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OFFICE OF THE CITY CLERK
OAKLAND

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
AGENDA REPORT**

2010 JUL 15 PM 5:08

TO: Office of the Agency Administrator
ATTN: Dan Lindheim
FROM: Community and Economic Development Agency
DATE: July 20, 2010

RE: Informational Report on Potential Applications for Grants for Planning Activities for Transit-Oriented Development under the Joint TIGER II Planning Grant from the U.S. Department of Transportation and Community Challenge Planning Grant from the U.S. Department of Housing and Urban Development

SUMMARY

The purpose of this report is to inform the Agency Board of potential applications for planning grants through the Department of Transportation's (DOT's) Transportation Investment Generating Economic Recovery (TIGER) II and the Department of Housing and Urban Development's (HUD's) Community Challenge planning grant programs. DOT and HUD plan to jointly evaluate applications and make joint awards, where appropriate. The most successful applications will be those projects which can speak to both DOT and HUD objectives.

FISCAL IMPACT

Since this report is informational only, no fiscal impacts are included.

BACKGROUND

On December 16, 2009, the President signed the Fiscal Year (FY) 2010 Consolidated Appropriations Act, which appropriated \$600 million to DOT for National Infrastructure Investments using language that is similar, but not identical to, the language in the Recovery Act authorizing the TIGER Discretionary Grants. DOT is referring to the grants for National Infrastructure Investments as TIGER II Discretionary Grants. The FY 2010 Appropriations Act permits DOT to use up to \$35 million of the funds available for TIGER II Discretionary Grants for TIGER II Planning Grants. The FY 2010 Appropriations Act also appropriated \$40 million to HUD to establish a Community Challenge Planning Grant Program "to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities."

DOT and HUD have issued a joint Notice of Funding Availability (NOFA) to better align transportation, housing, economic development, and land use planning and to improve linkages between DOT and HUD's programs. HUD's funding is designed to target housing, economic development, and land use planning strategies that will increase the efficiency and effectiveness

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of a related transportation project being planned. Therefore, DOT and HUD believe this joint effort has the potential to encourage and reward more holistic planning efforts that result in better projects being built with Federal dollars. The maximum grant award is \$3 million for activities carried out over a three-year period.

Purpose and Eligible Uses

Funds are available for development of plans (such as specific plans, rezoning studies, transit station area plans, etc.) related to surface transportation projects (DOT portion) and urban/community planning projects that promote mixed-use development, affordable housing and energy-efficient re-use of older buildings (HUD). Funds can be used to plan and establish site acquisition and land banking for affordable housing development, but otherwise these are not capital funds. There is a focus on identifying and overcoming problems or barriers that impede the project from progressing (e.g., modification of restrictive zoning or building codes).

Specific eligible uses for the grants are:

TIGER II Planning Grants:

Activities related to the planning, preparation, or design of surface transportation projects, including, but are not limited to:

- Highway or bridge projects eligible under Title 23, United States Code;
- Public transportation projects eligible under Chapter 53 of Title 49, United States Code;
- Passenger and freight rail transportation projects; and
- Port infrastructure investments.

Community Challenge Planning Grants:

Activities related to the following:

- Development of master plans or comprehensive plans that promote affordable housing co-located and/or well-connected with retail and business development and aligned with sustainable transportation plans;
- Development and implementation of local, corridor or district plans and strategies that promote livability and sustainability;
- Revisions to zoning codes, ordinances, building standards, or other laws to remove barriers to sustainable, mixed-use development and to promote accessible, permanently affordable housing that reduces racial and poverty housing concentration and expands fair housing choice for low income minorities;
- Revisions to building codes to promote the energy-efficient rehabilitation of older structures to create affordable and healthy housing;
- Strategies for creating or preserving affordable housing for low-, very low-, and extremely low-income families or individuals in mixed income, mixed-use neighborhoods along an existing or planned transit corridor;

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- Strategies to bring additional affordable housing to areas that have few affordable housing opportunities and are close to suburban job clusters; and maintain acquisition funds and/or land banks for the development of affordable housing.

Combined TIGER II Planning Grant and Community Challenge Planning Grant Activities:

A variety of projects may include eligible activities under both the TIGER II Planning Grants and the Community Challenge Planning Grants programs. Rather than have applicants proceed through two separate grant application procedures, the joint NOFA is intended to create one point of entry to Federal resources to support related components of a single project. Some possible combinations of activities are as follows:

- Planning activities related to the development of a particular transportation corridor or regional transportation system that promotes mixed-use, transit-oriented development with an affordable housing component.
- Planning activities related to the development of a freight corridor that seeks to reduce conflicts with residential areas and with passenger and non-motorized traffic. In this type of project, DOT might fund the transportation planning activities along the corridor, and HUD may fund changes in the zoning code to support appropriate siting of freight facilities and route the freight traffic around town centers, residential areas, and schools.
- Developing expanded public transportation options, including accessible public transportation and para-transit services for individuals with disabilities, to allow individuals to live in diverse, high opportunity neighborhoods and communities and to commute to areas with greater employment and educational opportunities.

Application Requirements

Pre-applications are due on July 26th and final applications are due on August 23rd.

Application will require significant detail regarding:

- Purpose and Outcomes (35 points). Applications must state expected outputs and outcomes (with supporting data) and be consistent with region wide plans and at least two of the following six Livability Principles:
 1. Provide more transportation choices
 2. Promote equitable, affordable housing
 3. Enhance economic competitiveness
 4. Support existing communities
 5. Coordinate policies and leverage investment
 6. Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods

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- Work Plan (35 points). Applications must provide a detailed work plan with specific deliverables and measurable time-phased objectives for each activity. Applications must include clearly defined and easily measurable performance metrics for both outputs and outcomes, and a detailed budget.
- Leveraging and Collaboration (15 points). Applicants must have a demonstrated ability to obtain other community, local, State, private, and Federal support and resources that can be combined with DOT and HUD program resources. A minimum match of 20 percent is required. Points will be awarded to projects that exceed the minimum match. HUD and DOT will also consider the extent to which the applicant has established working partnerships with other entities to get additional resources or commitments to increase the effectiveness of the proposed program activities.
- Capacity (15 points). Applicants must have a demonstrated capacity to implement the proposed activities in a timely manner. DOT and HUD will give priority to applications that demonstrate prior experience in bringing this type of project to completion. Priority will also be given to applications that show strong collaboration among a broad range of participants, including public, private and nonprofit entities, and can demonstrate quantitatively (e.g., number of persons trained) how activities will build capacity and knowledge-sharing among partner organizations.

KEY ISSUES AND IMPACTS

DOT received over 1,400 applications with funding requests totaling almost \$60 billion for the FY 2009 TIGER Discretionary Grant Program. DOT selected only 51 projects, totaling nearly \$1.5 billion, for funding. Due to the nationwide scope of the TIGER II and Community Challenge Planning Grants and the smaller amount of available funding, competition will be similarly fierce.

DOT funding is for planning major transportation infrastructure projects while HUD funding is for community planning related to housing. Projects can be funded from either or both pots, but in any case, projects must support at least two of the Livability Principles. These principles constitute 35% of the criteria in judging the applications. As there is a wide range of projects that can be supported through the joint NOFA, not every project is expected to address all six Livability Principles. However, it is expected that the more principles a project supports, the more competitive it will be. The most successful applications will be those that propose planning activities that combine transportation and community revitalization and are linked to broader regional sustainable community strategies, such as Oakland's Priority Development Areas.

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PROJECT DESCRIPTION

Staff has identified four projects that align well with both DOT and HUD objectives. Due to the intense competition expected for TIGER II and Community Challenge grant funding, applications will probably be prepared for only the two most competitive projects. Application planning will include possible partnership with public transit agencies, the Oakland Housing Authority, affordable housing developers, and other potential partners. Evaluation of the submission of final applications will include applicable priority projects for transit and housing authorities, given grant criteria and objectives.

Broadway/Valdez District Specific Plan

The Broadway/Valdez District Specific Plan will provide a vision and redevelopment strategy for transforming the historic Auto Row section of Broadway into a major retail destination. In addition to providing for new retail opportunities, the Broadway/Valdez District Specific Plan will provide for new housing, employment, and transportation choices for Oakland residents while helping to minimize traffic, enhance existing neighborhoods, and protect the environment. Through the formulation and analysis of alternatives, the Specific Plan process is intended to re-confirm the appropriateness of establishing comparison goods retail in the Broadway area, determine the appropriate mix of retail and other uses, quantify the area's development potential, and identify the appropriate location and distribution of those uses.

An important component of the Broadway/Valdez District Specific Plan is the Broadway Corridor Transportation Improvement Project. This project will study transit alternatives (i.e. a streetcar) for improving mobility along Broadway, Oakland's central corridor. Enhanced transit service on Broadway will promote economic development and catalyze dense, mixed-use redevelopment along the corridor by improving connectivity between commercial districts and several heavily used transit stations. Currently, no single transit line on Broadway connects Oakland's waterfront to the Uptown Entertainment and Upper Broadway districts; nor does any existing transit line link the MacArthur BART station with the Upper Broadway area, which is targeted for up to 1.8 million square feet of retail and 1,278 residential units. The proposed transit line would link these disconnected neighborhoods and promote the type of transit-oriented development that belongs on this corridor.

Lake Merritt BART Station Specific Plan

The specific plan for the Lake Merritt BART Station area is intended to strengthen and support existing communities through creation of compact communities with a diverse mix of housing, jobs, activities, and services to meet the daily needs of residents. The specific plan will provide overall plan objectives for transit-oriented land use and development, transportation and

circulation, and urban design within the study area. It will also set up the regulatory framework for achieving a specific land use model.

Coliseum Transit Village Specific Plan

A Coliseum Area Specific Plan would provide a system for creating a vibrant commercial, entertainment, and transit oriented development at a major inter-modal transit hub centered around the Coliseum BART Station and Oakland-Alameda County Coliseum Stadium and Arena. In addition, the Specific Plan would assist in coordinating efforts among the Oakland International Airport, Oakland Housing Authority, BART, Coliseum Joint Powers Authority, and other private stakeholders to design a complementary balance of land uses focusing on housing, retail, sports and entertainment, transportation, and infrastructure improvements.

West Oakland Transit Village Plan

The West Oakland Transit Village Plan will provide a vision and redevelopment strategy for transforming the underutilized properties around the West Oakland BART station into a vibrant transit oriented destination. It will provide Oakland residents with a plan for new housing, employment, and transportation choices next to public transit, and a strategy for stimulating new investment opportunities throughout the adjacent neighborhoods. The plan will recommend alternative development options which can capture the market for new uses around the BART station. It will analyze the costs and benefits of the options and recommend a preferred alternative and a strategy for implementation.

SUSTAINABLE OPPORTUNITIES

Economic: Attracting additional public funding through TIGER II or the Community Challenge Planning Grant Programs will enable the Redevelopment Agency to shift current Agency funding commitments around to support other projects.

Environmental: Successful applications must demonstrate support for sustainable development.

Social Equity: The most successful applications will be those that expand housing choices for low-income minorities.

DISABILITY AND SENIOR CITIZEN ACCESS

This report does not include the approval of any specific projects or programs. Disability and senior access issues will be addressed in the planning process for any projects funded by TIGER II or the Community Challenge grant programs.

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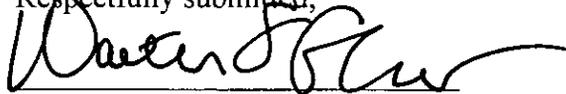
RECOMMENDATION AND RATIONALE

Staff recommends that the Agency Board accept this report.

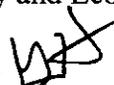
ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Agency Board accept this informational report on potential applications for planning grants for transit-oriented development under the joint DOT TIGER II and HUD Community Challenge Planning Grant Programs.

Respectfully submitted,

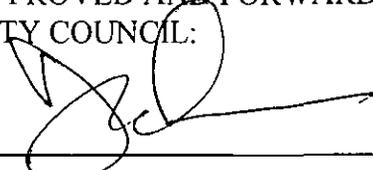


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APPROVED AND FORWARDED TO THE
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Office of the Agency Administrator