. Moreover, the necessary public funding sources likely to be required for such a project (tax increment, sales tax revenues, etc.) would be severely affected in an economic downturn (particularly if the State raids the Oakland Redevelopment Agency fund balances), and debt issued in anticipation of such funds could be at greater risk of default. A plan that allows for more incremental private development, along with more modest and incremental public investments, and reflects the highest and best use of the land at the time of development is much less likely to face financial difficulties during and after development. However, the latent need for retail in this area, as well as the anecdotal willingness of Oakland residents to shop locally if given the opportunity, should also be taken into cautious consideration.



District character

Question #5: *What policies should be in place to support flexible parking and enhanced transit access in a comparison goods/lifestyle retail area?*

A Transit Connector System:

- Should extend from downtown up Broadway and terminate at the MacArthur BART station.
- Would allow convenient movement between retail destinations, some too distant to reach easily on foot.

The key transit opportunity in this quarter is probably the development of a transit connector system that would move from the downtown core up Broadway and terminate at the MacArthur BART station. This would allow convenient movement between retail destinations, some of which would be too distant to reach easily on foot. Obviously, adequate flexible parking would be a requirement of any successful retail proposal.

Question #6: *Are there examples of projects with flexible height regulations and design guidelines within a historic urban area?*

Examples:

- Flexible guidelines are seen in San Francisco, Portland, and Oakland.
- At the edge of the downtown Oakland historic district, a high-rise incorporates the Key System Building and a contemporary tower.

Cities like San Francisco, Portland, and Oakland have developed projects that incorporate a flexible approach to building height in design guidelines regulations. In fact, on the edge of the historic district in downtown Oakland, a high-rise tower has been designed to incorporate the restoration of the Key System Building and a contemporary tower design. The City was very supportive of the contemporary approach to the building design, indicating that it was appropriate that the new building design be of its own place and time while also creating visual relationships with the historic neighborhood and the Key System Building.

Question #4: *How should the City set priorities for public investments in the area?*

Comparison goods/lifestyle retail may require:

- Property acquisition, preparation, and assembly
- Property write-downs
- Public parking garages
- Transit and pedestrian improvements
- Highway interchange upgrades

The City's first priority should be property assembly because:

- It is difficult for the private sector to negotiate with many owners.
- A retail project has little chance of success without "critical mass."
- The City can assist with negotiations and selected acquisitions.

The City is embarking on a Specific Plan, which will include a very definitive development proposal. In addition to investments in property assembly and public parking required to realize a major retail development, other specific pieces of the plan that the panel believes should be publicly funded are the Broadway transit connector and a landscaped boulevard element that extends from Lake Merritt down 27th Avenue to Broadway. This boulevard would serve to activate the neighborhood and differentiate the upper Broadway retail sites from the denser mixed-use sites that are available in the Triangle. The City should encourage the reuse of older structures in the Triangle neighborhood that would allow a rich mix of architectural styles and uses.

A plan focused on housing and office with selected commercial space may require few public investments.



Key Systems Building preservation amongst modern buildings, Oakland
Source: Flickr



District character

“The single biggest impediment to this project is the current economy.”

Conclusions

The panel’s final conclusions were as follows:

1. Comparison goods/lifestyle retail in this location will require great public investment.
2. The current economic climate may limit the demand for the desired retail as well as availability of financing for public improvements.
3. Well-placed, flexible enhancements to existing transit (e.g., free shuttles) can create similar benefits to high-cost solutions (such as light rail transit).
4. A plan that enhances the existing context and reflects market trends may create a vibrant, viable district with much less public investment.



District character

6 Diridon Redevelopment Plan

San Jose



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Source: California High Speed Rail, San Jose Station Area Development, www.cahighspeedrail.ca.gov



Context

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San Jose's Diridon Station hosts Caltrain, Santa Clara Valley Transportation Authority's light rail, Amtrak, Altamont Commuter Express (ACE) rail services, and several bus services. Two upcoming transit additions will significantly expand the intensity of transit services at this station. First, California High-Speed Rail (HSR) plans to create a stop here, creating a faster connection to San Francisco, connecting to a number of Central Valley locations, and eventually connecting to Los Angeles. Second, the Bay Area Rapid Transit (BART) regional rail system has plans to connect to this station, giving San Jose residents convenient heavy rail access to the East Bay and beyond. These plans will enhance local, regional, and statewide access to Diridon Station, increase its regional significance, and amplify its potential for transit-oriented development.

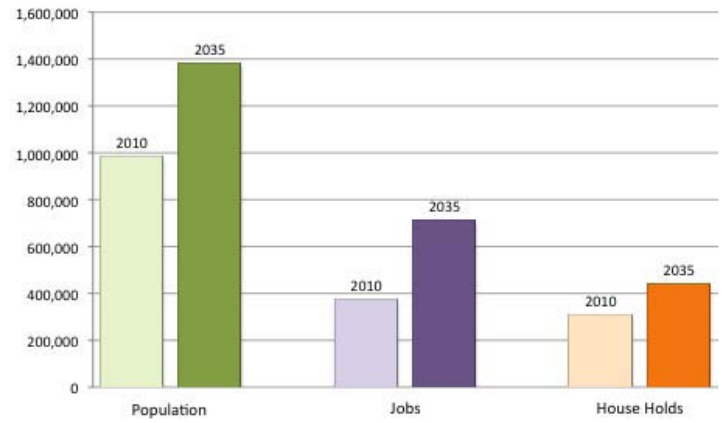
Images and renderings courtesy of city, panel, and lead author.



The existing historical Diridon Station

Recently, the City of San Jose received a Metropolitan Transportation Commission grant to engage in a station area plan for the Diridon area between June 2009 and June 2011. This comprehensive planning process will include an assessment of market conditions, regulatory conditions, infrastructure needs, and opportunities for mixed-use, transit-oriented development and a potential baseball stadium. The ULI technical assistance panel is providing guiding principles to inform the early phase of the Diridon area planning process.

San Jose, CA: ABAG Projections (2010 vs 2035)



Source: ABAG, Projections and Priorities 2009: Building Momentum

“Diridon will be an excellent location for businesses with regional and airport connectivity, urban amenities, and proximity to housing.”



Public transportation modes at Diridon Station include Caltrain, Amtrak, Altamont Commuter Express, light rail, bus. Planned modes will be High Speed Rail connecting San Jose to San Francisco and Los Angeles, and the Bay Area Rapid Transit (BART) connecting to the East Bay Area

Source: Metropolitan Transportation Commission



Diridon Station offers multi-modal transit solutions surrounded by newer medium density residential properties



HP Pavilion is a regional destination and is one of the most utilized entertainment venues in the world



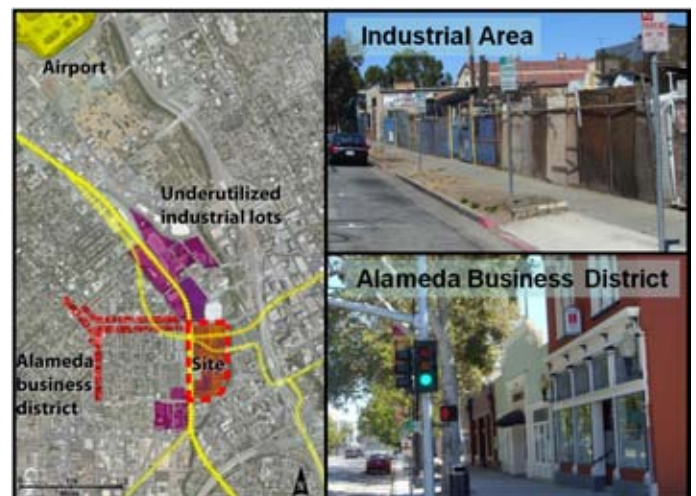
The San Jose Diridon Station area today is a unique opportunity for revitalization and development
Source: Paul Hierling

Existing Conditions

Diridon Station (formerly the Cahill Depot or the Southern Pacific Depot, also known as San José Diridon or Downtown San José-Diridon Station) is the central passenger rail depot for the City of San Jose. It also serves as a major transit hub for Santa Clara County. The station is located along the Union Pacific “Coast Line” tracks (formerly Southern Pacific property) at 65 Cahill Street on the western edge of Downtown San Jose. Due to its proximity to rail, land uses surrounding the Diridon station primarily evolved to be industrial in nature.

The station currently serves over 130 trains per day, including two intercity routes and two commuter rail services, as well as local VTA light rail, express buses serving four counties, and local transit and shuttle services. The train depot is listed on the National Register of Historic Places for its architectural and historical significance.

The Diridon Station Area is generally focused on a ½-mile radius surrounding the Diridon Station itself. The limits of the ½-mile radius generally include Coleman Avenue to the north, Auzerais Avenue and Interstate 280 in the Delmas Park SNI Neighborhood to the south, Highway 87/Guadalupe Expressway to the east, and W. Julian and Race Streets to the west in The Alameda and Burbank/Del Monte SNI Neighborhoods. The Diridon Station Area has within it a core area and several outlying Study Areas.



Diridon surrounding land uses, including Historic Alameda Business District and San Jose Mineta International Airport are key opportunities for improved connectivity
Source: Paul Hierling

Strengths, Weaknesses, Opportunities, and Threats

STRENGTHS

- Existing and future local, regional, and statewide transit lines
- Large parcels, which allow sizable master-planned developments
- Regional and airport connectivity
- Urban amenities
- Proximity to housing

WEAKNESSES

- Building height caps created by airport and FAA emergency flight paths
- Difficulties establishing downtown as a retail location or major office market
- Inconvenient transit links to airport

OPPORTUNITIES

- Metropolitan Transportation Commission grant for station area planning
- Projected demand for retail, office, and housing

THREATS

- Auto congestion and parking demand
- Potential for proposed stadium to be an underused space between games

Recommendations

The City asked a series of questions regarding a variety of issues surrounding the potential development area. The top three questions were:

1. **Placemaking:** With the coming of High-Speed Rail and BART, there is an opportunity for Diridon Station and its environs to become the “Grand Central Station” of the west. How should San Jose create the best world-class, multi-modal station area plan using innovative urban forms, smart growth and good urban design principles, form-based zoning, green strategies, etc.?
2. **Connectivity:** Existing natural and man-made barriers, such as creeks and major elevated highways, currently exist between the Diridon Station area, the general downtown, and some of the surrounding residential neighborhoods. How should San Jose successfully connect, support, and relate the station area to the downtown and to the existing adjacent residential neighborhoods, with a focus primarily on transit and pedestrian linkages?
3. **Potential proposed baseball stadium and its relationship to the arena and to Diridon Station:** How should San Jose best maximize the land use/development and economic synergy opportunities among the potential proposed baseball stadium, other entertainment/recreational opportunities, and the existing arena (including the future transit station) to create a premier destination for the outside world and local community focused on an entertainment/recreation-related district?

The recommendations that follow address these questions by describing how to leverage existing and planned transit modes to maximize the success, market viability, and vibrancy of the project area. Specifically, the panel assesses local connectivity, non-auto transportation choices and incentives to reduce auto congestion and parking demands, place-making opportunities, the potential impacts of a proposed baseball stadium, maximization of densities, viable product mix, and inter-agency cooperation.

“There must be a specific plan, a form code, and guidelines, along with an EIR that tells developers what they can do up front.”

Recommendation #1: Complete a High-density Transit-Oriented Development (TOD) Specific Plan and a Comprehensive Environmental Impact Report (EIR) for the Long-Term 20-Year Horizon

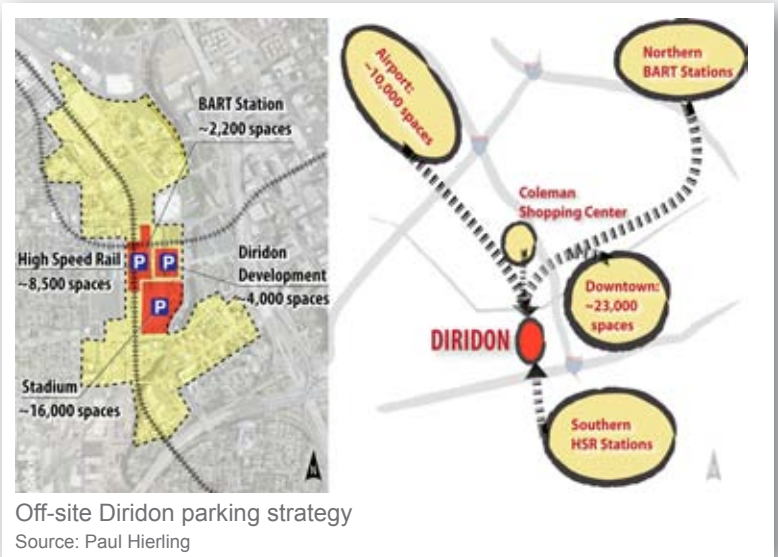
A specific plan with form codes, a sustainable vision, development envelopes, and minimum densities will ensure that developers do not squander the opportunities at Diridon with low-density projects. Minimum sustainability requirements should be at least LEED Silver. A comprehensive master EIR should provide an additional level of information relevant to developers and development financiers, transforming it from a simple regulatory disclosure document into a proactive report that can be used to expedite transit-oriented development and assist developers in obtaining financing for innovative projects.

A master EIR for the next 20 years of development will facilitate private investment by reducing unknowns for the area, thereby reducing risks and costs and encouraging more innovative development. The EIR should be comprehensive, allowing developers to reference the master EIR and complete a negative declaration to fulfill California Environmental Quality Act (CEQA) requirements. By unifying the specific plan and EIR process, the City can take stakeholder input and define an overall concept in one process, precluding the need for a series of smaller community meetings, which can stall the development process. Furthermore, by centralizing the process, the City would be able to take advantage of economies of scale, completing CEQA documents with less time and cost than having each developer complete their documents individually. Finally, by including key information relevant to the private development and financing industry, the specific plan and CEQA documents can act as marketing tools, drawing the attention of cutting-edge developers and becoming part of a comprehensive public relations effort to promote investment in the Diridon Station area.

Recommendation #2: Minimize Auto Congestion and On-Site Parking Demand by Expanding Mobility Choices and Incentives

The Diridon Station area will only succeed as transit-oriented development if vehicle trips and parking demand are actively managed. Minimizing parking demand will maximize development opportunities, since parking is expensive to build and displaces other uses. Parking can be effectively managed through the deployment of a transportation demand management (TDM) plan administered by a transportation management agency (TMA).

“Create a district-wide transportation demand management (TDM) plan with incentives and requirements that new development must adhere to.”



A number of unique factors will affect parking demand in this area. Hewlett-Packard Pavilion and future major league baseball events will create surges in parking demand and traffic; future development and construction activities will displace existing surface parking. The estimated parking demand for planned transit and development projects is over 30,000 spaces. This cumulative peak parking demand for the HSR, BART extension, stadium, and new central Diridon development cannot realistically be fulfilled on-site without affecting the pedestrian- and transit-oriented environment. Similarly, the area cannot be subject to San Jose’s fairly conventional off-street parking requirements without compromising development potential and urban design.



San Jose must create a district-wide TDM plan that contains incentives and requirements for new development to reduce vehicle trips and increase travel by non-auto modes, such as:

- Reducing or eliminating off-street parking minimums
- Replacing parking minimums with maximums
- Encouraging or requiring off-site shared parking
- Unbundling residential parking (price of the parking charged separately from the price of the housing)
- Requiring employee parking to adhere to the State of California’s existing “parking cash-out” law (employees receive the cash value of an employee-provided parking space if they do not need to use their parking space)

A Transportation Management Association (TMA) should be established in the district to manage area-wide programs and reduce vehicle trips to and from the district. The TMA should establish specific targets for auto and non-auto mode shares, measure progress toward goals and implement a strategy based on “total cars parked” versus “total spaces marked.” One goal of the TMA should be to locate parking off-site to minimize the impact of parking on development potential and encourage employees and visitors to take transit or walk into the district. Potential district-wide programs to reduce parking demand include:

- Demand-responsive parking prices
- Subsidized transit passes
- Car-sharing programs
- Shared fare taxi depots
- Bike share programs
- Bicycle infrastructure expansions

However, inevitably, some off-street parking will be provided on-site; therefore, the TMA should consider the following:

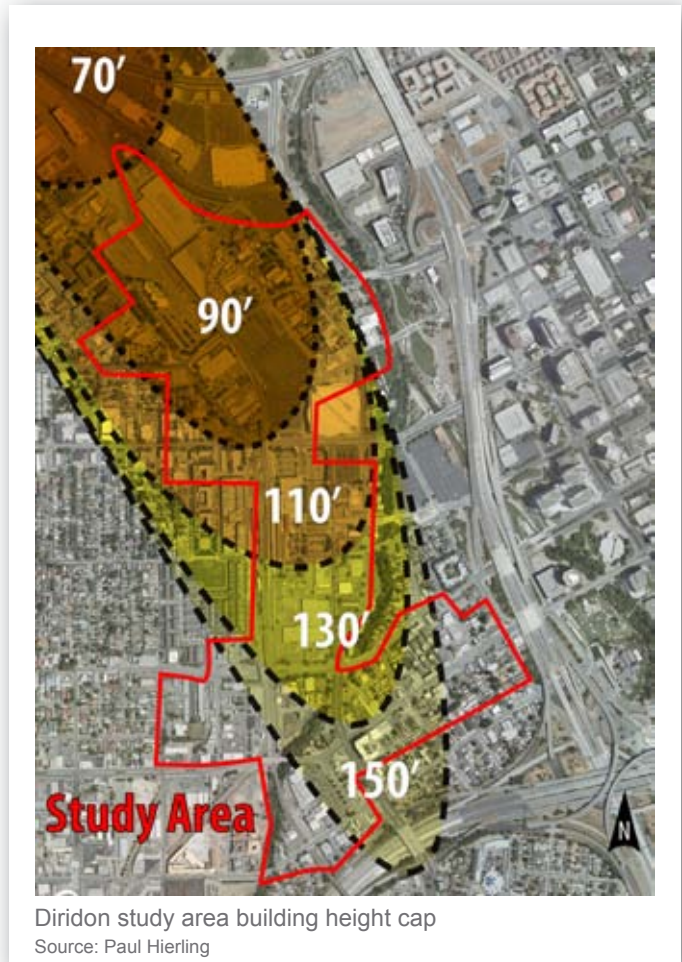
- Parking stackers
- Shared parking
- Valet operations
- Eliminating the requirement that all parking be independently accessible

To the maximum extent feasible, off-street parking should be underground or wrapped with active uses. Also, garage driveway widths should be minimized so that parking does not interfere with the pedestrian realm. While “teaser parking” visible from the street may be used strategically to draw people in and encourage them to explore the district, establishing a demand-responsive parking price structure, parking way-finding signage, and a single valet parking operator for the entire district should quickly guide people to available parking.

While the City of San Jose is seeking to create a multi-modal transit node at the Diridon Station area, parking remains a key constraint. Parking management in the Diridon area will be a lynchpin to the area’s success. The TMA and an effective TDM will be essential for designing innovative transportation programs that can fully leverage existing modes and planned HSR and BART stops to create a vibrant, transit-oriented development.

Recommendation #3: Change and Define Building Height Caps Created by Airport and Federal Aviation Administration (FAA) Emergency Flight Paths

The building height caps created by the airport and FAA emergency flight paths present a serious limitation that threatens to keep most development in the Diridon area below eight stories. Currently, building height caps in the Diridon area are between 90 and 150 feet. At heights of between 75 and 180 feet, however, a building is generally not profitable because of the cost of fire prevention and other life safety features that must be installed. Hence, without significant subsidies, building heights



“The flight path must be negotiated, and the building height cap should be increased.”

at this location will be limited to around 75 feet. The panel recommends that before exploring costly subsidy programs, the City negotiate with the FAA to increase the height cap to 240 feet.

Furthermore, the current process for determining the building height caps in the Diridon Station area must be clarified. The City should produce a simple map illustrating the precise building height caps. Heights should be measured from the ground level, accompanied by their mean sea level equivalents, and defined at the parcel level. This would allow developers to easily identify the development envelope they have to work with and reduce the financial risk of breaching the height cap and having to redo project design and engineering.



Potential Diridon build-out rendering
Source: Harvard Urban Design Studio 4, Spring 2009

Recommendation #4: Focus on Dining, Entertainment, and Convenience Goods as Primary Retail Activities in the Short and Medium Term

Downtown San Jose has struggled to establish itself as a retail location. This is due to the modest amount of residential and employment uses in the area, as well as stiff competition from nearby Valley Fair Mall, Santana Row, and other shopping destinations along the Highway 101 and Interstate 880 corridors. Given these challenges, near-term demand will likely be for dining and entertainment uses. Major retail at Diridon will become more viable as new residential and commercial uses come online. Several studies of neighborhoods around stadiums and ballparks show that retail should be mainly oriented around residents and workers, not event audiences. Evening and weekend events generally do not provide enough activity to support neighborhood retail in any significant quantities.

One key strength of the Diridon area is that large parcels allow sizable master-planned developments, which can provide a unique retail environment. However, ground floor commercial space should be located strategically rather than required as a blanket policy that may lead to an oversupply of larger spaces.



Major regional retail competition
Source: Paul Hierling

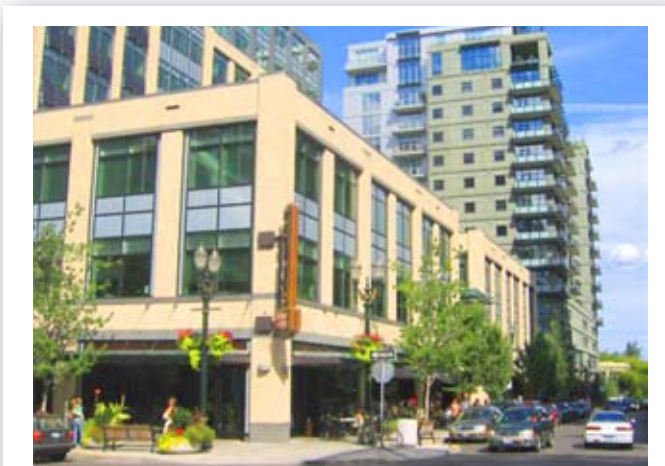


Old Town, Philadelphia, PA. – A model urban space with lively sidewalk dining

Recommendation #5: *Establish a Regulatory Environment that Supports High-Density Office Uses in the Core Area*

Downtown San Jose has faced challenges in establishing itself as a major office market. Office space in the area experiences higher-than-average vacancy rates, with second quarter 2009 vacancy rates at 24 percent compared to 19 percent throughout Silicon Valley. Despite this, projections show significant job growth in San Jose over the next 25 years. The Association of Bay Area Governments (ABAG) projects the addition of 186,000 new jobs in central and northern San Jose through 2035. These projections suggest demand for over 40 million square feet of commercial space to accommodate the new jobs. As a business node, Diridon has the advantage of regional and airport connectivity, urban amenities, and proximity to housing, making it a potentially desirable area to accommodate these new high-density office demands.

Due to site’s constraints, the City should consider negotiating air rights over the rail right-of-way as an opportunity for increasing station area densities. This could facilitate sophisticated design, maximize the TOD’s office potential, and provide the City and the transit agencies with a mechanism for defraying the cost of building expensive transit facilities. Therefore, the City should support high-density office uses in the core. The City should establish a regulatory environment to help capture office demand.



Model mid-to high-density mixed-use

Recommendation #6: *Establish High/Mid-Density Workforce Housing North of Diridon to Support the Core Area*

Diridon Station’s transportation infrastructure should be leveraged to increase residential development and residential densities. There is a strong, growing housing market in this area. ABAG projects that in the next 25 years central and northern San Jose will need to build 83,000 new units – more than 3,300 new units per year. Seniors are expected to make up 20 percent of the population by 2035, compared to 12 percent

Development Potential Study			
Parcel Number	Area (in Acres)	Assumed Density (units/acre)	Units
A	14	80	1120
B	18	55	990
C	19	55	1045
D	15	55	825
E	21	55	1155
F	6	55	330
TOTAL			5465



North Diridon are prime for residential (B-F)
Source: Dahlin Group Architecture Planning, 2009



Potential build-out rendering, North Village concept
Source: Paul Hierling

now. This demographic group will be looking to downsize, increasing demand for high-density urban residential uses. The North Diridon area will be a key location for this high and mid-density housing.

“The North Diridon area will be a key location for high and mid-density housing.”

A minimum of 5,500 units should be planned in the northern portion of the study area. A minimum of 20 percent of these units should be affordable workforce housing, resulting in a higher percentage of transit ridership at Diridon as lower-income households use transit more than other income brackets. This amount of residential use is critical to support the retail and entertainment uses in the central area.

Neighborhood-serving retail should augment the North of Diridon residential area to create a more complete walkable place. Depending on phasing, this retail may initially need to be developed as flex space, allowing for ground-level lofts that are convertible to retail.

Recommendation #7: Create a Unique Destination Characterized By a Landmark Station, Memorable Architecture, Cutting-Edge Urban Design, and Intimate Spaces

The station must be a landmark. This is vital to prospective developers, since developers wish to invest in an area with a distinct sense of place where people want to gather. Marketing dollars should be used to put on community events in order to draw more people to this destination, encourage them to explore, and foster the habit of visiting. The cohesiveness of the transit infrastructure will be key to making a successful urban destination.

Station area way-finding should be intuitive and station spaces should feel open and full of light. Partially underground station ideas should be explored to maximize developable air space. However, any underground station options should include vaulted atrium ceilings.

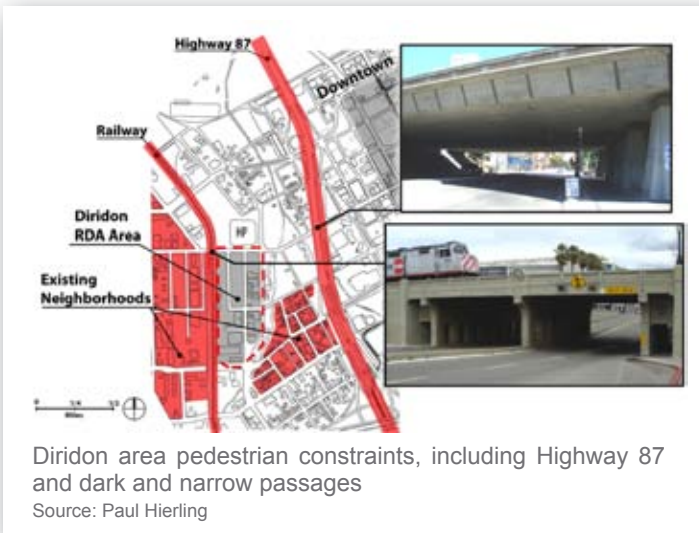


Lively mixed-use at Waterloo Station, London
Source: Wikimedia Commons File: Waterloo_Station_concourse.jpg

Recommendation #8: Strengthen Linkages from Central Diridon to the Surrounding Neighborhoods and the Downtown

Connections to surrounding areas must be improved if Diridon Station is to become a walkable transit node. For example, passengers must have a quick, simple, and obvious way for finding connecting transit modes. The site is currently surrounded by poor pedestrian accessibility on all sides, including the pedestrian access under Highway 87 to the east and the elevated rail underpasses to the west, and pedestrian crossings at The Alameda to the north and Park Avenue to the south. Large unattractive pedestrian under-crossings define the eastern and western gateways to the area, discouraging walking to downtown and The Alameda business district.

The most cost-effective remediation would be to invest in improving pedestrian and bicycle amenities to and through the underpasses. At a minimum, this should include increased



maintenance of the sidewalks and/or bike travel paths. This can be accomplished by adding pedestrian-scaled lighting, artwork, murals, and pigmented travel paths. Increased police patrols and installation of emergency call boxes may help reduce real and perceived security concerns for pedestrians walking through the underpasses in the evening and early morning hours.



pedestrian paths may remove more people from the sidewalk, increasing the perceived danger of the underpasses and reducing the vitality of sidewalks in the area.

Interior and connecting streets in the Central Diridon area should be designed as “green/slow streets,” functioning as linear parks with significant traffic calming treatments and pedestrian and bicyclist amenities. Spaces should draw people through the area to explore, shop, and recreate. In addition, the City must improve bicycle infrastructure to and from the station in order to establish a true multi-modal transit node.

As a more elaborate solution, seamless elevated pedestrian connections and innovative pedestrian infrastructure should be explored. Walkways should connect with events, destinations, green rooftops, cafes, and restaurants, though they should not compete with the main entertainment and dining area. Special attention should be paid to connecting the site to HP Pavilion and the North Diridon area. Elevated paths should complement improvements to nearby underpasses. Construction of pedestrian overpasses without improvements to the at-grade

Recommendation #9: Implement Upgrades to Dedicated Transit Serving the Area with a Direct Route to the Airport

The Mineta International Airport is an underused resource in San Jose’s transit portfolio. This is partly because current transit links to the airport are inconvenient and circuitous. Linking directly to the airport will create a true business-class multi-modal transit node that will offer business travelers more efficient access to nearby office, hotel, and service areas.

A cost-effective early-action transit solution would be to create a branded shuttle that circulates between the station, the airport, and downtown. At a minimum, the service should be frequent, free or low-cost, and should include in-vehicle and curbside amenities to attract business travelers. Amenities may include real-time arrival information at stops and luggage racks on the transit vehicles.

In later phases of area development, the shuttle link should be upgraded to a permanent rail connection. This service would likely be most cost-effective as a light rail spur from the existing station, potentially operating in the existing rail corridor right-of-way to reduce land acquisition costs. Both the shuttle and rail connection could be partially funded by development impact fees near multi-modal transportation nodes or a facilities assessment district.



“A stadium must have a shell of mixed use on the outside, preferably retail, dining, and office.”

Recommendation #10: Require a Mixed-Use Multi-Purpose Ballpark

The proposed stadium must be built and managed properly to prevent it from becoming an underused space between games. The stadium should have a shell of mixed use on the outside, preferably retail, dining, and office. The interior space should be convertible, and there should be opportunities for locals and visitors to interact with the building throughout the day. The City should require alternative uses of the stadium between games such as farmers markets, flea markets, and university games. Partnerships with San Jose State University, the retail district, and other organizations will help assure that the stadium is a community space for local events instead of a structure designed primarily for visitors who may have little investment in the local area.



Wrapped retail. Fenway Park, Boston



Flexible stadium uses, such as local and flea markets
Source: Paul Hierling

Recommendation #11: Create a Formal Diridon Advisory Group and Joint Development Authority

An advisory committee is needed to manage and guide development in this complex multi-project area. The Diridon Station area has regional implications and its success cannot be allowed to falter because of inter-agency conflicts. Instead, a decisive Diridon Advisory Group could present local, regional, public, and private direction for development. An associated Joint Development Authority could coordinate projects between developers and public agencies. Centralizing the site area under one authority would allow for better coordination among agencies, create a unitary clearinghouse for documents and incentives, and provide for a master phasing schedule, project management guidelines, and a one-stop shop for developers exploring entitlements in the area. This would help ensure that a successful cohesive area design emerges.

Conclusions

In summary, the panel recommends the creation of a complete 20-year, high-density TOD specific plan and comprehensive EIR that includes the following provisions:

1. Reduced auto dependency through TDM/TMA
2. Increased building height caps
3. Policies that support high-density office uses in the core area
4. Policies that support high/mid-density workforce housing North of Diridon
5. Short and medium term development focused on dining, entertainment, and convenience goods
6. Improved connectivity to and from central Diridon to the surrounding neighborhoods and the downtown
7. Creation of a unique destination characterized by a landmark station, memorable architecture, cutting-edge urban design, and intimate spaces
8. Dedicated transit service to and from airport
9. Creation of a mixed-use multi-purpose ballpark

Furthermore, to ensure the successful implementation of the plan, the panel recommends creating a formal Diridon Advisory Group and a Joint Development Authority.

“The level of complexity at this site requires a permanent multidisciplinary advisory group to provide perspective and direction in the development of this area.”



Consider Car share strategies
Source: City Car Share



Consider Bike share strategies

Bay Area Best Practice Case Studies

Three Best Practice cities presented their TOD strategies and lessons learned at the 2009 TOD MarketPlace. Each of these cities has approved or implemented a successful TOD project that can provide model practices and lessons learned.

Contra Costa Centre Transit Village Contra Costa County

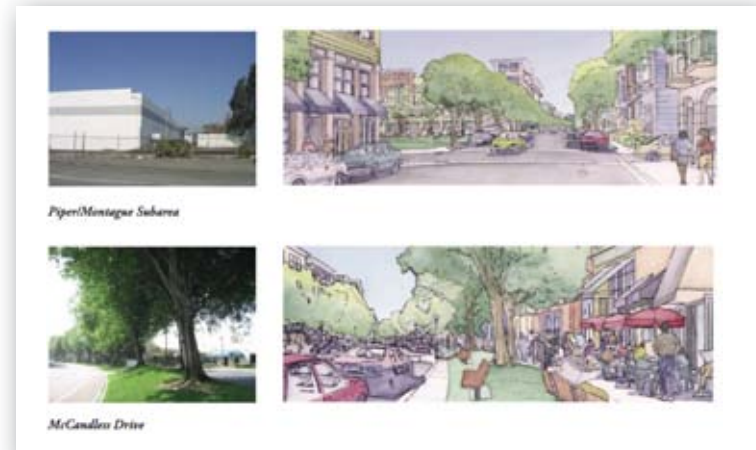
Planners and developers credit the success of this project to public-private partnerships. Through a shared vision and contractual agreement, the County and developer successfully navigated the complex task of building 2,629 higher-density dwelling units, 2.5M sf of commercial space, and 424 hotel rooms. This destination was designed with multi-modal transportation and pedestrian experiences in mind and offers a creative and practical model to TOD planning. Infill development surrounds the Pleasant Hill BART station in Contra Costa County.



Contra Costa Centre Transit Village Source: Contra Costa County

Transit Area Specific Plan Milpitas

The Transit Area Specific Plan, adopted in June 2008, was designed to leverage existing Valley Transit Authority Light Rail and planned BART services. The plan aims to better service employers, residents, and patrons of the Great Mall with attractive pedestrian connections to transit and neighborhood retail services. The mixed-use plan area is 437 acres and calls for up to 7,100 new dwelling units, approximately 1.4M sf of commercial space built over four phases. Phasing will depend on residential market factors.



Transforming Milpitas Source: City of Milpitas, Transit Area Specific Plan

Intermodal Station District Union City

In November 2007 Union City, BART, and AC Transit agencies broke ground on the Intermodal Station District. The plan aims to establish a compact, pedestrian- and multi-modal transit-oriented downtown district on 80 acres by integrating a mix of uses and higher density housing types. Up to 1,636 dwelling units are planned in addition to 100,000 sf of retail and up to 1.2M sf of office space. Public investments encouraged development and catalyzed private interest in the plan.



Avalon Union City Source: Union City

Download the Best Practice presentations at:

www.todmarketplace.org

Past Participant TOD Plans

ULI San Francisco's Technical Assistance Panel program provides expert, multidisciplinary advice to public agencies and non-profit organizations facing complex land use issues in the San Francisco bay area. Drawing from its extensive membership base, ULI San Francisco conducts panels to offer objective and responsible advice on a wide variety of real estate related issues ranging from site-specific projects to public policy questions. Past participants benefit from using ULI TAP recommendations to further TOD plans in their community.



2006

- 1 El Cerrito Del Norte Station Area Plan
- 2 Hayward Mission Boulevard Plan
- 3 Petaluma Petaluma Specific Plan
- 4 Pittsburg Railroad Avenue Specific Plan
- 5 San Bruno Downtown TOD Plan
- 6 San Leandro Downtown TOD Plan
- 7 San Mateo Rail Corridor TOD Plan
- 8 San Rafael Downtown TOD Plan

2007

- 9 Fairfield Main Street Transit Center Plan
- 10 Fremont BART Station Area Plan
- 11 Richmond Richmond Transit Village Plan
- 12 Santa Rosa Downtown Railroad Sq Plan
- 13 San Pablo 23rd Street TOD Plan
- 14 Santa Clara/ San Jose Station/BART Terminus Plan

2008

- 15 Concord Concord Naval Weapons Station
- 16 Newark Dumbarton TOD Plan
- 17 San Bruno Transit Corridor Plan
- 18 San Carlos Transit Corridor Plan
- 19 San Francisco Balboa Park Plan
- 20 San Leandro Downtown San Leandro Plan

2009

- 21 Antioch Hillcrest eBART Station Area Plan
- 22 Cloverdale Downtown SMART Plan
- 23 Menlo Park El Camino/Downtown Area Plan
- 24 Oakland Valdez/Broadway District Plan
- 25 San Jose Diridon Station Area Plan

To inquire about the 2010-2011 participant application period or for more information, please call 415/268-4093 or email kwhite@uli.org.

TOD MARKETPLACE: Bringing Cities and Developers Together Around Transit-Oriented Development

Dozens of cities have taken advantage of grants available from regional agencies for TOD planning and, in many cases, have subsequently partnered with ULI San Francisco to receive advice from ULI technical assistance panels. ULI San Francisco has brought private sector expertise to planning for 25 transit stations in the Bay Area, helping cities create both well-designed and economically feasible plans. The results of these technical assistance panels is shared at the ULI San Francisco's annual TOD MarketPlace, which for the past four years has brought cities and developers together to share expertise in transit oriented development.

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