

Alameda Reuse and Redevelopment Authority

Memorandum

To: Honorable Chair and
Members of the Alameda Reuse and Redevelopment Authority

From: Lisa Goldman
Acting Executive Director

Date: April 6, 2011

Re: Review and Comment on Summary Report for the Community Planning
Process for Alameda Point

BACKGROUND

In September 2010, the Alameda Reuse and Redevelopment Authority (ARRA) initiated a planning and community engagement strategy to identify and describe a financially feasible land use plan for Alameda Point. The goal of this planning effort is to establish areas of agreement among the Alameda community about a shared vision for the redevelopment of Alameda Point. It is important that the ARRA and community articulate a common vision and provide some level of certainty about the ARRA's expectations for Alameda Point as it works towards attracting private investment to the project.

Staff prepared a Community Planning Workbook (Workbook) in order to initiate the community engagement process. The Workbook was intended to:

1. Provide an opportunity for the community to re-evaluate community priorities for Alameda Point after past attempts to develop a plan for Alameda Point did not result in a successful entitlement;
2. Identify those elements, concepts, and proposals from past plans that should be included in a future plan for Alameda Point;
3. Identify those issues for which there is not agreement and that will require further community discussion; and
4. Shape the next steps in the community planning process for Alameda Point.

Fall 2010 Community Forums

The ARRA held three community forums in the fall of 2010. The forums occurred on November 9, 2010 at the Grand Pavilion on Bay Farm Island, on November 18, 2010 at the Mastick Senior Center in central Alameda and December 8, 2010 at the O-Club at Alameda Point in West Alameda.

On-line Forums

To supplement the community forums and provide a convenient additional opportunity for community participation, an online version of the Workbook was made available on the City's website. The online Workbook was open for public use from November 25, 2010 until February 1, 2011.

Alameda Point Tenant Forum

On February 8, 2010, staff held a forum for the businesses that are currently located at Alameda Point. The purpose of the forum was to solicit strategies and ideas for attracting job-generating uses to Alameda Point. Representatives from approximately 30 businesses attended the forum. In addition, the City received approximately 11 responses to a questionnaire that staff sent to all businesses at Alameda Point.

Alameda Boards and Commissions

During the months of January and February 2011, the City's Boards and Commissions also engaged in the community process. The Boards and Commissions with primary responsibility for planning, transportation, economic development, parks and open space, and historic preservation participated in the process by each holding a public meeting to discuss the exercises within the Workbook that were most relevant to their area of expertise. The Economic Development Commission, Historic Advisory Board, Recreation and Parks Commission and Transportation Commission all devoted meeting time to the planning effort.

Summary Report

The community feedback from the community workshops, written and online Workbook submissions, tenant forum, and Board and Commission discussions provide a wealth of information about the priorities, preferences, and opinions of those who participated. Staff has prepared a Summary Report for the ARRA and the community to document and organize the important results of this process. The primary purpose of the Summary Report is to inform the next steps in the planning process, which are also described below. The report is on file in the City Clerk's office.

DISCUSSION

This staff report highlights the key findings of the Summary Report and discusses staff's proposed next steps for the next six months.

I. Key Findings of Summary Report

The Summary Report provides an overview of the issues where there is a great deal of agreement within the community, as well as a summary of the issues that will require additional study and resolution before the community can coalesce around a common

vision for Alameda Point. The major findings of the Summary Report are organized according to the six topics addressed in the Workbook:

1. Land Use

The goals and objectives included in the City Council adopted 1996 NAS Community Reuse Plan (Reuse Plan) and the 2003 Alameda Point General Plan Amendment (Alameda Point GPA) remain valid. Although many years have passed since the City Council adopted the Reuse Plan and Alameda Point GPA, the community aspirations for Alameda Point articulated in these two documents generally continue to reflect and represent the community's vision for the reuse and redevelopment of Alameda Point.

The community generally agrees that the redevelopment and reuse of Alameda Point should include a variety of mixed-use, transit-oriented districts that provide jobs, affordable housing, and passive and active public open spaces and facilities. There is also significant agreement about the types of land uses that should be allowed in each of the various sub-areas within Alameda Point.

Themes from 1996 Reuse Plan

Job Creation and Economic Development

All land use decisions and policy direction determined in the Community Reuse Plan must move beyond the idea of replacement of jobs lost at the base and focus on creating economic growth and development for the benefit of the whole community.

Small Town Feeling

Alameda has always been a quiet, friendly, and predominantly residential community. An ideal urban/suburban community created in an era when commuters were by rail or ferry. Development in each area is focused on neighborhood centers that cluster development in order to create the scale and accessibility that is familiar and desirable in Alameda.

De-emphasis of the Automobile

The Community Reuse Plan is intended to support transit improvements, ferry service, transit-oriented design and an enjoyable pedestrian environment.

Transit Orientation

The historic land use patterns of the City of Alameda were established in clusters around the trolley car and transit stops that served the residential community for the majority of their work-related, commercial, and recreational travel. By emphasizing existing land patterns, providing better opportunities to perform day to day activities within walking distance of home, and creating transit links that can easily convey employees to their workplace, redevelopment at NAS Alameda can help re-establish the transit-oriented character that is Alameda's heritage.

Mixed-Use Development

A mixed-use approach will allow for the development of transit-friendly neighborhoods, with a strong pedestrian character, that will foster the development of the desired small town feeling.

Neighborhood Centers

One of the major tools used to forge a sense of community, effective mixed-use, transit-oriented design and de-emphasize the automobile is to encourage development clustered around neighborhood centers.

Sustainable Development & Design

Sustainability is a series of principles from transit-oriented design to preservation of open space that render concern for the human and natural environment fixtures in urban fabric.

Although there is general agreement on the type of development to be developed at Alameda Point, there is disagreement about the amount of development that should be allowed. Specifically, there is disagreement within the community about how many housing units are necessary to create a financially sustainable, mixed-use, and transit-oriented development that can be served adequately by the citywide transportation system.

Given these differences of opinion, staff is recommending that the next steps in the process focus on a range of development alternatives for Alameda Point. These scenarios can then be tested for financial feasibility, transportation effects, sustainability and a range of other community priorities.

This next step is described in more detail later in this report.

2. Building Types

The goals of the Reuse Plan and Alameda Point GPA, which state that new development at Alameda Point should architecturally, aesthetically, and functionally reflect Alameda's existing unique neighborhoods and districts, is still a widely accepted and supported concept. "Homogenous," suburban-style new development is generally considered undesirable.

Consistent with General Plan policies for mixed-use, transit-oriented development at Alameda Point, the Alameda community supports mixed-use buildings, provided they are well designed and appropriately placed within the fabric of the community.

Although many respondents agreed that a diversity of housing types should be provided (e.g., single family homes, duplexes, in-law units, town houses and small apartment buildings) in order to create a transit-oriented, architecturally diverse "Alameda-style" mixed-use development, a few participants disagreed and argued that only single-family homes should be allowed. Differences of opinions exist on the issue of building height and "signature buildings" (i.e., a large or tall building designed to make an architectural statement or create a unique architectural presence).

Over the next six months, the analysis of the different development alternatives should be designed to assist the community in visualizing and understanding what the different scenarios will look like in terms of building types, sizes and character.

3. Parks and Open Space

The parks and open space network originally established in the Reuse Plan, adopted in the General Plan, and then further refined in the 2006 Preliminary Development Concept (PDC) open space framework plan is widely agreed upon.

The community also remains in support of the principles that the open space network should provide:

- a. Linkages between uses and spaces, and the rest of the city;
- b. A diversity of park types and uses; and
- c. Excellent access to the waterfront.

If trade-offs and compromises are necessary to achieve financial feasibility, there appears to be a general consensus that passive recreational facilities (e.g., trails, paths, promenades) and habitat conservation areas are a higher priority than active recreational facilities, new marinas and new ferry terminals.

Over the next six months, the analysis of the different development alternatives should be designed to assist the community in evaluating the scope and types of recreational facilities that can feasibly be provided and maintained under different development scenarios.

4. Historic Character, Preservation, and Adaptive Reuse

Participants agree on the importance of retaining and preserving as much of the former Naval Air Station Alameda's Historic District (Historic District) as is financially feasible. However, there are significant differences of opinion about the importance of preserving all of the 90+ buildings, structures and features in the Historic District. Participants generally identified the Administrative Core, Residential Area, and the Hangars Area West sub-districts as the most important to maintain.

Over the next six months, the different development scenarios to be evaluated with the community will help determine how much of the Historic District can be maintained and how much of a financial subsidy the project can afford to provide for the purpose of maintaining, rehabilitating, and providing infrastructure to serve the historic buildings.

5. Transportation and Mobility

The primary transportation concern is traffic congestion, resulting from new development at Alameda Point. The community generally agrees that addressing peak hour congestion at the Webster and Posey Tubes is the highest priority, followed closely by addressing peak hour congestion at the other crossings. Congestion along the major corridors, while also a priority for the community, was less important than addressing the Tubes and bridges.

The community identified the need to provide bus or shuttle services from Alameda Point to BART as the most important strategy, with express buses to San Francisco as a lesser, but still important strategy. While increasing ferry service to San Francisco was also identified as a priority, it was rated below the need for bus services to BART and San Francisco, and the participants had mixed opinions on the traffic benefits associated with relocating the ferry terminal to the Seaplane Lagoon. Pedestrian and bicycle improvements should be an integral design element of the Alameda Point development to encourage alternative transportation options for travel within Alameda Point.

Providing transportation services and facilities that are financially sustainable and not dependent on outside federal, state or regional funding for construction or maintenance was also a priority for the community. Although many agreed on the strategies that should be employed to reduce the impact of development of Alameda Point on the citywide transportation system and to encourage trips from Alameda Point to remain within Alameda Point, others questioned the effectiveness of these transportation strategies.

Over the next six months, the staff and consultant team will continue to develop a transportation strategy for Alameda Point. In addition, the development scenarios will be evaluated to determine how each scenario performs from a citywide transportation perspective.

6. Community Benefits

In response to the questions posed in the Workbook and the community forums, the community benefits were ranked as follows: passive open space, active open space, affordable housing and historic preservation. A branch library, new ferry terminal, new marina, and new sports complex were less of a priority.

Over the next six months, the analysis of the different development scenarios should be designed to assist the community in evaluating the scope and types of community benefits that can feasibly be developed and maintained under different development scenarios.

II. Next Steps in the Community Planning Process

Based upon the community comments received during the last four months in the community process, staff recommends that the next six months of the planning process focus on:

1. Preparing Development Alternatives: Identifying development alternatives for the reuse and redevelopment of Alameda Point that represent the range of opinions within the community, as generally described below.
2. Assessing Financial Feasibility of Alternatives: Assessing the financial feasibility of the alternatives and their ability to attract private investment so that the community's priorities for Alameda Point are defined within the context of financial feasibility.
3. Defining Community Priorities: Defining the community's expectations and requirements for community benefits desired for redevelopment and reuse of Alameda Point.
4. Evaluating Development Alternatives: Evaluating the alternatives for compliance with community priorities.

1. Preparing Development Alternatives

Over the next several months and concurrent with the financial feasibility assessment process described below, staff and the community will be preparing development alternatives for Alameda Point. The range of alternatives should reflect the range of opinions expressed by the community at the forums. Each alternative will include a land use program for each of the sub areas described in the Workbook. Based upon the

community input during the first phase of the community engagement process and past plans, the alternatives are likely to include the following range of land use concepts representing the diversity of views in the community:

1. The "Leave It As Is" Development Alternative. This alternative emphasizes adaptive reuse of existing structures at Alameda Point. No new housing would be constructed, but existing buildings might be rehabilitated for residential use or employment use. Non-residential development would be limited to adaptive reuse of existing buildings. The number of housing units could range from 300 to 1,000.
2. The Reuse Plan Development Alternative. This development scenario would evaluate and test the feasibility of the Reuse Plan development program. The development program would include approximately 1,000 to 2,000 units and 5.5 million square feet of non-residential use.
3. The General Plan/PDC Development Alternative. This alternative would test the feasibility of the General Plan/PDC development program with approximately 2,000 single-family and duplex residential units. Employment uses would range from 2 million to 4 million square feet. This scenario would depict and evaluate a Measure A compliant development program with only single-family and duplex housing units.
4. The General Plan/PDC/Density Bonus Development Alternative. This alternative would test the feasibility the General Plan/PDC in combination with State and local Density Bonus regulations. Under these regulations, multi-family and mixed-use building types could be included, and historic buildings could be adaptively reused for multi-family housing. The total number of units would be approximately 2,000 to 3,000 units. Employment uses would range from 2 million to 4 million square feet.
5. The "Regional Strategy" Development Alternative. This alternative would explore the concept of a higher density alternative of between 4,000 and 5,000 units and 5 to 6 million square feet of non-residential use. This scenario would be designed to make a considerable contribution towards the ongoing effort by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) to develop a regional Sustainable Communities Strategy, which currently envisions 8,100 new units for the City of Alameda over the next 25 years.

2. Assessing Financial Feasibility of Alternatives

Before the community's priorities are defined, staff recommends conducting an assessment of financial feasibility for each development alternative so that the prioritization process occurs within the context of financial feasibility. The financial feasibility analysis will evaluate the requirements and costs for required public facilities and infrastructure, as well as desired community amenities. These costs are likely to include public streets, public open spaces, storm drain, sewer, water, electrical utilities, and other optional community benefits, such as a sports complex, branch library, and/or

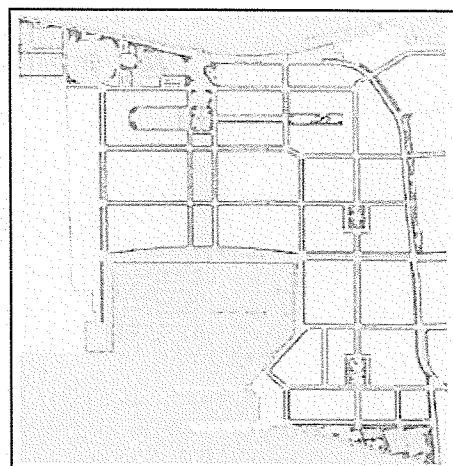
new marina. This information will be presented at ARRA meetings and discussed with the community at two financial workshops.

The goals of the two proposed financial feasibility workshops will be to: (1) educate the community about the significant costs associated with redeveloping Alameda Point and the fundamental relationship between the amount of development (i.e., revenue), infrastructure requirements and community benefits (i.e., costs) and the attraction of private investment (i.e., profit and rate of return); and (2) achieve community agreement on the meaning and measurements for "Financial Feasibility" and "Fiscal Neutrality." The community seems to be in agreement that the plan for Alameda Point must be financially and fiscally sustainable. However, it is crucial that the community truly understands what these terms mean and understands the fundamental economic issues facing the redevelopment of Alameda Point before making difficult choices about prioritizing community benefits (i.e., costs) and/or increasing the amount of development (i.e., revenues). Because of the importance of these topics, staff is planning two workshops to address financial issues.

Throughout the planning process, staff will also be holding developer interviews to identify potential feasibility issues with the different alternatives. It is important to emphasize that the current effort is a planning process to create and adopt a financially feasible community supported plan for Alameda Point. The effort is not a process that requires or presupposes that the ARRA should be the future master developer of the site. The assumption is that a developer or a number of developers will be necessary to implement any plan that the ARRA creates and that the plan must be capable of attracting private investment. Without developer interest and private investment, the plan cannot be implemented. For these reasons, throughout the planning process the community and the staff must be reaching out to the development community to verify that the plan being created is a plan that can be implemented. Over the next six months, staff will be continually checking in with the development community to ensure that the plan alternatives that are being developed by the ARRA are alternatives that can attract developer interest and investment dollars.

3. Defining Community Priorities

Once the financial feasibility assessment has occurred and the community has a better understanding of the financial issues facing Alameda Point, staff recommends defining clear community priorities for the redevelopment of Alameda Point. Clarifying the community's priorities for Alameda Point will be important in the event that certain community benefits need to be removed from the plan to maintain financial feasibility. It will also be important to clarify priorities with the community so that the later evaluation of the alternatives is based on a clear and common understanding of



community priorities. Lastly, for the City to actively and productively engage with a future development partner, the City must be able to clearly articulate the community's priorities.

Staff is proposing to conduct two additional community workshops once the financial feasibility assessment is completed to define community priorities and to develop criteria for evaluating the pros and cons of proposed development alternatives. The following describes in greater detail the format and content of two proposed additional workshops:

Transportation Sustainability Workshop: The goal of this workshop will be to achieve community support for specific standards to be used to evaluate the different transportation plans associated with the development alternatives. Everyone seems to agree that the plan for Alameda Point must preserve the integrity and effectiveness of the citywide transportation system. While the community also seems to agree that each alternative should be evaluated on its impact on the Peak Hour congestion at the Tubes, others also want information about each alternative's effect on citywide transit use. Before the community can collectively evaluate the transportation effects of different development alternatives, the community will need a common set of measurements to do so. These will be explored and discussed at the transportation sustainability workshop.

Environmental Sustainability Workshop: There is almost universal agreement that the plan should be "environmentally sustainable," but this term seems to mean different things to different people. This workshop will explore the range of strategies, objectives, and requirements that could be incorporated into the development alternatives. Green infrastructure, energy use and generation, waste reduction, greenhouse gas emission reductions, and other strategies will be introduced for community consideration for inclusion in the plan for Alameda Point. Before the community can begin to make decisions about whether a development alternative is "green enough," the community will need a common set of standards upon which to evaluate each alternative. This will be discussed at the environmental sustainability workshop.

3. Evaluating Development Alternatives

Once the ARRA, community and staff have prepared draft development alternatives, assessed the initial financial feasibility, and defined the community priorities, the staff and consultant team will test and evaluate each scenario against the community priorities and criteria developed at the workshops. As the evaluation is taking place, staff will be providing information to the community about how each development scenario performs in terms of the community priorities. Examples of categories of community priorities include:

1. Financial Feasibility: Is the alternative financially feasible and will it attract private investment?

2. Fiscal Neutrality: Is the alternative fiscally neutral to the City's General Fund?
3. Citywide Transportation System: How will the alternative affect the citywide transportation system?
4. Environmental Sustainability: Is the alternative environmentally sustainable?
5. Job Generation: How many jobs are generated?
6. Affordable Housing: How many affordable housing units are produced?
7. Historic Preservation: What is the effect of the alternative on the Historic District?
8. Design Character: Does the alternative reflect community design character objectives?

City staff will conduct the evaluation of each alternative with assistance from the consultant team that has expertise in real estate economics, traffic and transportation, sustainable design and infrastructure, civil engineering, urban design, and historic preservation.

III. Upcoming ARRA Decision Points

Throughout the next six months, staff will be checking in monthly with the ARRA to report on progress made and plans for the following month. At the end of this six-month phase of the community planning process, staff will present the ARRA with a report that summarizes the conclusions of the evaluation process, recommends a financially feasible preferred development scenario, and identifies other development alternatives that should be maintained for the next steps of the entitlement and environmental review process.

At that time, the ARRA will be in position to make important decisions about how to proceed with the next steps of the planning process, which include the entitlement and environmental review phase. During the next six months, staff will be working closely with its civil engineering and real estate economics consultants to provide detailed information on the ARRA's options for entitlement of Alameda Point. The options for ARRA consideration are likely to include:

- a. Continuing with an ARRA planning effort;
- b. Continuing with the ARRA planning effort, while issuing a Request for Qualifications or Proposals (RFQ/P) from a single development partner for the entire 918-acre property;

- c. Continuing with the ARRA planning effort, while issuing an RFQ/P from multiple specialty development partners for smaller portions of the property with potential for different types of land use (i.e., residential, retail, and commercial);
- d. Halting the ARRA planning effort and issuing an RFQ/P process for a development partner(s); and
- e. Continuing or halting the ARRA planning effort while the City discusses coordinating with the Navy on a joint auction of the property.

At that time, staff will also know whether the City's grant request for \$750,000 from MTC to help fund the entitlement process for Alameda Point was successful.

FINANCIAL IMPACT

This report is for information purposes only.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

The Summary Report describes a community process designed to implement General Plan goals, objectives and policies as articulated in Chapter 9 of the General Plan.

ENVIRONMENTAL REVIEW

Feasibility and planning studies are statutorily exempt from the provision of the California Environmental Quality Act pursuant to Section 15262 of the California Environmental Quality Act Guidelines.

RECOMMENDATION

Review and comment on Summary Report for the community planning process for Alameda Point.

Respectfully submitted,


Andrew Thomas
Planning Services Manager


Jennifer Ott
Deputy City Manager

Exhibit:

1. Community Feedback Summary Report – On File in the City Clerk's Office

Summary of Alameda Point Planning Process and Next Steps

Alameda Reuse and
Redevelopment Authority

April 6, 2011

Community Participation

- Three community workshops - 60 to 100 people participated
- One commercial tenant forum - 30 tenant representatives attended
- Boards and Commissions - 6 boards and commissions commented
- 100 to 200 people completed each section of the workbook

Purpose of Workshops

- Identify areas of agreement
- Identify areas requiring further resolution
- Shape next steps in community planning process
- Provide indication of community preferences and priorities – not a survey or poll

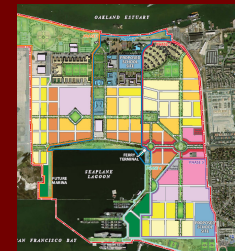
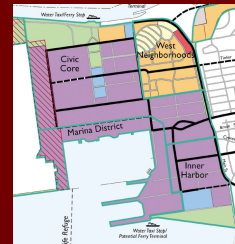
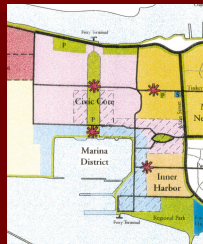
Land Use Programs

Agreement:

- Jobs
- Mixed-Use
- Services
- Housing

Needs Resolution:

- Number of units



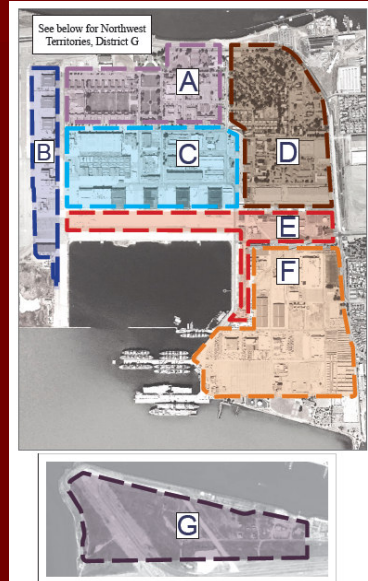
Land Use Sub-Areas

Agreement:

- Uses by sub-area

Needs Resolution:

- How much housing in each sub-area?
- How much adaptive reuse in each sub-area?



Building Types and Neighborhood Character

Agreement:

- District Diversity
- Mixed-Use
- Variety of Building Types
- High Quality Design

Needs Resolution:

- Building Heights



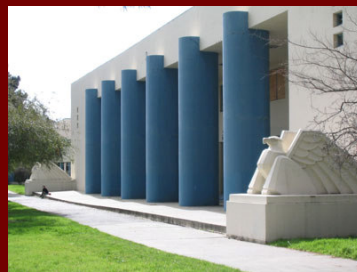
Historic Preservation

Agreement:

- Preservation is important
- Relative importance of historic sub-districts
- If feasible, save it

Needs Resolution:

- How much is financially feasible?



Parks and Open Space

Agreement:

- Framework
- Principles

Needs Resolution:

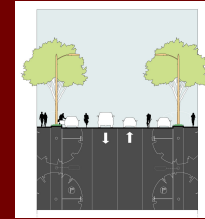
- How many active facilities can we afford?
- Feasibility of "sports complex"



Transportation and Mobility

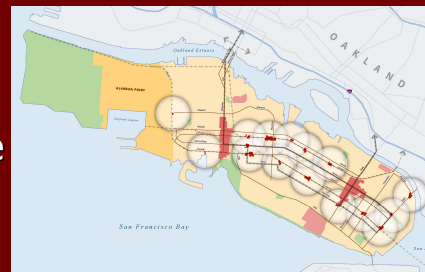
Agreement:

- Congestion is greatest concern
- New crossing not feasible
- Need to increase capacity through transit and TDM



Needs Resolution:

- Will transportation plan be effective?
- What will it cost?
- Ferry terminal location

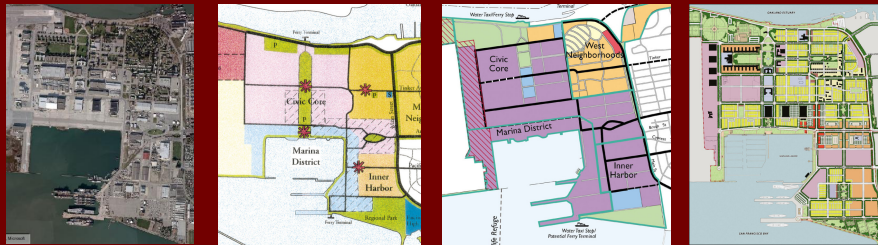


Summary of Next Steps

- Develop range of alternatives based on community input
- Evaluate financial feasibility of alternatives
- Define community priorities and criteria within context of financial feasibility
- Evaluate the alternatives according to community priorities and criteria

Range of Alternatives

- “Leave it as is”
- Reuse Plan
- General Plan/PDC
- General Plan/Density Bonus
- Regional Strategy



Financial Feasibility Assessment

- Significant costs related to infrastructure replacement, sea-level rise, public facilities, and community desired benefits
- Revenues generated from amount of proposed development in each scenario
- Do revenues exceed costs sufficiently to achieve market rate of return required by private investors?
 - If no, then alternative is infeasible
 - Can revenues be increased?
 - Can costs be reduced?

Other Community Workshops

- Transportation Planning
 - What are the community's transportation priorities?
 - What are appropriate transportation criteria for evaluating alternatives?
- Environmental Sustainability
 - What does environmental sustainability mean to the community?
 - What are the community's environmental priorities?
 - What are appropriate environmental criteria for evaluating alternatives?

Evaluation Criteria

- Financial feasibility
- Fiscal neutrality
- Citywide transportation system
- Environmental sustainability
- Job Generation
- Affordable housing construction
- Historic preservation
- Design character

Results

- Evaluate alternatives according to criteria
- Identify a preferred concept and range of alternatives based on evaluation
- Provide range of alternatives that allow for flexibility throughout entitlement process
- Identify public improvement requirements, community benefit priorities, and preferred transportation plan
- Describe options for entitlement, conveyance, and disposition process