



BART's Transit-Oriented Development Program Work Plan

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT



Mural at MacArthur Station, Oakland

Image Source: Clark James Mishler, courtesy of BRIDGE Housing

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Executive Summary

Thirty years ago, the San Francisco Bay Area Rapid Transit District (BART) transit-oriented development (TOD) program was established to build BART's ridership base, and to support local economic development efforts.

Since then, BART's TOD program has evolved to respond to multiple changing societal demands. More is understood today about the value of TOD in reducing congestion and greenhouse gas emissions, lowering household transportation costs, and connecting low income communities to economic opportunity. BART, the region and state increasingly turn to TOD to address regional mobility, climate and equity challenges.

BART's TOD program has helped shape a range of communities throughout the Bay Area, including developments such as the Fruitvale Transit Village, Pleasant Hill/Contra Costa Centre Transit Village, and Alta Mira Family and Senior Housing at the South Hayward Station.

The Next 10 Years of BART's Transit-Oriented Development Program

Over the next decade, BART will implement a TOD program that is ambitious and opportunistic, aimed at strengthening the connections between people, places, and services while enhancing BART's value as the backbone of the region's transit system. BART's priority will be to collaborate with local jurisdictions and communities to deliver quality, equitable infill development near stations. Summarized below are the projects and initiatives that BART intends to undertake to achieve these goals over the next five to ten years.

Between 2020 and 2025:

- Complete high-profile mixed-use TOD projects already underway at the following stations: Balboa Park*, Fruitvale, Lake Merritt, Millbrae, MacArthur, North Concord/Martinez, Pleasant Hill/Contra Costa Centre, Richmond, Walnut Creek, West Dublin/Pleasanton, West Oakland
- Advance racial and economic equity by prioritizing housing for lower income residents in areas experiencing displacement and high-opportunity communities at the core of the system: Ashby (Berkeley), El Cerrito Plaza, MacArthur (Oakland), North Berkeley and Rockridge (Oakland)
- Address the region's jobs-housing imbalance and a more dispersed BART ridership pattern by pursuing job-generating TOD projects in the East Bay as the economy recovers: Warm Springs/South Fremont and Hayward
- Seek these and other opportunities to be a key part of a post-pandemic regional and statewide economic recovery strategy that focuses on equity and sustainability

From 2025 to 2030:

- Support local jurisdictions in crafting and meeting local housing requirements from 2023 to 2031
- Continue to reserve key sites for job-generating uses, and promote job growth near BART stations in the East Bay
- Initiate development plans for property near the following stations: 19th St/Oakland, Bay Fair, Castro Valley, Coliseum/Oakland Airport, Concord, Dublin/Pleasanton, El Cerrito del Norte, Fruitvale, Glen Park, Orinda, Pittsburg/Bay Point, Pittsburg Center, San Leandro, Union City

* Project involves adjacent city-owned property.

Potential TOD Work Plan Outcomes

Continuing and expanding the TOD program could be an important part of the recovery efforts following the impacts of COVID-19, by offering a way to address the housing crisis, grow sustainably, offer living wage jobs in the construction industry, increase local property tax revenues to support other public services, and diversify BART's revenue base. Potential estimated impacts of BART's TOD program are reflected in the table below.

Table 1: Potential TOD Portfolio Current Snapshot

Phasing	Development Capacity* (Residential units / Commercial Sq. Ft.)	Jobs Created*	New Annual Property Tax*	New Annual Lease Revenue to BART*	New Daily Riders / Annual Farebox Net Gains
Current Pipeline	3,400 units 1.8 M Sq Ft	23,000	\$22.3 M	\$1.9 M	**See footnote
Near Term: 2020-2025	5,700 units 2.6 M Sq Ft	36,000	\$30.4 M	\$2.9 M	**See footnote
Mid Term: 2025-2030 (Current program)	5,000 units 0.7 M Sq Ft	26,000	\$21.3 M	\$1.6 M	**See footnote
Mid-Term: 2025-2030 (Expanded program)	7,400 units 1.2 M Sq Ft	38,000	\$32.4 M	\$2.6 M	**See footnote

* The data presented in the above chart are estimated forecasts. The approximate build-out and associated benefits are dependent upon market and financial viability.

** New Daily Rider and Annual Farebox Net Gains estimates will be provided in the final version of the Work Plan.

BART would need to double the pace of development between 2025 and 2030 to advance development at all of the stations shown – which could be done through further streamlining of BART's processes as well additional investments in the program to facilitate development. Investment in BART staff and pre-development expenses associated with BART's program would result in delivery of an additional 5,700 housing units over 5 years. The additional cost per unit to add BART staff would be roughly \$1,000.

Investments Needed to Accelerate Delivery of Transit-Oriented Development

Advancing equitable, quality infill development at high frequency transit hubs faces multiple hurdles. It will take more than rezoning BART land at its stations to achieve this goal. BART is pursuing several strategies to overcome these barriers:

- **Planning and Pre-Solicitation:** Grants covering predevelopment costs help developers start a project with full information about BART's needs – such as parking replacement, station and facility upgrades and pedestrian and bicycle safety enhancements.
- **Affordable Housing Subsidy:** High expectations on public land for the delivery of affordable housing should be accompanied by subsidies to deliver that housing. BART is willing to discount its land value by up to 60% to support affordable housing.
- **Infrastructure and Site Costs:** Well-designed and maintained public spaces, streets and transit facilities is what makes BART's TOD projects exemplary and supportive of surrounding communities.
- **Staffing:** BART works with private development firms to design, entitle, finance, construct and manage its projects. BART staff ensure private development meets BART's intended goals, and protects BART operations, safety, and the customer experience. This critical, unique role can be complex and time consuming, and limits the amount of development BART can advance at one time.

I. Introduction

BART owns over 250 acres of developable land at 27 stations in four counties: Alameda, Contra Costa, San Francisco and San Mateo. BART was designed primarily as a park-and-ride system in the 1960s, and as a result, much of this land is currently used for customer parking.

Since the early 1990s, BART has worked in partnership with cities and counties to develop BART-owned property with housing, job-generating uses, retail and other activities, fulfilling local needs as well as BART's Board-adopted goals for TOD. This work plan is focused on this portfolio and mission.



It's a very good location and the community is really nice. For my wife's birthday we took BART into the city, then got on the bus, and went to Pier 39 for some sightseeing. It's very convenient.

— Jose Barragan,
Resident of Coliseum Connections

Image Source: Maria Avila, Courtesy of BART

Purpose of a Transit-Oriented Development Work Plan

This work plan has been provided to:

- 1 Summarize BART's progress towards meeting its TOD goals;**
- 2 Inform stakeholders about the role that BART plays in advancing TOD on its properties;**
- 3 Identify BART's TOD priorities for the next five to ten years; and**
- 4 Lay out BART's work to accelerate development, and what will be needed to expand BART's program to deliver upon regional and local plans.**

While this work plan discusses BART's priorities for TOD in the coming decade, more focus is placed on short term priorities in the next five years. Political and economic conditions change over time, and BART intends to re-evaluate and re-prioritize its sites every several years.

Why Create a TOD Work Plan?

Local jurisdictions, state, community and regional advocates have expressed interest in TOD as a strategy to accommodate population and job growth without corresponding increases in traffic and emissions, and to address racial and economic disparities through the production of affordable housing and high-quality jobs. California legislation such as Assembly Bill 857 (2004) and Assembly Bill 32 (2006) acknowledged the critical relationship between land use and transportation in addressing climate change, and prompted over 15 years of legislative activity at the state level to equitably reduce transportation-related climate emissions. For BART, this culminated in Assembly Bill 2923 (AB2923) - authored by Assemblymembers David Chiu and Timothy Grayson in 2018. AB2923 introduced section 29010 to the California Public Utilities Code, to require jurisdictions to rezone certain BART-owned property in support of TOD. The law further provided the ability for BART to have influence over this zoning and conferred upon BART's developer partners the ability to seek entitlement streamlining.

While AB 2923 affects zoning, there are no mandates within the law for development. This Work Plan was initiated as a way to differentiate zoning from development and give jurisdictions clarity around when development of BART property is anticipated to occur as they embark on rezoning efforts to conform with AB 2923. More information is available on BART's AB 2923 website: <https://www.bart.gov/about/business/tod/ab2923>.

Work Plan Context

Board-Adopted Policies

BART's TOD Program follows the policy direction adopted by the BART Board of Directors. Board adopted policies affecting this Work Plan include BART's TOD Policy and Performance Targets, Affordable Housing Policy, Station Access Policy and Performance Targets, and Project Stabilization Agreement Policy. AB 2923 was adopted by the state without action or direction from the BART Board of Directors, and further action is needed by the Board to provide direction to staff on how BART will implement TOD under this new state law. The draft action for consideration by the Board is included in Chapter III of this work plan, and informs proposed strategies throughout it. Modifications made by the Board prior to its adoption may change the final version of this document. BART's current Board-adopted policies – and a detailed description of the program in the TOD Guidelines document – are available on BART's website: <https://www.bart.gov/about/business/tod>.

COVID-19

During the creation of this plan, a global pandemic struck the Bay Area, decimating BART ridership and underscoring the racial and income inequities throughout the United States. BART has developed a proactive 15-point plan to grow back its ridership with public health and safety in mind, but there are still many unknowns. The long-term impacts of the pandemic on the real estate industry and affordable housing finance are also yet to be determined. The TOD program seeks a future that centers around equity and helps communities recover more equitably, resiliently and sustainably. BART also recognizes a need to be flexible to respond to changing conditions and maximize positive outcomes.

II. BART's Transit-Oriented Development Program Background

While BART began mainly as a “park and ride” system nearly 50 years ago, the role of BART-owned land must shift and change just as the communities surrounding BART stations do.

Thirty years ago, BART's TOD program was established to attract new riders, and to support local economic development goals. Since then, the role of BART's TOD program has evolved in response to the changing needs of the Bay Area and local communities. There is more evidence now on the benefits of TOD in reducing congestion and greenhouse gas emissions, lowering household transportation costs, and connecting low income communities to economic opportunity. BART and others increasingly turn to BART's TOD program as one important way to address regional transportation, climate and equity issues. The dissolution of Redevelopment in California in 2011 left local jurisdictions with few tools to encourage infill development that could meet local community goals. BART works in close partnership with these jurisdictions to ensure development of its property can serve many purposes and maximize a wide range of benefits.

BART's TOD program continues to evolve to meet the challenges of the current decade. BART will continue to work in partnership with the communities it serves in order to implement the regional land use vision to address the current housing crisis, to address climate change and to assist in the economic recovery as the region emerges from the COVID-19 pandemic. Over the next decade, BART will implement a TOD program that is both ambitious and opportunistic, aimed at strengthening the connections between people, places, and services while enhancing BART's value as a regional resource.

Program Goals

BART's TOD Program operates under the 2016 BART Board-adopted TOD Policy, which includes six core goals that staff strive to achieve through engagement in local planning efforts and development of BART property. These core goals are grounded in empirical data showing the benefits of TOD, as shown here:



Complete Communities

Partner to ensure BART contributes to neighborhood/district vitality, creating places offering a mix of uses and incomes.

- **BART's TOD projects** implement locally adopted plans and are **developed with extensive community input**.
- **Construction of BART's projects occurs** under labor agreements **with the local trades**, using **prevailing wages**, and incorporates **small business hiring goals**.
- **Every 100 units of housing** built on BART property **generates 450** direct and indirect local **jobs**.
- Residential and commercial **development around transit generates more services** and better livability **for existing neighborhoods** than parking lots.



Transportation Choice

Leverage land use and urban design to encourage non-auto transportation choices both on and off BART property, through enhanced walkability and bikeability, and seamless transit connectivity.

- TOD residents walk, bike and use transit or shared mobility at least **30% more** often than **non-TOD residents**.²
- Almost **60% of households** living within ½ mile of a BART station own **1 or fewer cars**.³



Sustainable Communities Strategy

Lead in the delivery of the region’s land use and transportation vision to achieve quality of life, economic, and greenhouse gas reduction goals.

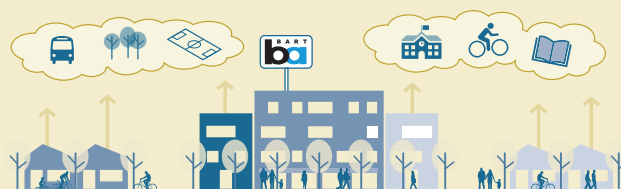
- Locating housing and jobs near BART stations reduces per capita driving and its associated pollution and safety impacts compared with growth in auto-oriented areas.
- People living near BART drive **13 to 32% fewer miles** each year than the countywide average.
- TOD produces **50% fewer auto trips** than conventional development.¹
- Household greenhouse gas emissions from development near BART are at least 12% lower than the regional average. Coupled with BART’s new transportation demand management requirements, TOD can **offset up to 30% of household greenhouse gas emissions**.



Affordability

Serve households of all income levels by linking housing affordability with access to opportunity.

- Typical **transportation costs are 24% lower for households near BART** versus the regional average.
- Building housing – especially affordable housing – is an effective anti-displacement tool.⁴ **BART is committed to ensuring at least 35% of its units are affordable**, with an overall goal of building at least **7,000 affordable homes** on its land by 2040.



Value Creation and Value Capture

Enhance the stability of BART’s financial base by capturing the value of transit, and reinvesting in the program to maximize TOD goals.

- **Residential property near BART** commands a premium of 15 to 18% over property 5 miles or further from BART resulting in an **estimated \$17.3 billion added property value** to residential properties that can be captured for public services by municipalities, BART and other agencies.
- **BART station areas account for 13% of property tax base** in the 4 counties served by BART but only 2% of the land area.
- **BART has reinvested \$80 million in land value** into its TOD projects, but **leveraged over \$200 million in public amenities** including customer parking, station improvements and public plazas.



Ridership

Increase BART ridership, particularly in locations and times when the system has capacity to grow.

- **TOD residents take BART** for their daily needs **35 to 85% more** often than those living further away.⁵
- **TOD residents are nearly twice as likely to commute to work on BART** than non-TOD residents.⁶ (**43% vs 22%**)

BART's TOD Portfolio Overview

Since the inception of BART's TOD Program, 13 projects have been completed, four projects are currently under construction and 7 approved projects are in the pipeline. In addition, BART owns an estimated 250 acres of land that could accommodate future development at or near 27 stations.

BART's property portfolio includes approximately 34 TOD sites located throughout the three-county BART district (Alameda, Contra Costa and San Francisco counties), and in San Mateo county. Site-specific details about each available TOD site can be viewed via the web-based portal, BART Parcel Viewer: <https://bit.ly/BARTParcelViewer>

All TOD sites will be planned, designed, and built in accordance with BART's Board-adopted, TOD-related polices referenced in the *Introduction* section of this Work Plan. Certain BART sites in Alameda, Contra Costa and San Francisco Counties are subject to AB2923. To learn which TOD sites are affected by AB2923, see the BART publication, *A Technical Guide to Zoning for AB 2923 Conformance*: <https://bit.ly/AB2923TechGuide>

The TOD program regularly evaluates this portfolio of land to ensure market, political, financial and other conditions align prior to soliciting TOD. See the *Development Principles and Criteria for Prioritizing Sites for TOD* section of this Work Plan to learn how BART plans to select and advance its TOD site for development.

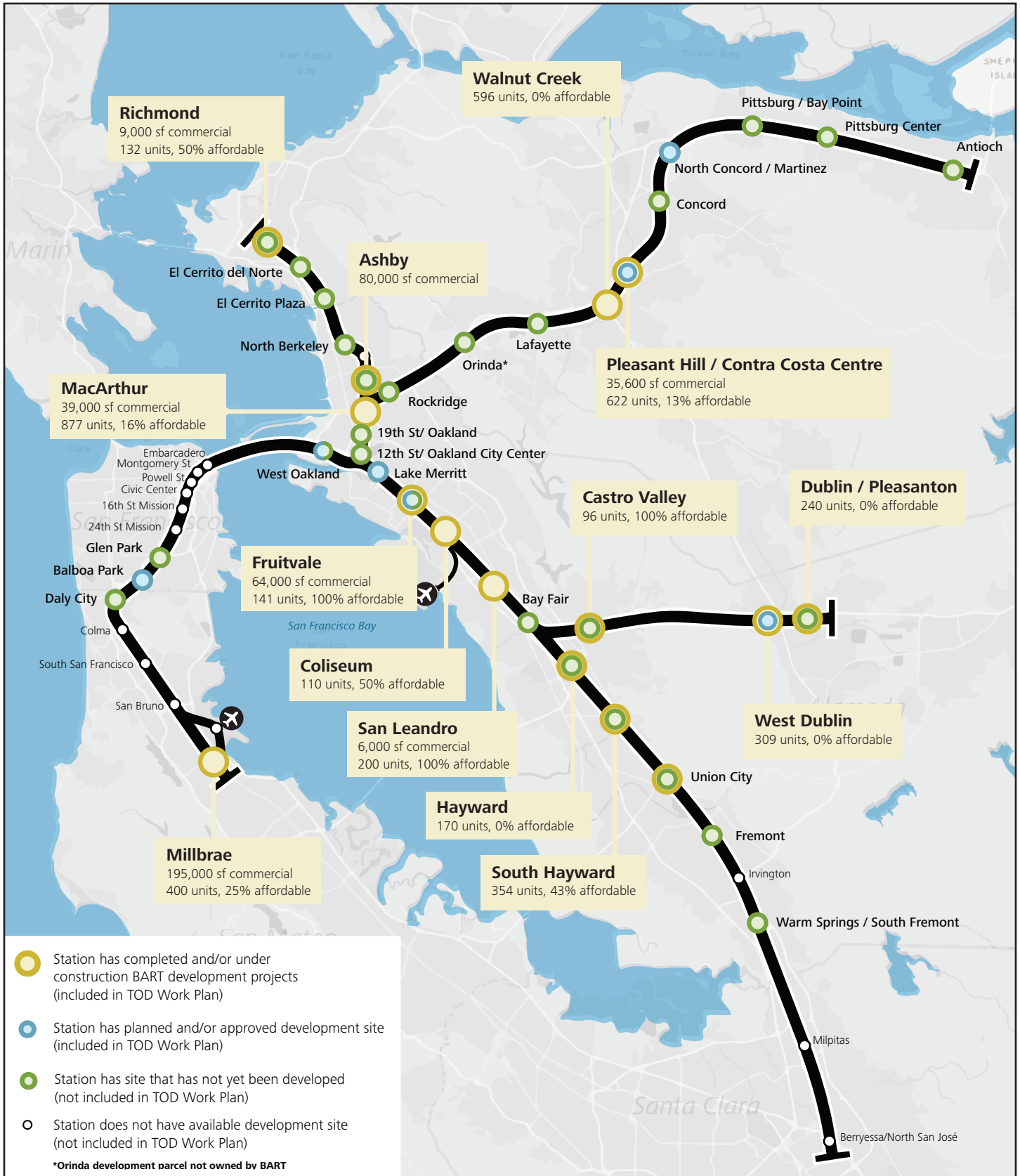
**BART's TOD portfolio does not include BART-owned property that has been deemed surplus land. For more information about those sites, visit: <https://bit.ly/BARTSurplusLand>*



Marea Alta at San Leandro, San Leandro

Image Source: BRIDGE Housing

Figure 1: BART Stations with TOD Completed or Under Construction



BART's TOD Project Profiles

BART's TOD projects take many forms, as they are planned and designed to serve a variety of local and regional needs. Here is a sample of BART's completed and active TOD projects:

Fruitvale Transit Village

Station: **Fruitvale**
Status: **Partially Completed**
Total Units: **322**
Affordable Units: **283**
Commercial Sq Ft: **64,000**

An iconic example of transit-oriented development, this project was initiated by the community in the 1990s in response to BART's proposal to develop a parking garage on the property. In addition to housing and locally serving businesses, the project features community serving uses including a preschool, library, senior center, and community clinic. The project was financially supported by the City of Oakland.



Image Source: Sergio Ruiz, courtesy of SPUR Flickr

Pleasant Hill/Contra Costa Centre Transit Village

Station: **Pleasant Hill**
Status: **Partially Completed**
Total Units: **622**
Affordable Units: **84**
Commercial Sq Ft: **325,590**

Developed through a public-private partnership, the project features mixed-income apartments, gathering spaces for farmer's markets and other events, restaurants and shops, and a segment of the Iron Horse Trail. A 200,000 square foot office building is yet to be completed. This project was catalyzed by an intensive community process and substantial investment from the Contra Costa County Redevelopment Authority.



Image Source: Streets.mn

Gateway at Millbrae TOD

Station: **Millbrae**
 Status: **Under construction**
 Total Units: **400**
 Affordable Units: **100**
 Commercial Sq Ft: **195,000**

This proposed mixed-use TOD will consist of four buildings on 9.5 acres of BART property in the City of Millbrae, adjacent to the Millbrae Station and San Francisco International Airport. One building will be six stories with commercial office over ground floor retail. There is also a five-story hotel proposed with approximately 8,000 sq. ft. of ground floor retail and two mixed-use residential buildings with ground floor retail space.



Image Source: Studio T Square

MacArthur Transit Village

Station: **MacArthur**
 Status: **Completed**
 Total Units: **780**
 Affordable Units: **146**
 Commercial Sq Ft: **39,100**

BART, the City of Oakland, MacArthur Transit Community Partners (MTCP) and other stakeholders partnered to assemble properties with BART's surface parking lot for a large scale, mixed-income development. The first phase included a 90-unit affordable housing development and a parking garage, and phase 2 included station plaza entrance improvements and an additional 385 residential units. The final residential phase will be completed in late-2020.



Image Source: Boston Properties

TOD Program Performance to Date

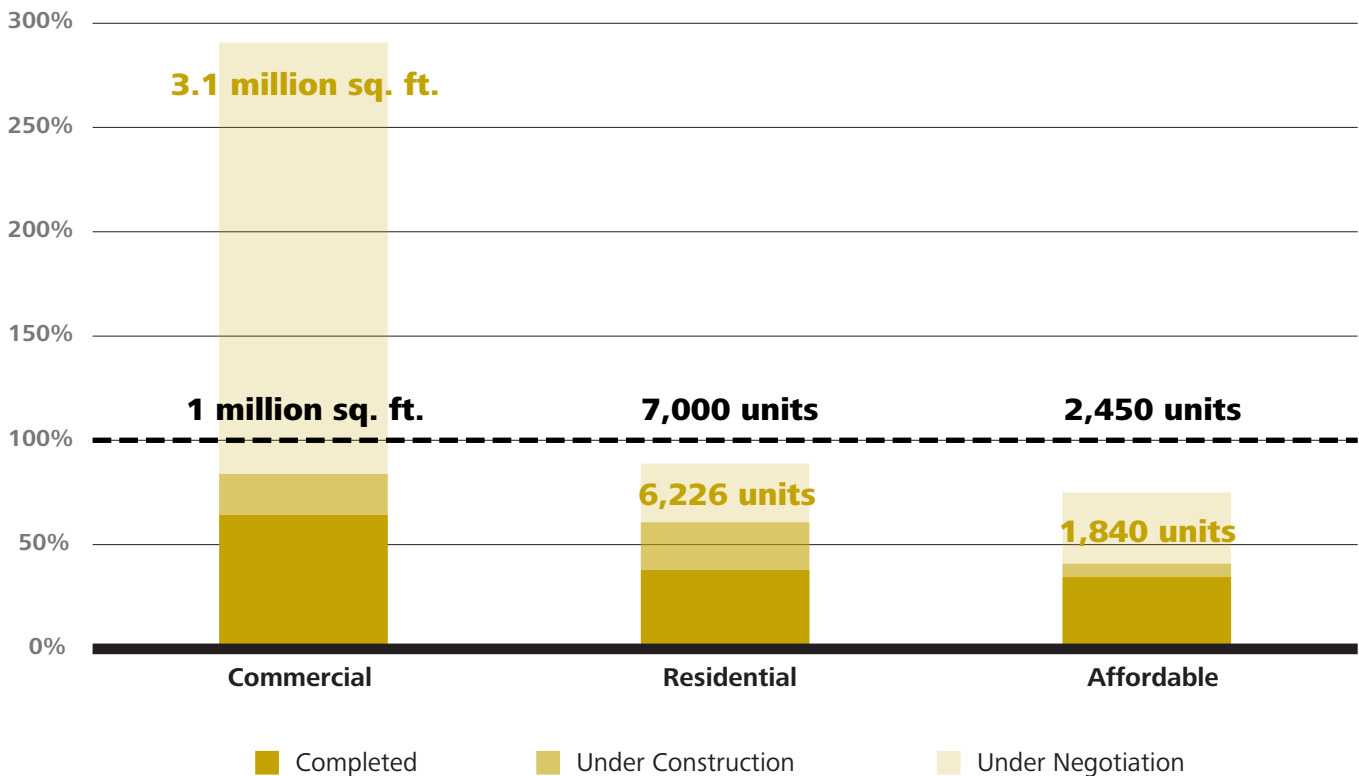
In 2016, the BART Board of Directors set the ambitious goal of building 20,000 residential units and 4.5 million square feet of commercial space on BART property by 2040.

At least 35% of BART’s housing will be affordable, with a priority for lower income households. To monitor performance towards this long-term goal, the Board also adopted an interim goal of building 7,000 residential units and 1 million square feet of commercial space on BART property by 2025. BART’s performance as of August 2020, towards the 2025 target, is shown in Figure 2 and Table 2.

BART falls short of its residential production targets, with the greatest deficit in affordable housing. BART has built over 6,200 housing units on its property. But to meet its 2025 goal, BART will need to add nearly 775 additional housing units to its portfolio, and most of those units will need to be affordable housing. BART will need to build 500-800 units a year after 2025 to meet its goal of 20,000 units by 2040, which requires an acceleration of the program. This is discussed later on in this work plan.

BART’s existing and planned commercial projects exceed its 2025 goal by nearly 300 percent, but it is important to acknowledge that the market for office space, in particular, is more speculative and thus tenuous than housing, and that some of BART’s planned projects may not come to fruition. BART is on track to meet roughly 63 percent of its 2040 commercial square foot target.

Figure 2: Current BART TOD Program Progress Towards 2025 Performance Targets



Source: BART Real Estate & Property Development Department, Strategic Economics, 2020

Table 2: BART's TOD Projects To-Date by Station

Status	Station	Commercial Sq. Ft.	Residential Units	Affordable Units
Completed	Ashby - Phase 1	80,000	0	0
	Castro Valley	0	96	96
	Coliseum	0	110	55
	East Dublin	0	240	0
	Fruitvale - Phase 1	64,000	47	10
	Fruitvale - Phase 2	0	94	92
	Hayward	0	170	0
	MacArthur - Phase 1	0	90	90
	MacArthur - Phase 2A	39,100	288	0
	MacArthur - Phase 2B	0	97	0
	MacArthur - Phase 3	0	402	56
	Pleasant Hill - Phase 1	35,590	422	84
	Richmond - Phase 1	9,000	132	66
	San Leandro - Phase 1	6,000	115	115
	San Leandro - Phase 2	0	85	85
	South Hayward - Phase 1	0	354	152
	West Dublin - Phase 1	0	309	0
West Pleasanton	410,000	0	0	
Under Construction	Millbrae	195,000	400	100
	Pleasant Hill - Phase 2	0	200	0
	Walnut Creek	0	596	0
Under Negotiation	Balboa Park	11,400	131	131
	Fruitvale - Phase 3	0	181	181
	Lake Merritt	500,000	557	197
	North Concord	800,000	360	90
	Pleasant Hill - Phase 3	290,000	0	0
	West Dublin - Phase 2	300,000	0	0
	West Oakland	352,625	750	240
Total		3,092,715	6,226	1,840

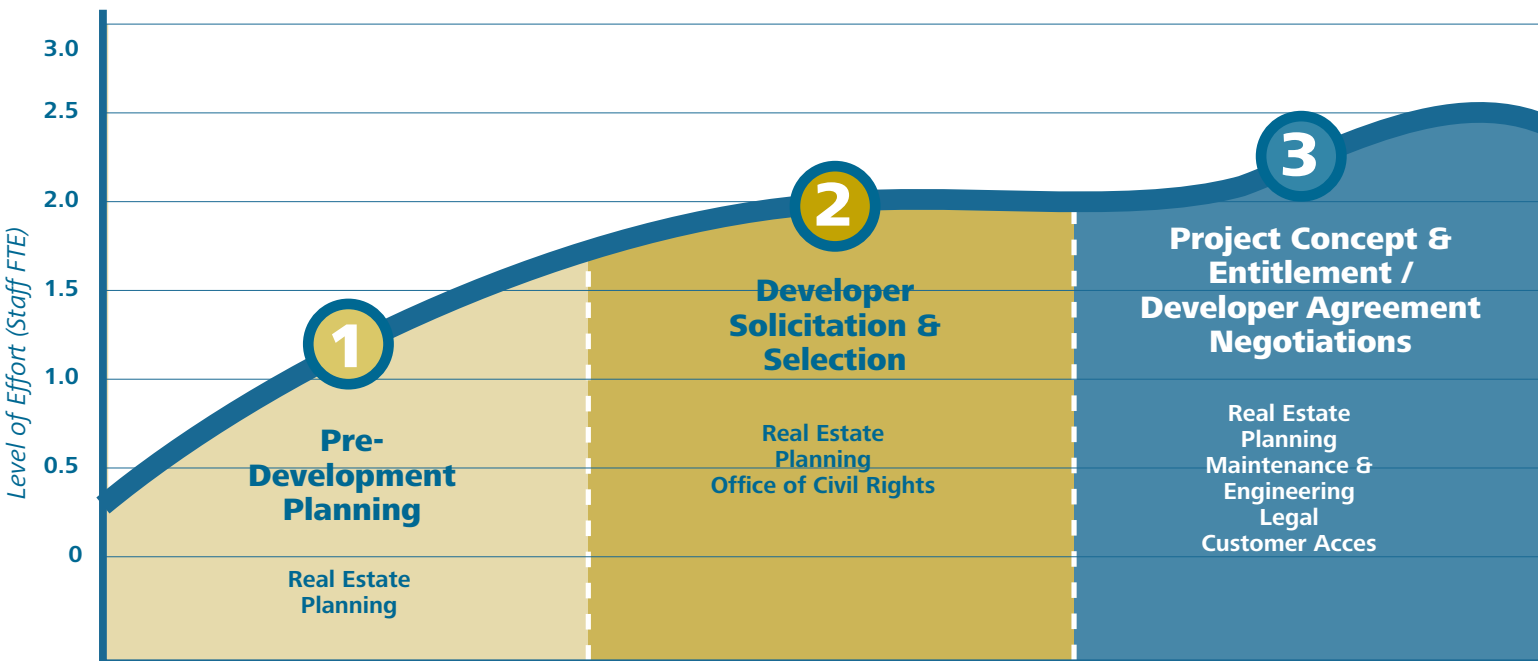
Source: BART Real Estate & Property Development Department, Strategic Economics, 2020

BART's Joint Development Process Explained

Developing property in an operating transit environment has unique requirements. BART staff actively support all phases of the development process, from early station area planning, zoning, and community engagement, through project construction and beyond. While BART is engaged in early planning and zoning efforts with many of BART's partner jurisdictions, this Work Plan is focused on the way in which BART would move a station area into Step 2 – Developer Solicitation and Selection, as the point when BART would “advance a site for development.” BART does not develop its properties alone and invests only staff time in projects.

Figure 3: BART's Six Phase TOD Process

- | | | |
|---|---|--|
| <p>1. Pre-Development Planning</p> <ul style="list-style-type: none"> □ Work with the City and community to set site goals and objectives including affordable housing, neighborhood-serving uses, and other similar requirements □ Understand real estate market dynamics □ Consider BART and customer needs | <p>2. Developer Solicitation & Selection</p> <ul style="list-style-type: none"> □ Run a competitive process to select a site developer, making room for BART priorities such as affordable housing, small business, and labor practices □ Ensure the developer is a good fit with the goals and objectives of the site | <p>3. Project Concept & Entitlement / Developer Agreement Negotiations</p> <ul style="list-style-type: none"> □ Work with developer on community engagement plan □ Identify design parameters for developer to ensure BART operations and safety are not compromised □ Review early development concepts to ensure project meets community-vetted goals and objectives □ Complete initial work to identify access investments □ Support developer in securing entitlements and grants □ Negotiate deal terms and execute all agreements conferring development rights to the property |
|---|---|--|



The BART Six Phase TOD Process

Instead, BART works with private and non-profit development companies to design, entitle, finance, construct and manage its projects. BART staff ensures projects meet their intended goals and don't adversely impact BART operations, safety, or the customer experience. BART does this in several ways⁷:

This process can be intensive and a single project can require less than half to more than two full time employees to coordinate, depending on the phase of development. Staff from multiple departments are involved, including planning, real estate, maintenance and engineering, operations, BART police and safety.

4. Design Review & Permitting

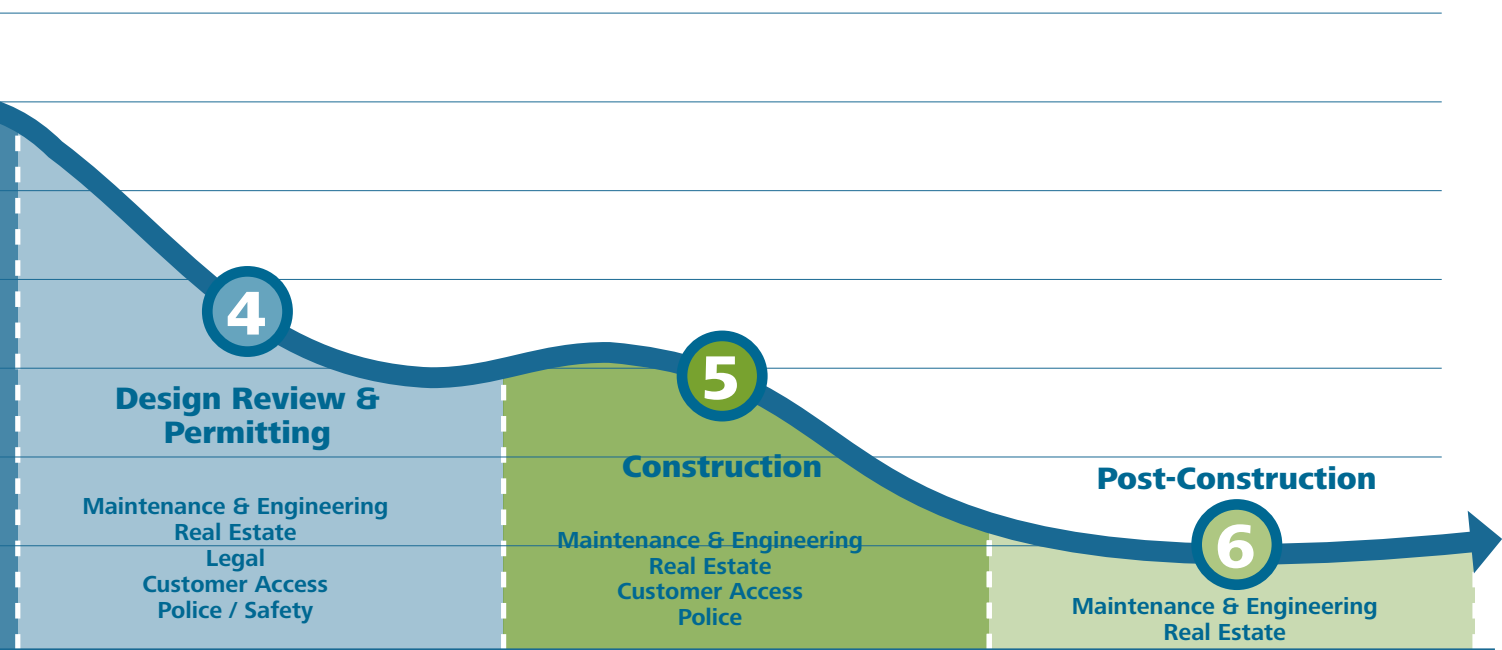
- Review design documents at all stages and ensure there are no operational, structural, or safety hazards affecting BART operations
- Work with developer on a construction phasing plan that ensures the station is fully operational as the project gets built
- Coordinate with City building department to set up construction oversight and public safety needs

5. Construction

- Communicate with BART passengers about construction impacts from TOD
- Ensure adequate signage and wayfinding is in place to create more seamless passenger experience
- Coordinate with City on construction oversight to minimize impacts to passengers

6. Post-Construction

- Ongoing implementation and monitoring of real estate agreements, ensure TOD design works as planned for BART and BART passengers



III. BART's Future Transit-Oriented Development Priorities

BART will maximize the opportunities created by development of its land to benefit the region, communities, and the agency. BART property is a finite resource that is critical to the delivery of sustainable communities in the Bay Area, and development of this property is a 100+ year decision. For this reason, BART will prioritize development opportunities that can most effectively achieve BART's TOD Policy goals (page 10-11).

Since 2018, BART staff have met with communities, elected officials and local jurisdiction staff to prepare for implementation of AB 2923. In these conversations, and based on further analysis of AB 2923, it has become clear that further guidance is needed from the BART Board to address four gaps in the TOD Policy: (A) Prioritizing sites for development; (B) Balancing regional and local interests; (C) Ensuring quality urban design and great places; (D) Meeting AB 2923 requirements.

To address these areas, staff have proposed the following AB 2923 development principles for consideration by the BART Board in August 2020. Staff have evaluated all BART-owned properties near existing stations using criteria that are grounded in these principles. If the Board adopts different development principles, staff will modify the evaluation criteria and list of priority sites to be consistent with Board direction.

AB 2923 Development Principles

A. Prioritize TOD projects that cost effectively implement BART's Transit-Oriented Development (TOD) related policies.

A.1. BART will prioritize projects that best meet BART's adopted policies and performance standards.

BART will favor projects that cost-effectively deliver on its six TOD policy goals and associated performance targets. BART will not prioritize projects requiring major infrastructure costs - such as major structural work to protect the BART system, high levels of on-site parking replacement, or substantial station modernization - if those costs cannot be paid for through the development deal or available external resources.

A.2. BART's TOD projects will address the regional jobs-housing imbalance.

Creating more jobs near BART in the East Bay will alleviate regional congestion and create a more balanced, sustainable ridership pattern for BART. BART will strategically reserve TOD sites that demonstrate long-term economic competitiveness for job-generating uses with adequate land reserved to meet its 2040 goal of building 4.5 million square feet of commercial space, at a minimum. Staff will develop a proactive strategy to encourage creation of high quality, career-ladder jobs on these properties. This strategy will consider potential incentives to encourage nonresidential construction.

B. Work in partnership with local jurisdictions and communities to deliver regionally impactful TOD projects.

B.1. BART will focus on TOD projects in jurisdictions demonstrating support for development.

BART will only initiate TOD projects in jurisdictions interested in transit-oriented development on BART property. Once initiated, projects will be seen through to completion barring uncontrollable financial or economic fluctuations. That BART's TOD projects will conform to locally adopted goals and objectives for TOD identified in local specific plans or other efforts, so long as zoning of BART property allows for densities and heights that are the highest possible under local economic and funding conditions, and are consistent with Plan Bay Area and the Regional Housing Needs Allocation. BART staff will work with jurisdictions to ensure BART-owned property is only included in local housing elements if the jurisdiction has expressed intent to support BART in its development during the term of that housing element.

B.2. BART's TOD projects will involve meaningful engagement with local communities.

BART is committed to meaningful and sustained engagement with all local communities in planning and delivering its TOD projects – especially low-income communities of color. BART will build income-diverse, transit-rich neighborhoods that protect and serve vulnerable low-income neighbors and reflect the diverse cultural fabric of the Bay Area.

C. BART will work with jurisdictions to incorporate local design standards that result in TOD projects that follow global best practices in design, access and size.

C.1. BART's TOD projects will honor local design requirements, so long as those requirements support world class TOD.

AB 2923 may, in some cases, diminish the requirement for developers to adhere to certain local design requirements. If a jurisdiction shares BART's commitment to regional climate, housing, and equity goals - as evidenced by zoning BART property for the highest feasible density, use and height - BART commits to encouraging consistency with that jurisdiction's objective design standards in its development agreements, to deliver feasible, high quality, context-appropriate design.

C.2. BART will foster safe, engaging and vibrant public spaces on and beyond BART property.

BART will strive to anchor its TOD projects with inviting, vibrant civic spaces that provide flexible areas for a range of activities and instill a sense of pride and belonging for diverse communities. These spaces will be activated by locally owned businesses and community-based anchors. Safe, universally accessible streets that prioritize walking and biking will seamlessly connect people to BART stations as well as other key destinations and neighborhood amenities.

D. Encourage sustainable mobility for residents, workers, visitors and BART customers.

D.1. Developers will adhere to BART's transportation demand management (TDM) requirements.

BART's transportation demand management (TDM) requirements will encourage reduction of drive-alone trips from TOD projects, in favor of walking, bicycling, transit, and/or carpooling/vanpooling. TDM requirements will encourage developer participation in district-based strategies to support enhancements in the surrounding area such as transit connectivity to BART. Developers will regularly monitor compliance with BART's TDM requirements and participate in travel behavior reporting.

D.2. BART patron parking replacement will be guided by BART's Board-adopted transit-oriented development and station access policies and the station access typology.

Decisions about parking replacement levels will be made through a robust station access study, as often required by AB 2923, and will be informed by the station access typology and investment framework. BART will publish a framework offering clarity on BART's approach to accommodating BART access in TOD projects from all modes of transportation.

Evaluation Process to Prioritize BART Sites for TOD

BART staff evaluated developable BART properties near existing stations in Alameda, Contra Costa, San Francisco and San Mateo Counties to identify priority sites for TOD.

Note that this evaluation incorporates several properties in San Mateo County, where AB 2923 does not apply but where BART owns land. BART staff also included the parking lot at the Orinda station in this evaluation, although that property is owned by Caltrans, because development of that property would require equivalent investment of staff time.

BART evaluated stations for development based upon three key criteria:

A. Market Readiness for TOD

B. Local Support for TOD

C. Infrastructure Needs

The following sections describe the significance of these criteria and how BART evaluated the potential at each station. A more detailed description of the evaluation methodology is provided in the appendix. This evaluation, along with the evaluation of TOD program performance presented in Chapter 2, served as the basis for developing BART's 10-Year Work Plan priority stations. These priority stations are discussed in Chapter 4.



West Oakland, Oakland

Image Source: JRDV Urban International and Mandela Station Partners

A. Market Readiness for TOD

BART will prioritize TOD sites where physical and market conditions are conducive to transit-supportive development. BART will advance projects where site-specific development programs (i.e., residential, commercial or mixed-use) are deemed financially feasible and responsive to unmet market demand. Limited staff resources and the desire to diversify BART’s revenue stream through its TOD projects are also important reasons for BART to prioritize projects that have a higher likelihood of implementation in the near term.

BART is willing to work to advance projects in areas where the market is more challenging, if a project is expected to fulfill TOD goals such as providing affordable housing, fostering job growth, or establishing a destination that would contribute ridership at times and locations when the system has capacity.

EVALUATION

BART evaluated market readiness for TOD at each station in light of the short and long term competitiveness of each property for residential and office uses, the physical readiness of the surrounding neighborhood to support walkable, bikeable development, and the availability of local jurisdiction tools to help streamline development (e.g. a project level EIR completed for a specific plan; a local process by which a developer can secure entitlements more rapidly). Stations were evaluated separately for both office market and residential market strength. A further description of the methodology and data utilized to evaluate sites are shown in the appendix.

TOP RANKING SITES

The sites that were found to have the strongest potential from a TOD market perspective are shown below. Not surprisingly, there is some overlap between the sites ranking high for office and those ranking high for residential use.

Top Ranked Residential Sites:	Top Ranked Office Sites:
• 12th St/Oakland City Center*	• 12th St/Oakland City Center*
• 19th St/Oakland*	• 19th St/Oakland*
• Ashby	• Ashby
• El Cerrito Plaza	• El Cerrito Plaza
• Lake Merritt	• Lake Merritt
• MacArthur	• Rockridge
• North Berkeley	• Warm Springs/South Fremont
• Rockridge	• West Oakland

Note that these sites may face other barriers to development, such as costly infrastructure needs or limited local support for development. In addition, several sites are needed for BART projects and operations in the short term which is considered later in this evaluation.

BART’s TOD Work Plan is being developed at a time of great economic uncertainty: the COVID 19 pandemic has resulted in a major economic downturn, high unemployment, and an unprecedented decline in BART ridership. The combined health and economic crisis has intensified the already severe housing crisis in the Bay Area. While this evaluation was completed prior to the pandemic, the findings are likely consistent with a post-pandemic strategy as well. In the near term, BART has an important opportunity to promote projects that will assist in addressing the housing crisis, creating jobs, and supporting the region’s economic recovery. While it will take time for the economy to stabilize and recover, in the long run the relative importance and competitiveness of BART-served locations for sustainable development is expected to continue.

*These sites will require extensive infrastructure investment or will not be available in the short term as they are being used for construction laydown for BART capital projects.

B. Local Support

As stated in the Draft AB 2923 Development Principles, BART will prioritize sites with local support for TOD. BART's most successful TOD projects were built as part of a shared vision in partnership with local communities. Partner cities and counties play a key role in delivering BART's TOD projects, including but not limited to: building permit review and construction oversight; ensuring a project is paired with critical city street and station access improvements; and financially contributing to affordable housing and other public amenities. In BART's experience, projects delivered without local support take longer, are more expensive, and lack the integrated community amenities that exemplify great TOD.

During BART's AB 2923 outreach, community and regional advocates expressed concerns about the risk that new development could cause displacement of low-income residents in surrounding neighborhoods. BART has limited tools as a transit agency to address tenant protection, and is reliant upon local jurisdictions to adopt anti-displacement policies that reduce this risk. This is also a key, but often overlooked, element of local support for TOD which was considered in BART's evaluation process.

EVALUATION

BART considered four key factors in its evaluation of local support:

- 1) The extent to which the local jurisdiction has expressed interest in development on the site in the near term;
- 2) Whether zoning is already in place;
- 3) Whether the local jurisdiction has conducted outreach to the community about the potential for development; and
- 4) An evaluation of potential vulnerability to displacement, focusing on whether tenant protections are currently in place, especially for neighborhoods with lower incomes.

Further description of the methodology for evaluating the sites is provided in the appendix.

*These sites will require extensive infrastructure investment or will not be available in the short term as they are being used for construction laydown for BART capital projects.

TOP RANKING SITES

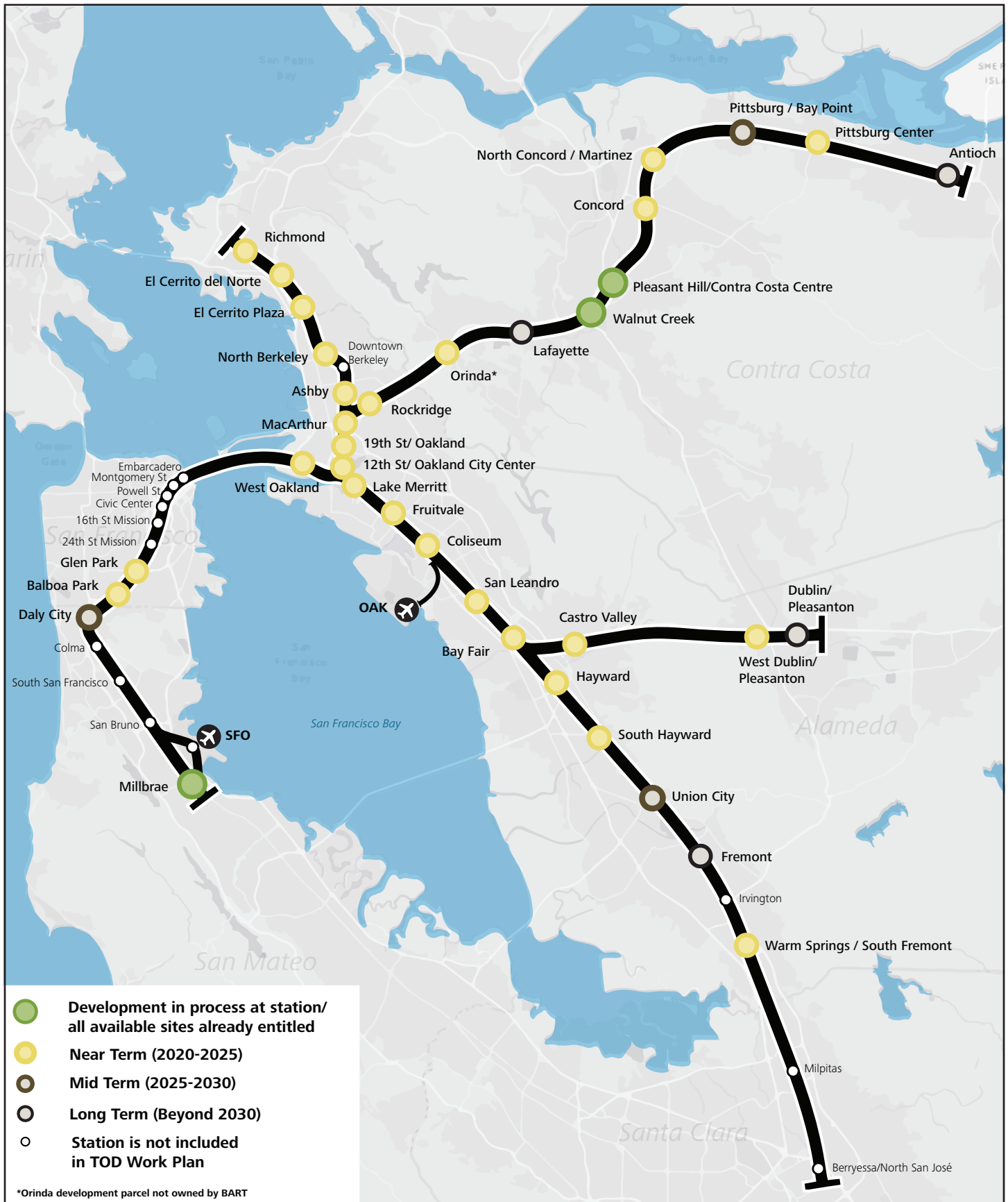
Properties that ranked high in the evaluation of local support are:

- 12th St/Oakland City Center*
- 19th St Oakland*
- Ashby
- Coliseum/Oakland Airport
- El Cerrito Plaza
- El Cerrito del Norte
- Lake Merritt
- Richmond
- Warm Springs/South Fremont

During BART's outreach for AB2923, many local jurisdictions expressed interest in moving forward with development of BART property within the next five years, and jurisdictions expressed interest in development within the next ten years at all but four stations (Figure 4).

However, not all jurisdictions have appropriately zoned for high density, market feasible development meeting the requirements of AB 2923. Further, in many cases, local planning efforts specific to the BART properties or station areas are more than 15 years old or have never been completed, so it is not clear whether nearby communities would support a new development if BART were to advance a site for TOD.

Figure 4: Local Jurisdiction Interest in Development



C. Infrastructure Needs

Building on an infill site adjacent to an operating BART station can pose some unique challenges. Implementation needs may include replacing existing surface patron parking with structured parking, providing accommodations for BART operational needs (e.g. bus intermodal facilities, emergency and maintenance vehicle access, relocated facilities), and station capacity or modernization needs to accommodate TOD (e.g. new elevators/escalators; capacity or emergency egress upgrades). The closer a project is to critical existing BART infrastructure, the more complex and expensive the project delivery process can be.

In the past, BART's TOD projects benefitted substantially from funding and expertise provided by local redevelopment agencies, as well as state and federal grants. Today, fewer resources are readily available to pay for infrastructure and community amenities, and BART cannot absorb the operating costs associated with ongoing maintenance of new civic spaces that are needed to make TOD successful. To make BART land available for the most ambitious and equitable projects possible, external subsidy and creative approaches to project delivery and maintenance will be needed. This could include partnering with adjacent property owners to enable site assembly for larger projects, creating parking or transportation management districts to enhance mobility and access.

EVALUATION

In considering TOD sites to advance for development, BART prioritized sites where development will have minimal impact on BART operations and require limited infrastructure investment. Each station was evaluated according to 1) the cost and complexity of BART replacement parking needs, and 2) other infrastructure that would need to be addressed as part of development. The full assessment is provided in the appendix.

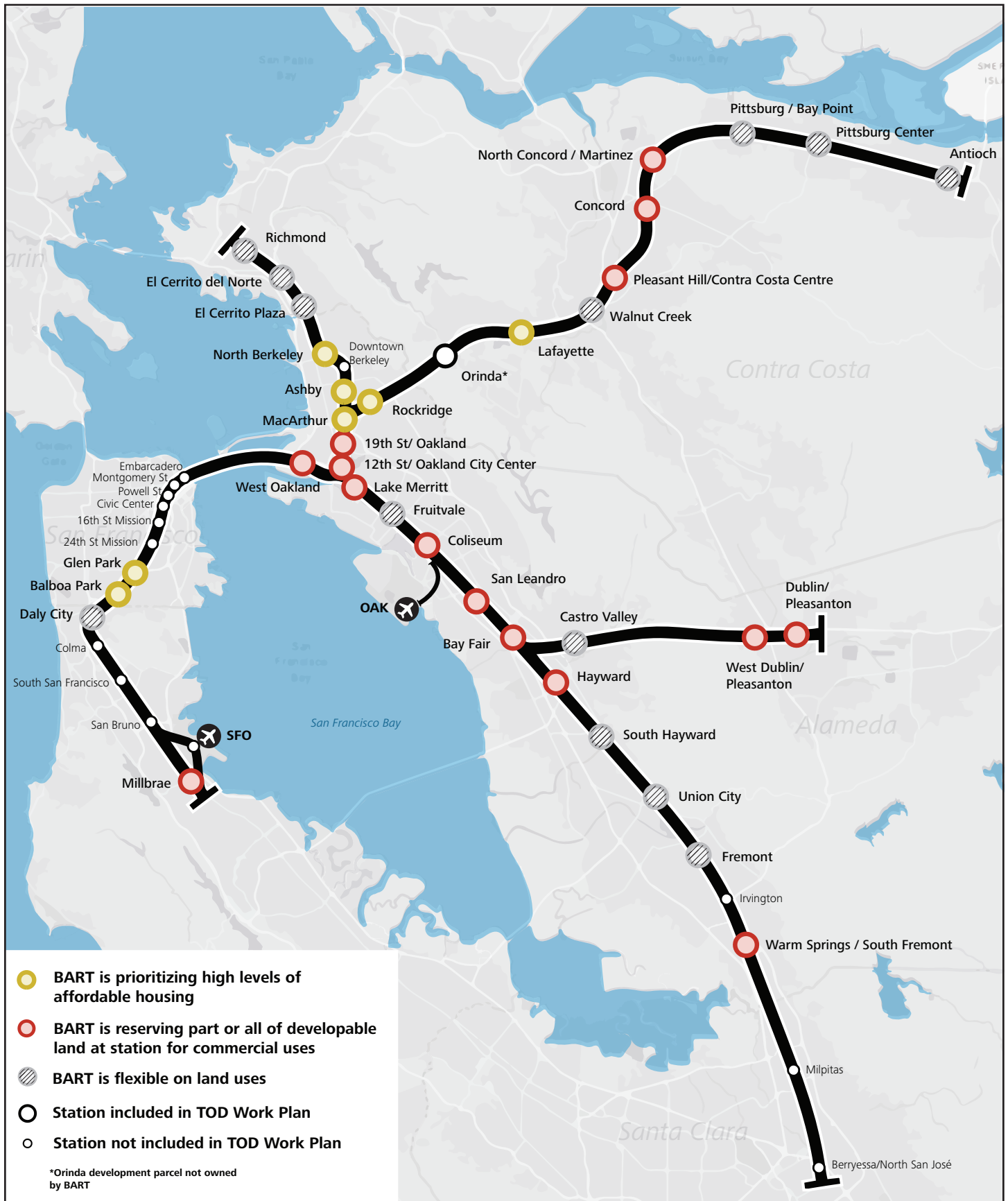
TOP RANKING SITES

Following are stations that were identified as having limited infrastructure needs:

- Balboa Park
- El Cerrito Plaza
- Fruitvale
- Hayward
- Pittsburg Center
- Rockridge
- San Leandro
- South Hayward
- Union City

It is important to note that BART will also continue to look for opportunities to leverage external funding, or pursue creative financing strategies and partnerships that can help to address needed infrastructure, and may prioritize development in locations where infrastructure costs can be addressed through these opportunities.

Figure 5: Sites BART will Partially or Fully Reserve for Job-Generating Uses and Prioritize for Affordable Housing



IV. BART's 5-Year and 10-Year Development Priorities

Based on the analysis described above, BART's TOD priorities for the next decade are shown in Table 3. Within these five year increments the timing of development at the stations that are identified could be affected by many factors, including BART's needs for transit operations and funding availability to complete the development in a timely manner. In particular, in the next several years, BART will consider availability of local funding to support development – especially affordable housing - as a key factor in advancing development. BART will be seeking projects that can be rapidly delivered through seamless coordination with local jurisdiction staff as a key factor in advancing a site to development.

Table 3: BART's Transit-Oriented Development Priorities

Phasing	Strategy	Stations Currently Underway	
Current Pipeline	Advance TOD Projects Already Underway. BART has several high-profile projects in its existing pipeline and will focus staff time on advancing these projects to completion.	Balboa Park Fruitvale Lake Merritt MacArthur Millbrae North Concord	Pleasant Hill Richmond Walnut Creek West Dublin/ Pleasanton West Oakland
Phasing	Strategy	Potential Stations (1-2 per year)	
Near Term: 2020-2025	Advance racial and economic equity by prioritizing housing for lower income residents in areas experiencing displacement, and high-opportunity communities in the core of the system. These projects will address BART's affordable housing production gap and be less vulnerable to economic uncertainty.	Ashby El Cerrito Plaza MacArthur	North Berkeley Rockridge
	Identify strategic opportunities to advance job-generating projects as economy recovers. Given the importance of these projects for promoting ridership and advancing BART's performance goals, BART will remain flexible and consider any opportunities that emerge.	Hayward	Warm Springs/ South Fremont
Mid-Term: 2025-2030 (Current Staffing)	Accelerate and advance a variety of projects, while supporting local jurisdictions to meet state-mandated regional housing needs allocations requirements. These stations have some implementation, planning or market barriers today, but may be ready for development in the mid-term.	El Cerrito del Norte Glen Park Orinda	Pittsburg/Bay Point Pittsburg Center South Hayward
Mid-Term: 2025-2030 (Additional Staffing)	Craft or advance development plans for these stations and pursue additional job-generating projects in the East Bay.	19th St/Oakland Bay Fair Castro Valley Coliseum/Oakland Airport	Concord Dublin/Pleasanton Fruitvale San Leandro Union City
Long-Term: Beyond 2030	Work with jurisdictions on development strategy. These stations represent areas lacking in market, local support, or with significant implementation barriers. In the long-term BART may pursue development if opportunities emerge to overcome these barriers.	12th St/Oakland City Center Antioch Daly City Fremont	Lafayette Richmond (Intermodal) South San Francisco

2020-2025 Priorities

First and foremost, BART will continue to advance its existing portfolio of projects to completion. These projects are in varying stages of development with some in construction (e.g. Millbrae, Walnut Creek), some in the intensive design review stage (e.g. West Oakland, Lake Merritt), and others awaiting a shift in the economy to make the project viable (e.g. North Concord, Richmond, Pleasant Hill Block D).

Housing Development

Counter Displacement Pressures and Historic Systemic Racism with Affordable Housing in Key Locations

Presently, the region faces economic uncertainty which may make it challenging to advance market rate development. But a potential cooling of market forces may also create an opportunity for BART to accelerate affordable housing and potentially leverage any reduction in construction costs to build more units. BART will focus on addressing its shortfall in meeting BART's own goal of ensuring 35% of its units are affordable.

The sites identified as priorities for affordable housing in the next five years are areas with very strong markets for residential development. While market rate development would be highly lucrative if these sites were in a private development portfolio, BART is making a conscious decision as a public agency owning public land to prioritize affordable housing in these areas. Low income residents in Oakland and Berkeley have been displaced as the desirability and convenience of these areas have fueled rent increases, and some of the short term priority stations are in neighborhoods that were historically "red-lined" to exclude people of color. BART will play a role in countering these forces by aiming for a high percentage of affordable housing. Delivering this housing rapidly will also be a priority, and may warrant some market rate development to help cross subsidize units and finance costly infrastructure needs.



Office Development

Strategically Reserve Key Sites for Jobs, and Proactively Seek Out Job-Generating Opportunities

To pursue more balanced BART ridership with riders in the “reverse commute” direction, BART will proactively seek opportunities to develop new office space in the East Bay, with the understanding that the current shift toward working from home may have longer term implications for the office market. Nonetheless, the recently completed Berryessa/North San José BART extension opens up an opportunity to advance long-awaited plans for development of a new job center at the Warm Springs/South Fremont station. The station is no longer the end of the line, reducing long term demand for parking, and the new connection to Silicon Valley may generate greater interest in Fremont as an office market area. BART will also collaborate with the City of Hayward to explore mixed-use development of the TOD site adjacent to the Hayward Station.

During outreach for AB 2923, many local jurisdictions expressed a strong preference for commercial uses, including in some areas where the commercial market has not historically been very strong. However, delivering job centers in the East Bay will be a challenge as office development in the last decade has been concentrated more in San Francisco, the Peninsula and the South Bay. Office development in the East Bay has been clustered in specific locations in northern Alameda County (Emeryville, Oakland and Berkeley) and along Interstate 580. BART is willing to consider substantial nonresidential development on most sites aside from those prioritized for housing in Table 2. BART will not consider residential only development for sites shown in Figure 5 and will proactively market them to large employers, and partner with local jurisdictions to catalyze office or other job-generating uses.



Planning Efforts

Support Cities and Counties in Meeting Their Regional Housing Needs Allocations

The next housing element cycle for 2023-2031 is on the horizon as of the writing of this work plan, and the Bay Area must accommodate 441,000 new housing units according to the draft Regional Housing Needs Allocation. Many jurisdictions are anticipating high housing growth requirements and may explore including BART-owned property in their updated housing elements. Per the Draft AB 2923 Development Principles, BART will work with jurisdictions to include BART property only if the jurisdiction has expressed an intent to work with BART to develop its property prior to 2031. Depending on interest, it is possible that BART will not have the staff capacity needed to advance development of all of the properties included in local housing elements.

Under current staffing levels BART is able to initiate 1 to 2 new development projects per year, and expects to be able to initiate roughly 6-8 new projects within a five year period. There are 16 stations on the 2025-2030 list, and many jurisdictions may be expecting BART to support achievement of their RHNA goals. Without more staff, BART will not be able to accommodate all of the projects identified in the 2025-2030 timeframe, and many of these sites will have to wait until beyond 2030.



V. Accelerating the Development Process

BART needs to increase its pace in order to complete 20,000 homes and 4.5 million square feet of office space by 2040, and to support delivery of the 2023-2031 regional housing need. This chapter describes what BART is already doing to streamline its process, and what else is needed to overcome barriers to development.

Internal Streamlining Efforts

Working with an operating transit agency can be a challenge; there are inherent risks in construction of buildings in proximity to the trackway that must be mitigated, and construction must occur with minimal disruptions to BART customers. As a result, developers have experienced some frustration in working with BART over the last several decades, as BART has not always provided clarity about these risks, possible mitigations, and its expectations. BART is working hard to be a better partner with jurisdictions and developers in delivering its TOD projects. BART has been striving to improve in the following areas:

- **Set Local Expectations:** BART seeks community support for the goals and objectives for TOD projects before selecting a developer, to create more certainty for both the community and the developer about what is expected;
- **Establish BART's Needs Prior to Developer Selection:** BART now works internally to identify its operational needs and establish a Basis of Design that is provided to the developer before they begin designing their project. This effort will help avoid situations where BART is "moving the goal posts" by identifying known operational, maintenance, and safety needs up front;
- **Coordinate BART and Local Review:** BART seeks to coordinate roles and responsibilities with City and County departments that are reviewing development projects (e.g. Planning and Building, Fire, Police) so agencies reduce conflicting feedback on a development proposal. For example, some cities have partnered with BART on a shared design review and entitlement process, and coordinated construction management oversight under a single shared resident engineer;
- **Support Affordable Housing Delivery:** The BART Board adopted a revised TOD Policy in April 2020 that clarifies BART's willingness to discount land for affordable housing. Developments with more than 35% affordable housing will be eligible for a discount in fair market land value of up to 60 percent. Deeper discounts will be provided for projects serving lower incomes;
- **Proactive Funding Support:** BART works to understand external grant and funding opportunities, ensure funders understand the intricacies and possibilities of TOD on BART property, and partners with developers and cities to compete for these funds, rather than relying on developers to independently secure project subsidies, grants and loans;
- **Unsolicited Proposal Review Process:** In order to be open to development opportunities that BART may have not previously identified, BART has a process for reviewing unsolicited proposals for development. The review process balances BART's desire to leverage unusual opportunities, with BART's commitment to established work plan priorities by requiring any unsolicited proposals to offer benefits that exceed those usually provided by the market.

Other Resources Needed to Accelerate BART's TOD Program

After the State of California, BART is the largest public landowner in the Bay Area and owns properties that are critical to the success of California's climate and housing goals. Yet, developing deeply equitable and quality projects at high frequency transit hubs in infill locations is not an easy task. Investments in staffing, early planning, housing subsidy and infrastructure can help overcome the barriers and complexities of these catalytic projects, accelerate delivery, and generate a major return on investment for the public as a whole.

Staffing

To advance development of all of the sites listed by 2030, BART would need to double the pace of development between 2025 and 2030. This would require a near doubling of BART TOD staff capacity. While private developers compensate BART for much of BART's staff time needed during the intensive design review phase, most of BART's property development and station area planning staff time in the pre-development stage occurs before a developer has the rights to the property and must be funded in other ways.

To deliver on all of the sites identified in the 2025-2030 work plan stage, and help fulfill anticipated RHNA requirements, BART would require public support for an additional 6 full time employees. The cost of this investment is roughly \$1.2 million per year or \$6 million over the 5-year period. This investment would result in delivery of an additional 5,700 housing units over that time frame. The cost per additional unit for this staff time is roughly \$1,000.

Early Planning

Investing in the analysis needed to set early expectations about BART's needs – such as parking replacement, BART station and facility infrastructure upgrades, and station access – pays dividends later in a project by providing greater certainty to BART's future developer partners. But BART does not have the resources to do this work on its own. Grants covering these early costs could play an essential role in helping developers start a project with full information. BART has sporadically received grant funds from Caltrans and the Federal Transit Administration for this work, but BART is not eligible for many of the typical federal and state funding sources to complete planning.

Affordable Housing Subsidy

One of the greatest known barriers to rapid delivery of affordable housing is the lack of subsidy, and BART projects are no exception. Any increased expectations on public land for the delivery of affordable housing should be accompanied by accelerated subsidy to deliver that housing. This could come in the form of preference in existing fund sources, or new fund sources for public lands.

Infrastructure and Site Costs

BART needs to ensure it is able to fully fund the costs of reconfiguring BART facilities without an impact on its already constrained budget. In addition to BART's needs as a transit operator, most of BART's projects include community serving public spaces that a typical private development project would not provide. It is these infrastructure investments that make BART's TOD projects exemplary and integrate them into the surrounding communities. Thus, ensuring adequate funding exists to build and maintain these spaces is critical to success of TOD. Fortunately, the State of California has created and continued to fund several critical programs that have supported some of these improvements, such as the Affordable Housing & Sustainable Communities program (AHSC), Infill Infrastructure Grants program (IIG), and the TOD grant program. While IIG funds parking replacement, it is only temporarily replenished in the State budget, and parking replacement is not an allowed use under the other grant programs, making this one of the most challenging barriers to delivering TOD in more auto dependent communities.

Lake Merritt TOD Case Study

Lake Merritt BART station is central to many of Oakland's most unique features: Chinatown to the north; the Oakland Museum to the east; Laney College to the south and Jack London Square to the west. But the station, plazas, parks and streets today don't highlight these amazing destinations.

The BART plaza and Madison Square Park offer precious areas for Chinatown residents to rest and play, but face regular safety and maintenance concerns. Freeway off-ramps dump cars into the neighborhood, that speed by on one-way streets headed into downtown. BART's property consists of a three-story government building built in the 1980s, and a surface parking lot.

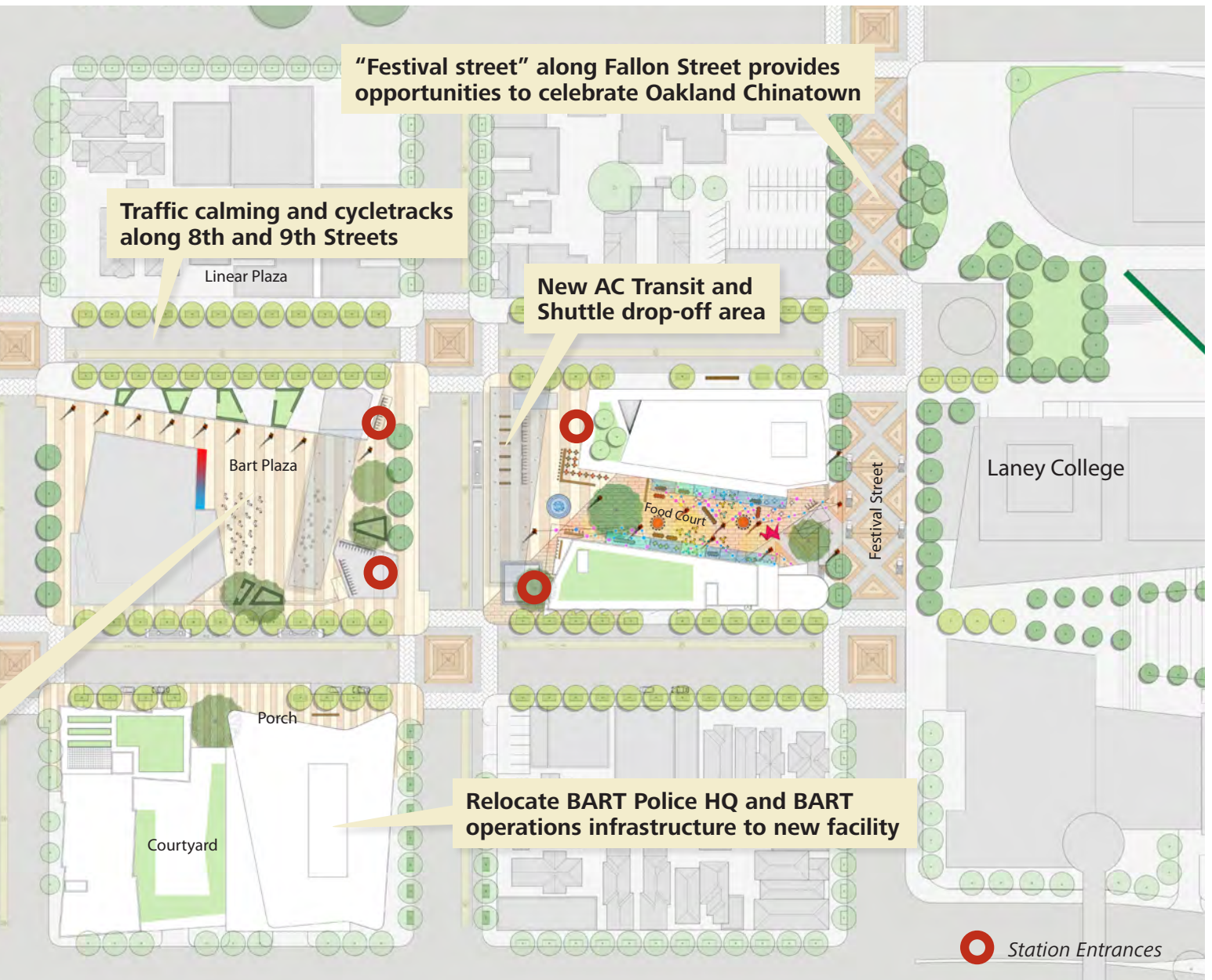
BART's development partners – the neighborhood-based East Bay Asian Local Development Corporation (EBALDC) and Strada Investment Group – have worked with the community to create a vision that would make the Lake Merritt BART station and surroundings a jewel in the crown of downtown Oakland. A three-block paseo and linear green space would be anchored by high-rise residential apartments and a 95-unit mid-rise affordable senior housing development hovering just over the BART station entrances.

Safe, protected bike paths would seamlessly connect Chinatown to Laney College, moving east to Lake Merritt and the Oakland Museum, and west to the estuary. Ultimately, the developers would replace the government building with a high-rise office building as well as food centered retail, and 98 units of affordable family housing. The developers also aspire to include large and small scale art that will surprise and delight the public, transforming the station area into a local and regional landmark.

The development and associated improvements would be the culmination of over a decade of community-driven planning. It would be built by and for the Chinatown community, reinforcing the local businesses that bolster Chinatown's cultural identity, offering affordable places to live and work, and creating spaces for the neighborhood schools and recreational opportunities for people of all ages.

As with most of BART's modern TOD projects, this vision doesn't get implemented by the developers alone. BART will need to reconfigure its operations and infrastructure, including relocating its police headquarters out of the government building. Many blocks of the City street network will need to be reinvented to be for people and not cars. While the developer will build the paseo through the third block of the linear green space, BART and the City of Oakland will need to secure funds not only to rebuild their plaza and park, but to maintain the paving and landscaping and draw activity in. The vision can only be achieved with the commitment of multiple public agencies and extensive public and private investment and focus.





VI. Moving Forward, Together

It is more important than ever for BART's TOD Program to produce the housing and job-generating projects to help address the housing and climate crises and support the economic recovery needed after COVID-19.

Publicly-owned land presents a critical opportunity to raise the bar on development expectations, test innovative construction, financing, or development concepts, and introduce new development product types that better reflect regional needs. BART's land also presents an opportunity to bring these ideas to a grand scale and make a dent in our regional needs. In addition to the equity and climate benefits of TOD, BART's future TOD projects could generate a range of economic and fiscal benefits for the state, region, localities, and the District itself.

Creating and Sustaining Jobs in California



Construction of BART's TOD projects will generate critical, living-wage jobs in a recovering economy.

- Every housing unit constructed on BART's property generates 4.5 direct and indirect jobs in California
- Every 1,000 square feet of commercial space generates 4.3 direct and indirect jobs in California
- At existing staffing levels, BART's TOD program could generate 85,000 direct and indirect jobs in California between 2020 and 2030.
- With additional staffing, BART's TOD program could generate 38,000 additional direct and indirect jobs in California between 2020 and 2030.
- 62% of these jobs are "middle skill" jobs – requiring on the job training rather than a college degree, but offering a living wage.

Generating Property Tax Revenue



BART is a public agency, and its land is not subject to property tax. But developers of BART property pay property tax, even if the ground is leased, in the form of a "possessory interest tax."

- The current pipeline of projects would generate an estimated \$22.3 million in property tax revenues annually to state, county, and local governments.
- At existing staffing levels, BART's TOD program could generate \$51.71 million in property tax annually by 2030.
- With additional staffing, BART's TOD program could generate an additional \$32.4 million in property tax annually by 2030.

**New Daily Rider and Annual Farebox Net Gains estimates will be provided in the final version of the Work Plan.*

Diversifying BART's Revenue Stream*



As BART faces its worst fiscal crisis of the last 50 years, it is imperative for BART to seek new sources of revenue that are not dependent on ridership. BART's TOD projects enable BART to make better use of its properties to generate ground lease revenue.

- The current pipeline of projects could generate roughly \$1.96 million annually in revenue to support BART operations.
- At existing staffing levels, BART's TOD program could generate \$4.59 million in annual revenue to support BART operations by 2030.
- With additional staffing, BART's TOD program could generate \$2.66 million in additional annual revenue to support BART operations by 2030.

Growing a Stable Ridership Base*



As noted earlier, residents and workers near transit are more likely to take transit for their daily needs. A minimum requirement of BART's TOD projects is to generate a net gain in riders.

- The current pipeline of projects could generate an estimated ____ new daily BART riders, resulting in ____ million in annual farebox revenue to support BART operations
- At existing staffing levels, BART's TOD program could generate an additional ____ new daily BART riders by 2030, resulting in \$____ million in annual farebox revenue to support BART operations
- With additional staffing levels, BART's TOD program could generate an additional ____ new daily BART riders by 2030, resulting in \$____ million in annual farebox revenue to support BART operations.
- Cumulatively, existing, pipeline and future TOD projects could generate an additional ____ new daily BART riders by 2030, resulting in \$____ million in annual farebox revenue to support BART operations.

Endnotes

- ¹ Arrington and Cervero, TCRP Report 128, Effects of TOD on Housing, Parking and Travel. <http://ctod.org/pdfs/2007TCRP128.pdf>. TOD multi-family housing produces 3.55 automobile trips a day compared to 6.77 for conventional multi-family and 10 for conventional single family
- ² Barajas, Jesus, Karen Trapenberg Frick, Robert Cervero, "Travel of TOD Residents in the San Francisco Bay Area: Examining the Impact of Affordable Housing," publication forthcoming, 2021.
- ³ U.S. Census, American Community Survey, 2009-2014 rolling average.
- ⁴ Zuk, Miriam and Karen Chapple, "Housing Production, Filtering, and Displacement: Untangling the Relationships," Institute of Governmental Studies, University of California, Berkeley, May 2016. https://www.urbandisplacement.org/sites/default/files/images/udp_research_brief_052316.pdf
- ⁵ Barajas, Jesus, Karen Trapenberg Frick, Robert Cervero, "Travel of TOD Residents in the San Francisco Bay Area: Examining the Impact of Affordable Housing," publication forthcoming, 2021.
- ⁶ Ibid.
- ⁷ BART's 2017 TOD Guidelines provides further details on BART's process to advance TOD on BART's land.



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT