



Legislation Text

File #: 14-285, **Version:** 1

Staff Report for Proposed Vacations of Portions of the Public Right-of-Way and Retaining Public Utility Easements on Martinez Street Between West Estudillo Avenue and Thornton Street; and West Estudillo Avenue Between Alvarado Street and Martinez Street

SUMMARY AND RECOMMENDATIONS

A public hearing concerning the matter of the proposed vacation of portions of public right-of-way and reserving public utility easements on Martinez Street between West Estudillo Avenue and Thornton Street and West Estudillo Avenue between Martinez Street and Alvarado Street is scheduled for the July 21, 2014 City Council meeting.

Staff recommends adoption of the ordinance ordering the vacation of portions of the public right-of-way and reserving public utility easements on Martinez Street, between West Estudillo Avenue and Thornton Street and West Estudillo Avenue between Martinez Street and Alvarado Street.

BACKGROUND

Westlake Development Group, L.P (Westlake), on behalf of Chang Income Property Partnership, LP. (Chang), the owner of 1333 Martinez Street, has requested that the City vacate portions of the public right-of-way, as shown on Exhibit A, to accommodate the construction of the proposed Downtown Tech Campus Project. The areas to be vacated are Martinez Street, between Parrott Street and Thornton Street; the westerly half of Martinez Street between West Estudillo Avenue and Parrott Street; and West Estudillo Avenue between Martinez Street and Alvarado Street. Existing utility easements within the vacated areas will be retained. Chang Income Property Partnership, LP currently owns 1333 Martinez Street and has proposed to develop the site for the Downtown Tech Campus.

These sections of Martinez Street and West Estudillo Avenue are bounded by the Downtown San Leandro BART Station on the east, Alvarado Street on the west, Davis Street on the north and Thornton Street to the south and are primarily used for parking by BART patrons.

In addition, the developer will improve the easterly half of Martinez Street into a bicycle and pedestrian paseo which will ultimately become a portion of the East Bay Greenway. The improvements will include a twenty-foot paved pedestrian and bicycle path, streetlights and storm water treatment facilities. The project will also include undergrounding of all overhead utilities. The Development Agreement between the City and Westlake requires that Westlake maintain the improvements on both the vacated and retained portions of the public right-of-way.

The City's involvement with Westlake and the entitlement of Westlake Development Partner's property began in 2008 with the original resident-focused San Leandro Crossings Master Plan. The original plan included multi-family housing units and office spaces. With the economic downturn,

Westlake refocused on developing 1333 Martinez Street into an office complex, while a non-profit developer partner, Bridge Housing Corporation, assumed the efforts to develop housing units at 1400 San Leandro Boulevard. The result of the substantial amount of time and work over the past six years will be the creation of a viable and innovative Transit-Oriented Development (TOD) project, which is expected to become a catalyst for economic growth in Downtown San Leandro.

Analysis

The City supports the Downtown Tech Campus project (Project), and finds it to be vital for implementing the City's Downtown Transit-Oriented Development Strategy (TOD Strategy) goals. The project is in line with the City's vision to tap into economic opportunities generated from the growth of the Silicon Valley and the San Francisco Bay Area high tech industry. As the first privately funded project in the TOD Strategy area, the project has strong potential to attract similar developments.

The proposed project will create an opportunity for a unique workplace district in Downtown San Leandro for more than 1,800 new employees. It will provide an opportunity to attract and retain businesses that can benefit from the high-speed broadband capacity created by Lit San Leandro. The project will transform a site, which has been vacant for a substantial amount of time, into a high density office campus and potentially an important municipal revenue driver for years to come.

The project has made provisions to absorb some of the BART patrons' overflow parking spaces on Martinez Street onto the proposed project's parking facilities. Westlake submitted a preliminary plan and estimate of work within the public right-of-way. The City drafted an agreement for the work shown on the plans, setting forth the responsibilities of each party with respect to the work, such as the requirement that Chang obtain an improvement surety bond for the value of the work to ensure its completion. The proposed public improvements align with the City's TOD Strategy and its vision for the East Bay Greenway, a partial segment of which will be fully funded by the developer.

The street vacations are conditioned such that the City Clerk can accept an irrevocable offer of dedication for the vacated streets for public right-of-way if the improvements related to the street vacations are not initiated within twenty-four (24) months of this action. To implement the aforementioned condition, Chang has recorded with the Alameda County Recorder an irrevocable offer of dedication. Upon compliance to the City's satisfaction, the City will record a document vacating the developer's irrevocable offer. If the developer fails to comply, the City Clerk will record an acceptance of the irrevocable offer, reestablishing the streets as public right-of-way.

Previous Actions

- On June 16, 2014, the City Council passed Resolution No. 2014-059 to authorize the City Manager to execute an Improvement Agreement with Chang Income Property Partners, LP for Public Improvements on Martinez Street.
- On June 16, 2014, the City Council passed Resolution of Intention No. 2014-060 to vacate portions of Martinez Street between West Estudillo Avenue and Thornton Street, and West Estudillo Avenue between Martinez Street and Alvarado Street.

Applicable General Plan Policies

- Policy 6.01; Downtown Plan: In accordance with the adopted Downtown Plan and Urban Design Guidelines and the Downtown San Leandro Transit-Oriented Development Strategy, ensure that new Downtown Development is attractive and creates an image conducive to revitalization
- Policy 6.05; Pedestrian-Friendly Environment: Provide public and private improvements that create a safe, friendly, and pleasurable environment for pedestrians in Downtown
- Policy 6.09; Business Partnership: Support public and private efforts to enhance and market Downtown San Leandro, encourage partnerships between the City, Redevelopment Agency, the Chamber of Commerce, the Downtown Association, and private entities (such as property owners, tenants, developers, etc.)
- Policy 6.10; BART Area Revitalization: Foster the development of the BART Station area as a mixed use “transit village,” with a full complement of office, high-density residential, and retail uses, along with pedestrian plazas, open space, BART parking, and other transit facilities (possibly including a Capitol Corridor rail station)

Environmental Review

As indicated in the General Plan Conformance Finding, the property disposition was covered in the Initial Study and Mitigated Negative Declaration for the proposed development project.

Board/Commission Review and Actions

The Planning Commission at its meeting of February 20, 2014, found the proposed vacation to be in conformance with the City of San Leandro General Plan.

Summary of Public Outreach Efforts

- Staff corresponded with utility agencies affected by the proposed vacation.
- Per San Leandro Municipal Code Chapter 5-4-110, the City Council’s Resolution of Intention calling for a public hearing on July 21, 2014, was published two times in the Daily Review, a local newspaper, on June 27, 2014 and July 3, 2014.
- The City Council’s Resolution of Intention calling for a public hearing on July 21, 2014, was posted no more than 300 feet spacing, for a period of no less than two (2) weeks from the date of the hearing along the proposed site intended for vacation.

Fiscal Impacts

- There is no fiscal impact associated with this project
- All costs incurred in preparing and processing the street vacation documents will be paid by Chang
- All construction and inspection costs for the public improvements for the project will be paid by Chang

ATTACHMENTS

Attachments to Ordinance

- Exhibit 'A' - Legal descriptions of the proposed public right-of-way vacation

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