

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2004 OCT 13 PM 5:17

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community & Economic Development Agency
DATE: October 26, 2004

RE: RESOLUTION DESIGNATING A CALTRANS-OWNED PARCEL ON SEVENTH STREET IN WEST OAKLAND AS AN "INFILL OPPORTUNITY ZONE" WHICH WILL FACILITATE HOUSING AND MIXED USE DEVELOPMENT BY MODIFYING TRAFFIC STANDARDS

SUMMARY

Staff requests that the City Council adopt the attached resolution designating a property on Seventh Street in West Oakland as a "Infill Opportunity Zone", per Government Code section 65088.4 (Transit Village Development Planning Act of 1994). This designation will allow the eventual sale of this parcel, through right of first offering, to the City of Oakland for market rate, transit oriented, mixed-use development, consistent with the S-15, Transit Oriented Development zoning regulations and General Plan policy for the area.

FISCAL IMPACT

There is no fiscal impact to this action. If the City or Redevelopment Agency proceeds with negotiations for a lease and or lease/purchase agreement, staff will return to Council in a separate action to request authorization to proceed.

BACKGROUND

This subject parcel is an approximately 2.6 acre site on Seventh Street in West Oakland. It is bordered by Union Street to the east and Kirkham Street to the west, and is within the West Oakland Transit Village area. This site is owned by Caltrans and is currently vacant. This parcel was rezoned along with others in the immediate vicinity of the West Oakland BART Station as "S-15" Transit Oriented Development Zone. The intent of the S-15 zone is to create, preserve and enhance areas located near nodes of transit with high-density residential, commercial, and mixed-use developments, while encouraging a balance of pedestrian-oriented activities.

In 1994 the State of California adopted the Transit Village Development Planning Act (Government Code Article 8.5 Section 65460). This Section defines characteristics of Transit Villages, establishes the definition of a "district", and establishes certain eligibilities for such a district. None of the "transit village" areas in Oakland, including the West Oakland Transit Village area, currently have this status per government code, as the adoption of a Specific Plan

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October 26, 2004

and associated environmental review is required. However, a municipality has the ability to identify, through resolution, a particular area or parcel as an “infill opportunity zone” and thereby acknowledge certain precedence associated with the development of such areas or parcels consistent with transit village goals. One advantage of this approach is to identify the priority use of a parcel for transit oriented development.

KEY ISSUES AND IMPACTS

The subject parcel was identified in the 2001 *West Oakland Transit Village Action Plan*¹ as an “Opportunity Site”. The site has been under lease to the United States Postal Service for driver training since the demolition of the former Cypress Freeway structure after the Loma Prieta earthquake. Recently, the USPS made the decision to vacate the site. The Redevelopment Agency is negotiating with Caltrans for the lease of the site. The site must remain undeveloped, according to Caltrans Right of Way Division leasing regulations, until Caltrans moves the site to the “Surplus Property” list, whereby it would be made available to the City first, prior to offering it for an open bidding process.

POLICY DESCRIPTION

The normal procedure for Caltrans in the disposition of Surplus Property is to offer the City (or other public agency) the right of first offering only for the development of an affordable housing project or a public park or facility. However, Government Code Section 54222 (e) allows Caltrans to offer a parcel identified as an “Infill Opportunity Zone” to the City (at market rate) for the development or the entitlement of the parcel as an infill residential or commercial mixed use property, consistent with the current zoning. Any property identified by Council resolution as an “Infill Opportunity Zone” site requires that the property be fully developed within four years. If the development in the manner described in the resolution does not occur within four years, the site reverts to its former status.

The intent of the legislation behind Government Code Section 65088 is to remove the regulatory barriers to the promotion of infill development in order to provide additional housing while decreasing additional traffic congestion. An “Infill Opportunity Zone” is a specific area designated by a city that is zoned for new compact residential or mixed use development within one-third mile of a transit station or other transit node. “Infill Opportunity Zones” modify the traffic standards by allowing the streets and highways in those areas to comply with an alternative level of service standard (LOS) in order to achieve the broader benefits of regional traffic congestion reduction (Government Code section 65088.4). This is done through the

¹ *The West Oakland Transit Village Action Plan* was a cooperative planning study undertaken by a tri-agency committee consisting of BART, the Oakland Housing Authority and the City Community & Economic Development Agency, with community input. It was presented and accepted by City Council in 2001.

development of new residential development within walking distance of a transit station, in a manner that reduces the need for long vehicle commutes and improves jobs-housing balance.

The advantage to the City in the identification of this parcel as an “Infill Opportunity Zone” is to enable the Redevelopment Agency to guide the development of this site in the best possible manner and timeframe, consistent with the goals of the *West Oakland Transit Village Action Study* and other General Plan and West Oakland Redevelopment Plan objectives. The future acquisition and control of the subject parcel by the City as a State-defined Infill Opportunity zone will expedite the development of this vacant parcel in a manner that will further the goals of the Transit Village area and benefit the surrounding neighborhood.

SUSTAINABLE OPPORTUNITIES

The proposed action will further the development of the West Oakland Transit Village. The City’s preferred option is for a mixed-use development project to occur on this site. Such a project would provide additional housing opportunities as well as commercial amenities, including local jobs, to this growing neighborhood. The goals of the Transit Village encourage the use of transit and pedestrian and bicyclist means of transportation, and discourages car trips. The development of the Transit Village will further reduce the use of the street by commercial trucks which have used Seventh Street as an industrial thoroughfare, thereby improving the air quality and the overall quality of life on the street for residents and local business owners. The proposed action will give the City secure management over this site to guide its proper development.

DISABILITY AND SENIOR CITIZEN ACCESS

Development within the S-15 Transit Oriented Development zone requires developers to *consider pedestrian amenities and other features which enhance the environment for pedestrians, cyclists and transit rider, including patrons of the AC Transit bus system.* All new development that will occur on this site will be required to comply with current building code standards for on-site ADA access.


RECOMMENDATION(S) AND RATIONALE

Staff recommends that City Council designate the subject parcel as an “Infill Development Zone” which will enable the City to guide the development of this site in the best possible manner and timeframe, consistent with the goals of the *West Oakland Transit Village Action Study* and other General Plan and West Oakland Redevelopment Plan objectives.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the attached resolution designating a Caltrans-owned parcel on Seventh Street in West Oakland as an "Infill Development Zone" which will facilitate housing and mixed use development by modifying traffic standards.

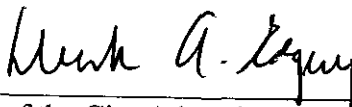
Respectfully submitted,



CLAUDIA CAPPIO,
DEVELOPMENT DIRECTOR
Community & Economic Development Agency

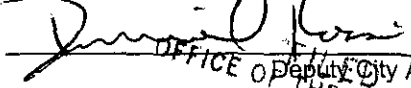
Prepared by: Margot Lederer Prado, AICP
Planner, Planning & Zoning Division

APPROVED AND FORWARDED TO THE
COMMUNITY & ECONOMIC DEVELOPMENT
COMMITTEE:



Office of the City Administrator

APPROVED AS TO FORM AND LEGALITY:


OFFICE OF THE Deputy City Attorney
OF THE CITY CLERK
OAKLAND

2004 OCT 13 PM 5:17

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C. M. S.

RESOLUTION DESIGNATING A CALTRANS-OWNED PARCEL ON SEVENTH STREET IN WEST OAKLAND AS AN "INFILL OPPORTUNITY ZONE" WHICH WILL FACILITATE HOUSING AND MIXED USE DEVELOPMENT BY MODIFYING TRAFFIC STANDARDS

WHEREAS, the State of California enacted the Transit Village Development Planning Act of 1994 to encourage infill housing and mixed use commercial developments within walking distance of mass transit facilities, downtowns, and town centers; and

WHEREAS, the broader benefits of regional traffic congestion reduction are achieved by development of new residential and mixed use development within one-third mile of mass transit stations; and

WHEREAS, California Government Code Sections 65088.1(g) and 65088.4 allow a city to designate by resolution an area zoned for new compact residential or mixed-use development within one-third mile of a mass transit station as an "infill opportunity zone," if certain findings are made; and

WHEREAS, the statute provides that the city in which the infill opportunity zone is located shall ensure that a development project be completed within the infill opportunity zone not more than four years after the date on which the city adopted its resolution; and

WHEREAS, if no development project is completed within the time limit imposed by the statute, the infill opportunity zone will automatically terminate; and

WHEREAS, an approximately 2.6 acre parcel on Seventh Street in West Oakland now owned by Caltrans, Assessors Parcel Number 004 0051 018 00, described in Exhibit A attached to this Resolution (the "Caltrans parcel"), if developed as a residential or mixed-use commercial site, would be consistent with the current zoning and general plan designation (S-15 Transit Oriented Development/ Community Commercial general plan designation); and

WHEREAS, the Caltrans parcel was identified in the West Oakland Transit Village Action Report as an "opportunity site," and qualifies to be designated as an infill opportunity zone per California Government Code Sections 65088.1(g) and 65088.4 through the adoption of this Resolution; now, therefore, be it

RESOLVED: That the City Council hereby finds and determines that the designation of the Caltrans parcel as an infill opportunity zone would be consistent with the general plan and the *West Oakland Transit Village Action Study*; and be it further

RESOLVED: That the City Council hereby designates the Caltrans parcel as an infill opportunity zone, per Government Code Section 65088.4(c); and be it further

RESOLVED: That the City Council hereby authorizes the City Administrator or her designee to take any appropriate action with respect to said designation consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2004
PASSED BY THE FOLLOWING VOTE:

AYES-- BROOKS, BRUNNER, CHANG, NADEL, QUAN REID, WAN AND
PRESIDENT DE LA FUENTE

NOES--

ABSENT--

ABSTENTION--

ATTEST:

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A Caltrans-owned parcel
Seventh St, West Oakland

