

CITY OF OAKLAND
AGENDA REPORT

2009 DEC -3 PM 5:06

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: December 15, 2009

RE: **Resolution To (1) Accept And Appropriate \$997,000 In Grant Funds From The Bay Area Air Quality Management District For The Oakland Broadway Shuttle; (2) Accept And Appropriate \$80,000 In Fiscal Year 2009/2010 And \$80,000 In Fiscal Year 2010/2011 In Matching Funds For The Broadway Shuttle From The Redevelopment Agency Under The Cooperation Agreement; (3) Authorize The City Administrator Without Returning To Council To Accept And Appropriate Any Additional Public And Private Grants And Financial Support For The Broadway Shuttle; And (4) Authorize An Agreement With AC Transit To Operate The Broadway Shuttle For Two Years; And**

An Agency Resolution Contributing \$80,000 In Fiscal Year 2009/2010 And \$80,000 In Fiscal Year 2010/2011 For A Total Of \$160,000 In Central District Redevelopment Funds To The City Of Oakland Under The Cooperation Agreement For The Implementation Of The Oakland Broadway Shuttle.

SUMMARY

On October 7, 2009, the Bay Area Air Quality Management District (AQMD) awarded the City of Oakland a \$997,000 grant to operate a Broadway Shuttle between Jack London Square and the Uptown Entertainment District. The free Broadway Shuttle will assist the City's business retention and attraction efforts by offering a valuable service for employers located in Oakland's Central Business District. Downtown and Jack London Square workers will use the Broadway Shuttle to reach their offices from the 12th and 19th Street BART stations, the Oakland-Alameda Ferry terminal, the Jack London Amtrak station, and the 20th Street AC Transit hub. The restaurant and entertainment scenes downtown will also be bolstered by the Broadway Shuttle because the route will serve all the commercial districts (Jack London Square, Old Oakland, Chinatown, City Center, Kaiser Financial District and Uptown) along the downtown Broadway corridor. In addition, pollution will be reduced as more people use the Broadway Shuttle instead of their automobiles to circulate throughout downtown.

As part of the grant funding agreement with AQMD, the City is required to contribute \$80,000 for two consecutive years toward the operations of the Broadway Shuttle in order to receive and appropriate the \$997,000 two-year grant. To satisfy this matching requirement, the Central

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District Redevelopment Area will contribute \$160,000 over two years to the City Of Oakland for the implementation of the Broadway Shuttle.

FISCAL IMPACT

Acceptance and appropriation of the AQMD \$997,000 grant requires matching funds in the amount of \$80,000 in fiscal year 2009/2010 and \$80,000 in Fiscal Year 2010/2011. These matching funds will be contributed to the City under the Cooperation Agreement from the Agency's Unrestricted Land Sales Proceeds Fund (9553); Economic Development Capital Improvement Organization (94800); Downtown Capital Project Support Project (P130610) to the Oakland Redevelopment Projects Fund (7780); Economic Development Capital Improvement Organization (94800); Downtown Capital Project (C339410).

The AQMD funds will be deposited into the Bay Area Air Quality Management District Fund (2166); Business Development Organization (88559); Broadway Shuttle Project (number to be assigned); Business Creation, Attraction, Retention and Expansion Program (SC11). The Council is also granting authorization for the acceptance and appropriation of any future grants, revenue or financial support.

The Broadway Shuttle will have no direct fiscal impact to the City's General Fund. It is anticipated that the Broadway Shuttle will generate indirect fiscal benefits by attracting more employers to downtown and promoting restaurant and bar patronage.

BACKGROUND

Oakland Downtown Shuttle Study (1980)

In the 1970's, the City, AC Transit, BART and MTC began exploring and advocating for the implementation of a shuttle service to link the downtown neighborhoods with each other. These entities published a plan in 1980 for an Oakland Downtown Shuttle that would "provide convenient transit movement between the activity centers within the Oakland Central Business District."

Jack London Shuttle (1996-2001)

The Jack London Shuttle operated along Broadway between Embarcadero and Grand Avenue, and was funded primarily by grants and City funds. The Shuttle was limited to lunchtime service (11am-2pm). Ridership reached a peak of 240,000 annual riders in the final year of service, but a lack of private funding forced the popular Jack London Shuttle to cease service early in 2001.

Estuary Policy Plan (1999) and Jack London Feasibility Study (2003)

These two documents call for improved transit connectivity between Jack London Square and the downtown commercial districts north of Interstate 880. Both studies identify a streetcar as the preferred mode of transit for the Central Business District: "Based on both technical

comparisons and stakeholder input, the streetcar system was determined to be the most desirable long-term alternative” for transit along the Broadway corridor.¹ The Broadway Shuttle is an interim step toward the longer term goal of a historic Broadway streetcar line that would promote a lively and energetic street life, and bring additional investment and economic development to downtown.

Jack London Square Redevelopment Project Environmental Impact Report (2004)

The Project EIR as well as the Conditions of Approval require Jack London Square Partners (JLSP) to operate a peak hour shuttle between Jack London Square and the 12th Street BART station. The purpose of the shuttle requirement is to mitigate automobile emissions and traffic impacts resulting from the Project. In order to satisfy its shuttle obligation, JLSP will make an annual contribution to the City’s Broadway Shuttle that is commensurate with the cost of the service described in the Project EIR and Conditions of Approval.

KEY ISSUES AND IMPACTS

More frequent transit service between Jack London Square and the downtown area north of Interstate 880 will help support the new development at Jack London Square and further energize the Uptown restaurant and entertainment scenes. AC Transit Line 72 operates along the downtown Broadway corridor, but this service operates at 15-20 minute intervals and turns west on 19th Street. AC Transit also runs a Rapid 72 bus, but this line skips many stops between 19th Street and Jack London Square. AC Transit Line 51 runs at higher intervals than Line 72, but bypasses Jack London Square via the Webster and Posey Tubes. No single AC Transit line serves both Jack London Square and Uptown.

The Broadway Shuttle will operate at 10-15 minute intervals and – unlike existing AC Transit Line 72 – will continue travelling north on Broadway past 19th Street, thereby tying together Jack London Square, the Kaiser Financial District and the Uptown Entertainment District. Fast and convenient shuttle service that connects the waterfront to the rest of downtown is vital to the success of the Jack London Square Marketplace and will help invigorate local restaurants and businesses along the Broadway corridor.

Automobile emissions will also be reduced by the Broadway Shuttle because it will provide a transit link for residents and commuters to reach their downtown offices from the Jack London Ferry and Amtrak stations. Heading in the opposite direction, commuters will use the Broadway Shuttle to reach their Jack London office buildings from Downtown BART. In addition, riders will use the Broadway Shuttle during off-peak and lunch hours to circulate throughout downtown for work meetings and to eat lunch.

¹ 2003 Jack London Feasibility Study (page 33)

PROJECT DESCRIPTION

The Broadway Shuttle will be a free shuttle that operates Monday through Friday from 7:00 am to 7:00 pm, with a frequency of 10 minutes during peak hours and 15 minutes during off-peak hours. Several districts – including Jack London Square, Chinatown, Old Oakland, City Center, Kaiser Financial District and Uptown – will be linked by the route, which will run along Broadway from the waterfront to Grand Avenue. Over the next year, additional funding will be sought to operate the Broadway Shuttle past 7:00 pm and extend the route to 27th Street. AC Transit will operate the Broadway Shuttle pursuant to an MOU with the City.

The two-year Broadway Shuttle budget is projected to cost approximately \$1.4 million. The \$997,000 AQMD grant and \$160,000 in Agency matching funds will cover the majority of the Broadway Shuttle's operating costs for the first two years. Additional private-sector funds, including a \$200,000 annual contribution from Jack London Square Partners and funding support from the Downtown and Lake Merritt-Uptown Community Benefit Districts, will cover the balance of the Downtown Shuttle budget for the first two years.

During the two years of operation under AQMD grant funding, staff will work to secure regional public transportation funds and additional private sector funds to ensure the Broadway Shuttle's viability after the AQMD pilot grant ends. In addition, revenue for the Broadway Shuttle will be generated through advertisements on the inside of the buses as well as the maps and promotional materials.

ADDITIONAL IMPLEMENTATION DETAILS:

- **Bus Fleet:** Three new AC Transit 30-foot buses will comprise the environmental friendly Broadway Shuttle fleet. One of the buses is an electric-gasoline hybrid vehicle, and the other two are diesel buses that received extra points from AQMD for producing low emissions relative to traditional diesel buses.
- **Shuttle Design:** All three Broadway Shuttle buses will be given a specialty paint job and distinctive markings to be easily differentiated from existing AC Transit buses. The visually attractive vehicles will provide maximum visibility and appeal to people who do not normally ride buses.
- **Free to Ride:** By operating the Broadway Shuttle fare free, the efficiency of the service and ease of use for passengers will be superior to traditional bus service. On and off-loading will be quick and seamless because passengers can exit and enter from the rear door and do not have to search for change to place into the fare box.
- **Marketing and Education:** A brightly colored brochure will be produced showing the Broadway Shuttle route and information such as frequency and hours of service. The

brochure will also include information about connecting to the Ferry, Amtrak, BART and AC Transit. Key attractions will be highlighted on the map, such as restaurants and bars, coffee shops, conference centers and meeting facilities, art galleries, cultural venues, clubs, and entertainment venues. The brochure/map will be distributed at the Oakland International Airport, Jack London Amtrak station, BART stations, Alameda-Oakland Ferry terminal, County of Alameda, Port of Oakland, Chamber of Commerce, Community Benefit Districts, merchants associations, major Oakland employers, and local businesses.

- Project Goals and Evaluation:** According to ridership surveys, the previous Jack London Shuttle carried nearly 1,000 passengers per day during its last year of operation, in 2001. While the Broadway Shuttle will begin operations with fewer buses (three) than the Jack London Shuttle (five buses during its last year of service), the Broadway Shuttle still holds the promise of far exceeding the previous shuttle's daily ridership. Whereas the Jack London Shuttle operated only during lunch hours (11:00 am-2:00 pm), the Broadway Shuttle will run during morning and evening commute hours in addition to lunchtime (7:00 am-7:00 pm). Staff anticipates that many downtown Oakland automobile commuters will switch to transit by using the Broadway Shuttle to link from BART, Amtrak and the Ferry to their downtown or Jack London Square offices. In addition, during the eight years since the Jack London Shuttle ceased operations, downtown has seen significant real estate development and has transformed itself into a thriving arts and entertainment center.

Based on the reasoning above, Staff's anticipates that the Broadway Shuttle will more than double the 969 daily trips of the previous Jack London Shuttle (see Table 1 below). Staff will track and evaluate the success of the project by conducting ridership surveys after three months, six months and one year of the Broadway Shuttle launch date. In addition to determining the number of riders, the survey will also help staff determine if adjustments to the service would be beneficial, such as changes to the route, frequency and hours of service.

Table 1: Daily Ridership Projection For Broadway Shuttle

	Peak Hours 7:00 am to 9:00 am 11:30 am to 1:30 pm 4:30 pm to 7:00 pm	Off-peak Hours 9:00 am to 11:30 am 1:30 pm to 4:30 pm
Trips Per Hour	230	100
Number of Service Hours	6.5	5.5
Total Trips	1,495	550
Total Projected Daily Trips (Peak + Off-peak)	2,045	

SUSTAINABLE OPPORTUNITIES

Economic: The Broadway Shuttle will support local businesses, property owners and office tenants by improving downtown mobility so that residents and workers can more conveniently reach downtown businesses and offices.

Environmental: Automobile use will be reduced by the Broadway Shuttle by providing extensively improved transit service for downtown workers and residents. Replacing automobile trips with transit trips reduces pollution and helps reverse climate change.

Social Equity: The Broadway Shuttle will be fare free so that all Oakland workers and residents can easily circulate throughout Oakland's downtown neighborhoods.

DISABILITY AND SENIOR CITIZEN ACCESS

All three Broadway Shuttle buses will be ADA accessible. The "low-floor" design of the buses will make it convenient for senior citizens and those with limited mobility to step on and off the buses.

RECOMMENDATION(S) AND RATIONALE

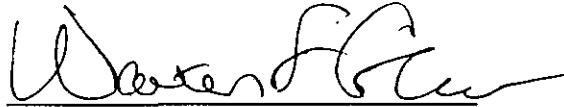
Staff recommends that City Council accept the \$997,000 grant award from the AQMD and authorize an ORA contribution of \$160,000 over two years as Agency matching funds for the implementation of the Broadway Shuttle in order to achieve the following three goals:

1. Support local businesses and property owners by improving accessibility and mobility for Central Business District residents and workers.
2. Create synergy among the vibrant yet disconnected commercial districts along the downtown Broadway spine.
3. Reduce pollution and the City's impact on climate change by promoting the use of transit over automobiles.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council approve the City and Agency resolutions to fund the Broadway Shuttle project.

Respectfully submitted,



Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by:
Gregory Hunter, Deputy Director
Economic Development & Redevelopment

Aliza Gallo, Coordinator
Business Development Services

Prepared by:
Zach Seal, Urban Economic Analyst
Business Development Services

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE



Office of the City Administrator

Item: _____
CED Committee
December 15, 2009

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2009 DEC -3 PM 5:06

Approved as to Form and Legality


Deputy City Attorney

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION TO (1) ACCEPT AND APPROPRIATE \$997,000 IN GRANT FUNDS FROM THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR THE OAKLAND BROADWAY SHUTTLE; (2) ACCEPT AND APPROPRIATE \$80,000 IN FISCAL YEAR 2009/2010 AND \$80,000 IN FISCAL YEAR 2010/2011 IN MATCHING FUNDS FOR THE BROADWAY SHUTTLE FROM THE REDEVELOPMENT AGENCY UNDER THE COOPERATION AGREEMENT; (3) AUTHORIZE THE CITY ADMINISTRATOR WITHOUT RETURNING TO COUNCIL TO ACCEPT AND APPROPRIATE ANY ADDITIONAL PUBLIC AND PRIVATE GRANTS AND FINANCIAL SUPPORT FOR THE BROADWAY SHUTTLE; AND (4) AUTHORIZE AN AGREEMENT WITH AC TRANSIT TO OPERATE THE BROADWAY SHUTTLE FOR TWO YEARS

WHEREAS, the City Council desires to improve transit connectivity between the Jack London waterfront and the downtown commercial districts north of Interstate 880; and

WHEREAS, the City Council wishes to reduce automobile emission and improve the environment by replacing downtown automobile trips with transit trips; and

WHEREAS, the City desires to support local businesses, property owners and office tenants by improving downtown mobility so that residents and workers can more conveniently reach downtown businesses and offices; and

WHEREAS, the City desires to operate a shuttle that will run on Broadway between Jack London Square and the Uptown Entertainment District (the "Oakland Broadway Shuttle"); and

WHEREAS, the Bay Area Air Quality Management District ("BAAQMD") has awarded the City of Oakland a \$997,000 grant to fund the operations of the Oakland Broadway Shuttle; and

WHEREAS, the BAAQMD requires the City to contribute matching funds in the amount of \$160,000 over a two year period in order to accept the grant award; and

WHEREAS, the Redevelopment Agency and the City entered into a Cooperation Agreement on July 1, 2004, which governs the provision of assistance and the payment of

funds between the two agencies, including funding by the Agency of City programs that promote the Agency's redevelopment activities; and

WHEREAS, the Redevelopment Agency of the City of Oakland has authorized a contribution of funds from the Central District Redevelopment Project to the City under the Cooperation Agreement in the amount of \$80,000 in Fiscal Year 2009/2010 and \$80,000 in Fiscal Year 2010/2011 for a total of \$160,000, to be used as matching funds for the implementation of the Oakland Broadway Shuttle; and

WHEREAS, the City wishes to contract with AC Transit to operate the Oakland Broadway Shuttle for two years; and

WHEREAS, the City Council finds that the services provided pursuant to the agreement authorized hereunder are of a professional, scientific or technical nature, are temporary in nature, and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: That the City Council hereby accepts and appropriates the \$997,000 grant from the BAAQMD for the Oakland Broadway Shuttle; and be it

FURTHER RESOLVED: That these BAAQMD funds and any future Broadway Shuttle grants, financial support and revenue will be deposited into the Bay Area Air Quality Management District Fund (2166); Business Development Organization (88559); Broadway Shuttle Project (number to be assigned); Business Creation, Attraction, Retention and Expansion Program (SC11); and be it

FURTHER RESOLVED: That the City Council hereby accepts and appropriates a contribution of \$80,000 in Fiscal Year 2009/2010 and \$80,000 in Fiscal Year 2010/2011 from the Redevelopment Agency under the Cooperation Agreement to be used as matching funds for the Oakland Broadway Shuttle; and be it

FURTHER RESOLVED: That these matching funds will be deposited into the Oakland Redevelopment Projects Fund (7780); Economic Development Capital Improvement Organization (94800); Downtown Capital Project (C339410); and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator to accept and appropriate any additional public and private grants and financial support for the operations, marketing, surveys and data collection for the Oakland Broadway Shuttle without returning to Council; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator or his designee to negotiate and execute an agreement with AC Transit to operate the Oakland Broadway Shuttle for two years; and be it

FURTHER RESOLVED: That the City Administrator or his designee is authorized to negotiate, execute, and submit all documents, applications, agreements and amendments which may be necessary to implement the Oakland Broadway Shuttle; and be it

FURTHER RESOLVED: That the Office of the City Attorney shall approve the agreements and all such other documents, applications, agreements, and amendments, as to form and legality; and be it

FURTHER RESOLVED: That the City Administrator or his designee is authorized to take any actions with respect to the Oakland Broadway Shuttle consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT BRUNNER

NOES -

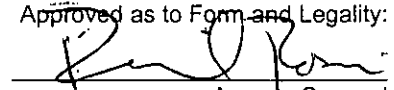
ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California

2009 DEC -3 PM 5:06


Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

AGENCY RESOLUTION CONTRIBUTING \$80,000 IN FISCAL YEAR 2009/2010 AND \$80,000 IN FISCAL YEAR 2010/2011 FOR A TOTAL OF \$160,000 IN CENTRAL DISTRICT REDEVELOPMENT FUNDS TO THE CITY OF OAKLAND UNDER THE COOPERATION AGREEMENT FOR THE IMPLEMENTATION OF THE OAKLAND BROADWAY SHUTTLE

WHEREAS, the Redevelopment Agency desires to improve transit connectivity within the Central District Redevelopment Project Area between the Jack London waterfront and the downtown commercial districts north of Interstate 880; and

WHEREAS, the Agency wishes to reduce automobile emissions and improve the environment by replacing downtown automobile trips with transit trips; and

WHEREAS, the Agency desires to support local businesses, property owners and office tenants in the Central District by improving downtown mobility so that residents and workers can more conveniently reach downtown businesses and offices; and

WHEREAS, the City of Oakland will operate a shuttle that will run on Broadway between Jack London Square and the Uptown Entertainment District (the "Oakland Broadway Shuttle") primarily within the Central District; and

WHEREAS, the Oakland Broadway Shuttle will support the Agency's redevelopment goals and compliment the Agency's redevelopment activities in the Central District Redevelopment Project Area, and will help prevent and eliminate blight conditions in the Central District; and

WHEREAS, the Bay Area Air Quality Management District ("BAAQMD") has awarded the City of Oakland a \$997,000 grant to fund the operations of the Oakland Broadway Shuttle; and

WHEREAS, the BAAQMD requires the City to contribute matching funds in the amount of \$160,000 over a two year period in order to accept the grant award; and

WHEREAS, the Redevelopment Agency and the City entered into a Cooperation Agreement on July 1, 2004, which governs the provision of assistance and the payment of

funds between the two agencies, including funding by the Agency of City programs that promote the Agency's redevelopment activities; now, therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes a contribution of funds from the Central District Redevelopment Project to the City of Oakland under the Cooperation Agreement in the amount of \$80,000 in Fiscal Year 2009/2010 and \$80,000 in Fiscal Year 2010/2011 for a total of \$160,000, to be used as matching funds for implementation of the Oakland Broadway Shuttle; and be it

FURTHER RESOLVED: That funding for the matching funds will be paid from the Agency's Unrestricted Land Sales Proceeds Fund (9553), Economic Development Capital Improvement Organization (94800); Downtown Capital Project Support Project (P130610); and be it

FURTHER RESOLVED: That the Agency Administrator or his designee is authorized to take any actions with respect to the Oakland Broadway Shuttle and the funding authorized herein consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND
CHAIRPERSON BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
Secretary, Redevelopment Agency of
the City of Oakland, California