



**Piedmont
is Home**

MORAGA CANYON SPECIFIC PLAN

CITY COUNCIL STUDY SESSION 2

MARCH 01, 2024

DESIRED OUTCOME OF THIS MEETING

Takeaways from this study session:

- Goals and schedule
- Programmatic options
- Feasibility details
- Response to City Council inquiries

The MCSP team's intent is to help prepare the City Council to provide feedback at a future regular meeting that will focus the work of preparing a draft specific plan.



CONTENT

- Goals & Schedule
- Specific Plan Options
- City Council Inquiries
- Phasing



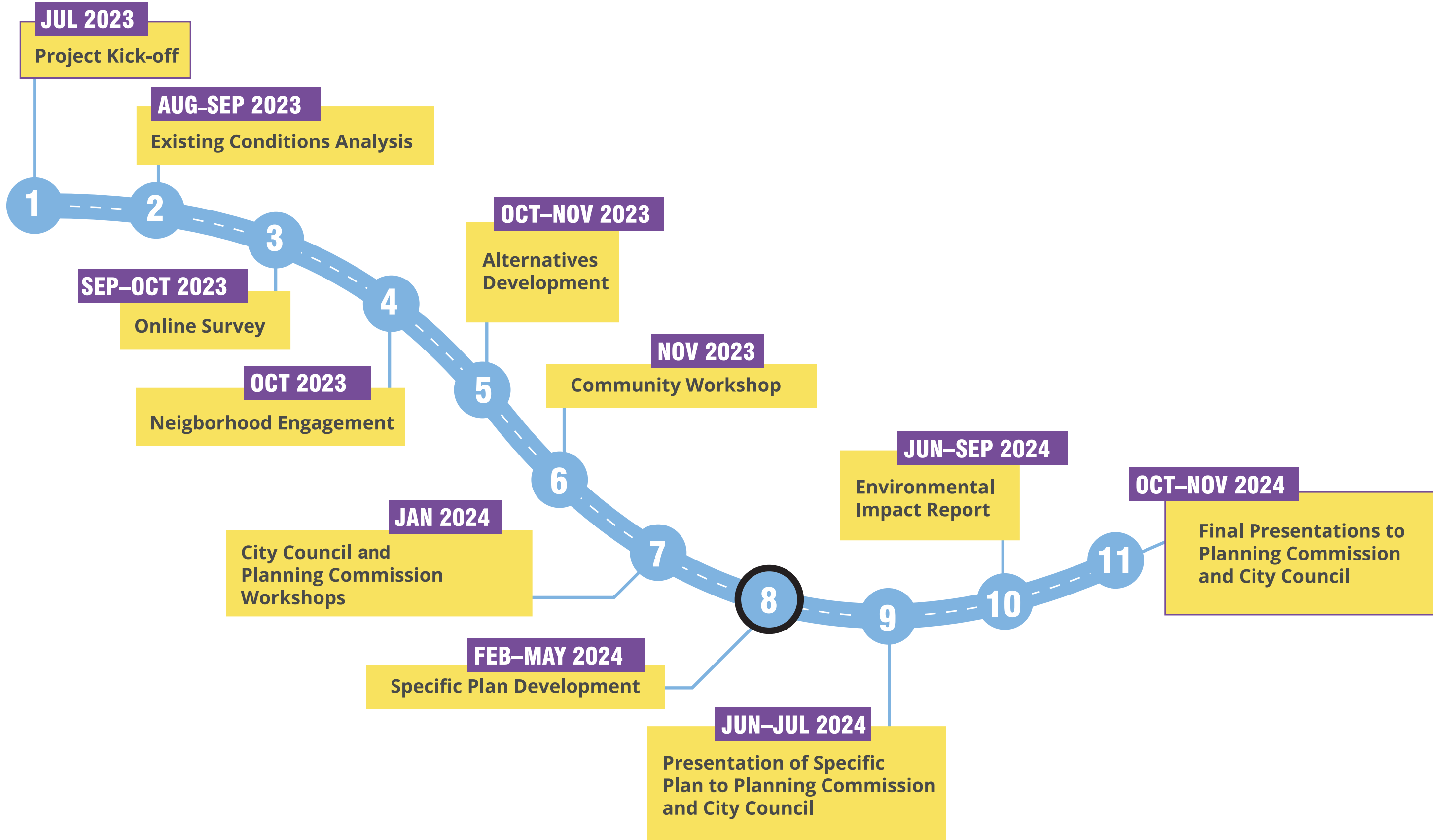


GOALS & SCHEDULE

GOALS

This project will study all City-owned land in Moraga Canyon, including Blair Park Open Space, Coaches Field, Kennelly Skate Park, and the City's Public Works Corporation Yard, with the end goal of creating a detailed plan for how to:

- Incorporate 132 units of new housing, 60 of which would be reserved for households with lower incomes;
- Maintain, replace and/or improve existing City facilities (Corp Yard), open space, and recreational amenities; and
- Improve traffic safety as well as pedestrian, bicycle and wildfire safety.





SPECIFIC PLAN OPTIONS



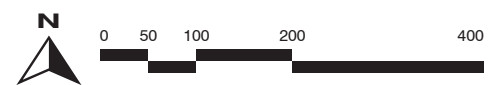
OPTION 1

- Housing development on Blair Park Open Space
- Preserve and expand Coaches Field
- Preserve Corp Yard
- Improve pedestrian and bicyclist safety and access
- Increase parking and transit access



- U14 soccer field with soft-ball overlay
- New signalized intersection
- Improved Moraga Ave
- 70 DU market rate housing project
- 60 DU affordable housing project

- New public trail access
- Existing Kennelly Skate Park
- 2 market rate SFD houses
- Additional parking





OPTION 2

- Combine public recreation on Blair Park Open Space
- Minor impacts to Corp Yard
- Increase parking and transit access
- Improve pedestrian and bicyclist safety and access
- Multiple development sites on Coaches Field side with common open space amenity

70 DU market rate housing project

60 DU affordable housing project

New signalized intersection

Improved Moraga Ave

Dog park

U14 soccer field with softball overlay

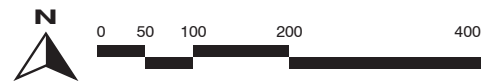


New public trail access

2 market rate SF houses

Additional parking

New skate spot





OPTION 3

- Move Corp Yard to Blair Park Open Space
- Improve soccer field and skate park
- Increase parking and transit access
- Improve pedestrian and bicyclist safety and access
- Hillside housing development
- Avoid infrastructure relocation

70 DU market rate housing project

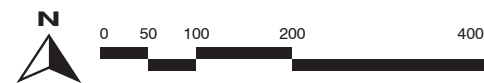
U14 soccer field with softball overlay

60 DU affordable housing project

Additional parking

New signalized intersection

Improved Moraga Ave





OPTION 4

- Preserve Blair Park Open Space
- Improve soccer field and skate spot
- Underfield parking
- Increase transit access
- Improve pedestrian safety and access
- Hillside housing development
- Avoid infrastructure relocation
- Connect open space along Moraga Ave

70 DU market rate housing project

60 DU affordable housing project

U14 soccer field with softball overlay on structure

Additional parking

New signalized intersection

Improved Moraga Ave



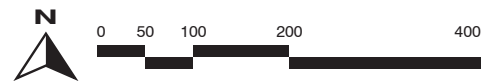
New public trail access

Corp Yard on structure

New skate spot

2 market rate SFD houses

Dog park





COUNCIL INQUIRIES



TRANSPORTATION

How is the 2010 Moraga Canyon Sports Field Project (Blair Park improvements) different:

- 2010 Project included a pedestrian bridge across Moraga Avenue at Red Rock Road
- The Specific Plan would recommend signaling the intersection





TRANSPORTATION

The 2010 EIR identified two significant and unavoidable traffic and transportation impacts:

1. Traffic/congestion (i.e., LOS) at a project driveway on Moraga Avenue
 - Per Senate Bill 743, traffic congestion (LOS) no longer considered in CEQA
2. Inadequate sight distance at a project driveway

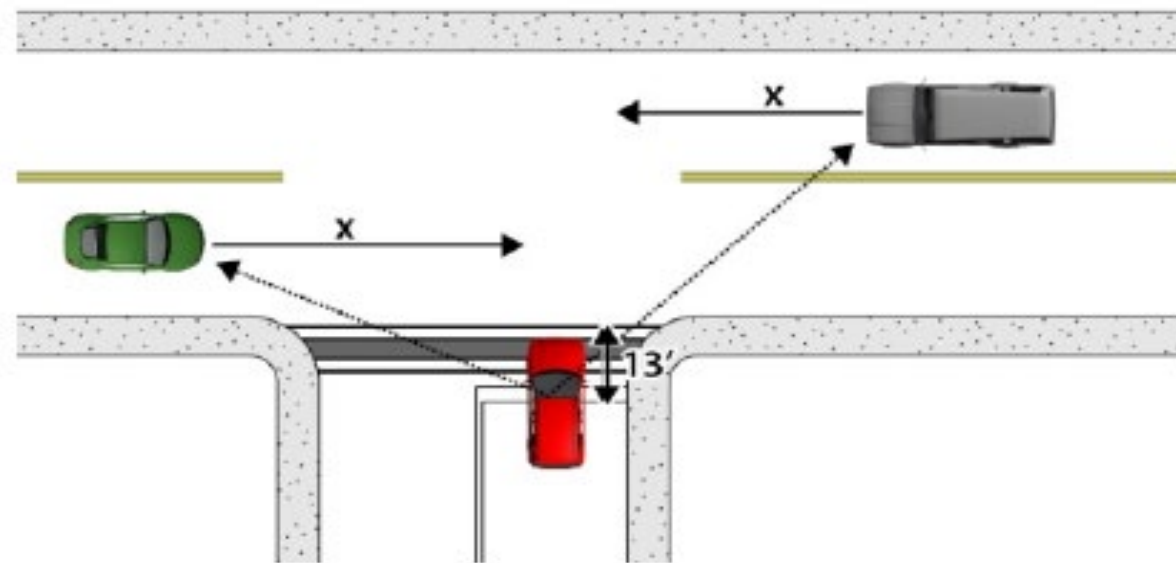




TRANSPORTATION

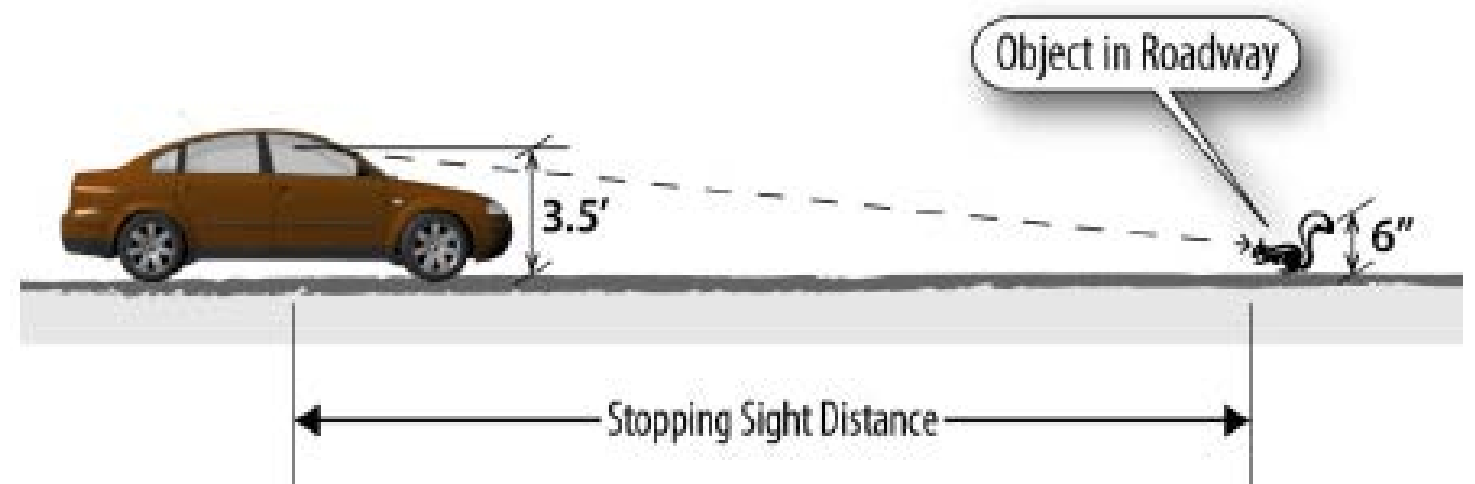
Corner Sight Distance (CSD)

- Ensures that adequate time is provided for the waiting vehicle turn left or right without requiring the through traffic to radically alter speed.
- Typically used for highway intersections
- Used in 2010 EIR



Stopping Sight Distance (SSD)

- Distance required by the driver of a vehicle, traveling at a given speed, to bring the vehicle to a stop after an object on the road becomes visible and in advance of reaching the object.
- Typically used for driveways and private roadways

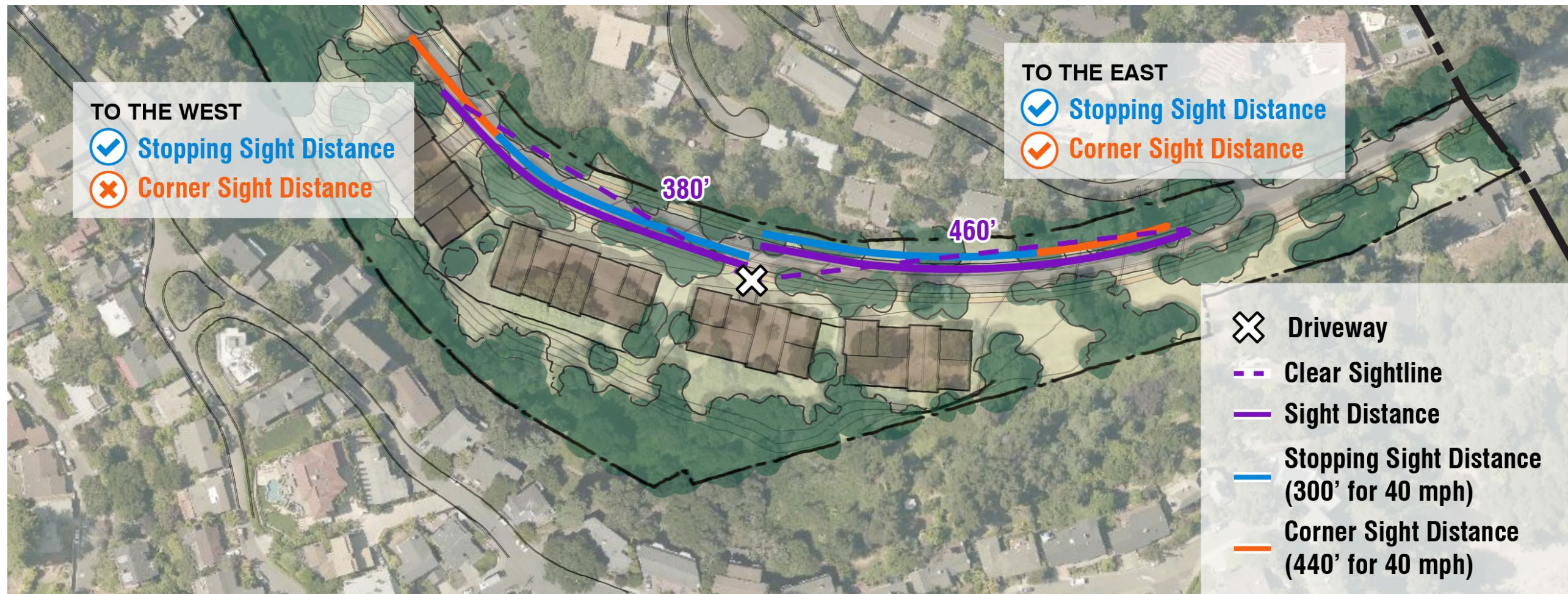




TRANSPORTATION

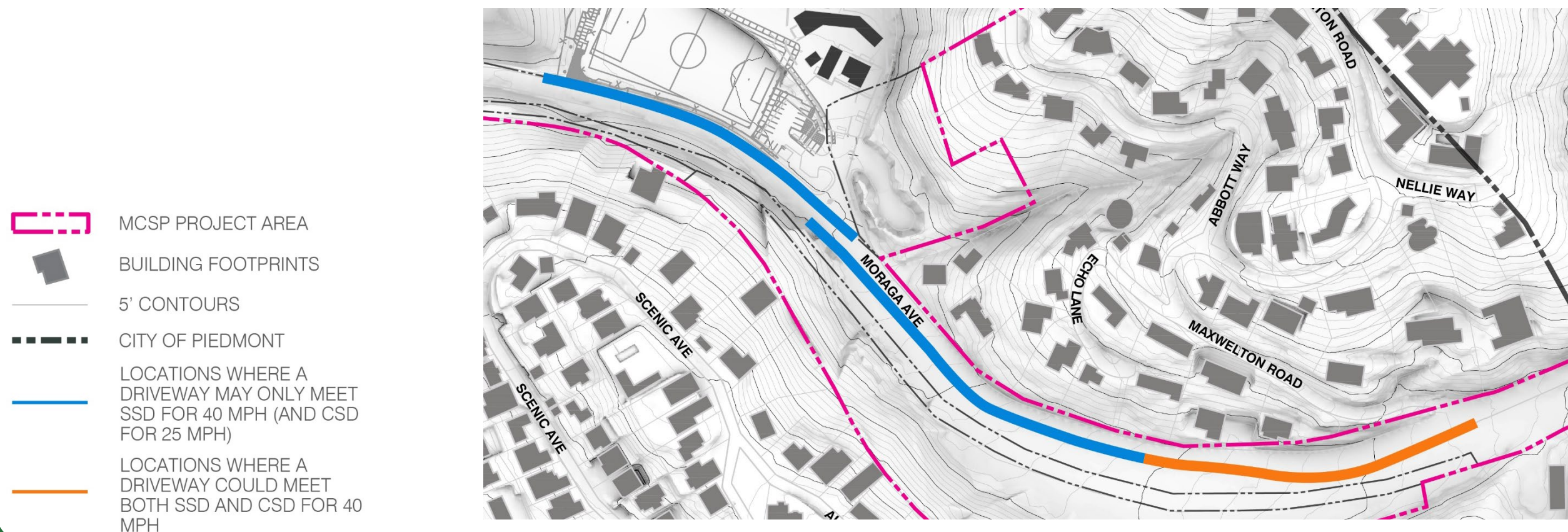
Moraga Avenue

- Posted speed limit = 25 mph
- Measured 85th percentile speed = 38-39 mph
- Analysis based on 40 mph



TRANSPORTATION

- All of Moraga Avenue meets SSD for 40 mph
- Sight distances for all driveways will be confirmed as part of the project design and would depend on:
 - Exact driveway location
 - Improvements and the final cross-section on Moraga Avenue
 - Landscaping along Moraga Avenue





TRANSPORTATION

Recommending to signalize the intersection of Red Rock Road at Moraga Avenue:

- Provide a median on Moraga Avenue to improve crossing Moraga Avenue for pedestrians
- Allow easier access for vehicles turning into and out of Red Rock Road
- Signal would meet sight distance requirements in both directions of Moraga Avenue



ECONOMICS

Can you provide more detail on the relationship between infrastructure costs and specific development programs?

FEASIBILITY STUDY OBJECTIVES

What: Assesses development feasibility of the MCSP given proposed program, current market values, and infrastructure and development costs.

Questions:

- Is enough value created to attract real estate developers?
- Are there financing tools or mechanisms that the City can implement to make the project more valuable to developers?



APPROACH

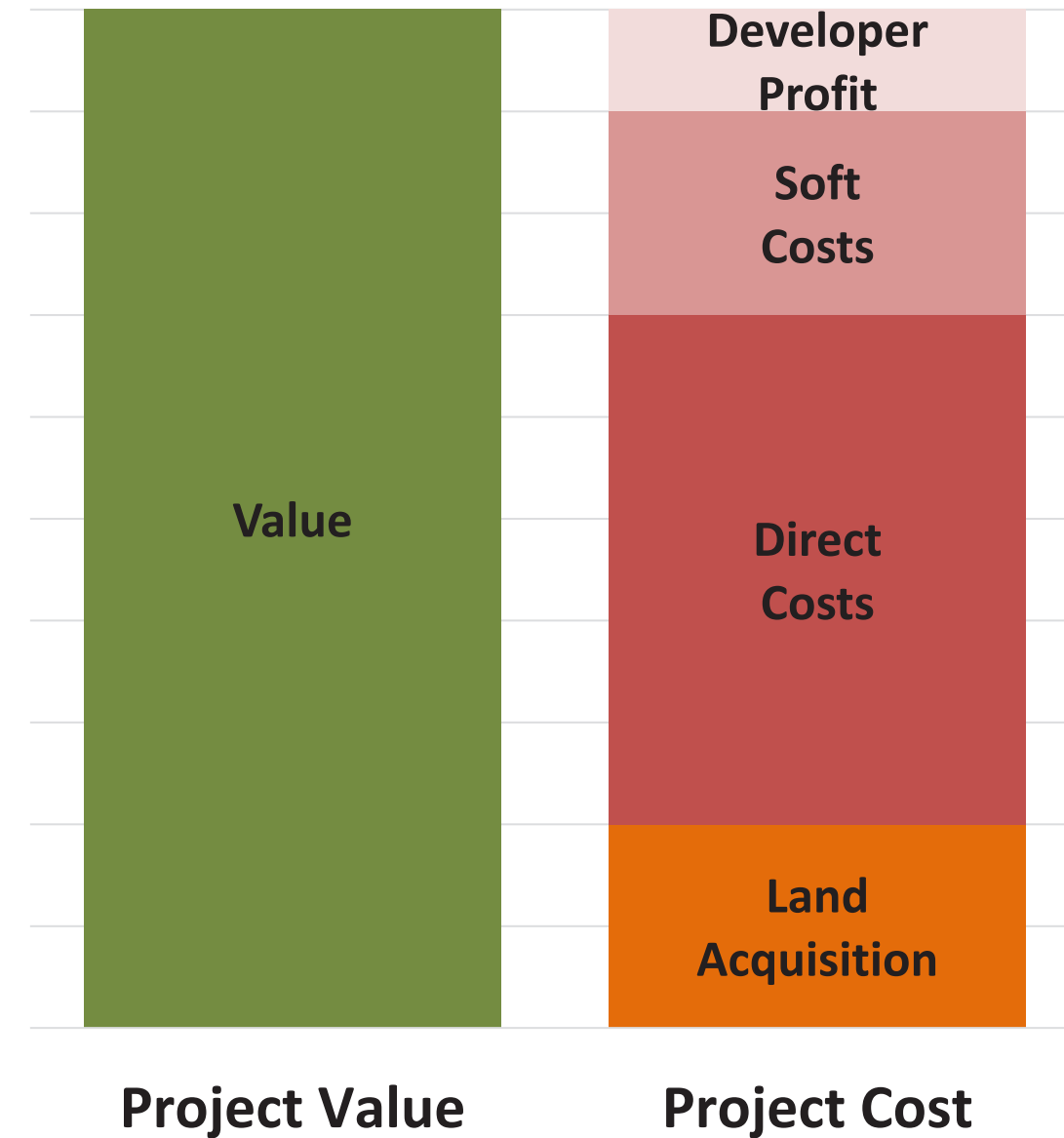
Calculation of **Residual Land Value (RLV)**

- Finished values (capitalized rents) minus vertical development costs equals what is available to be put toward land acquisition.

Determine if scenarios:

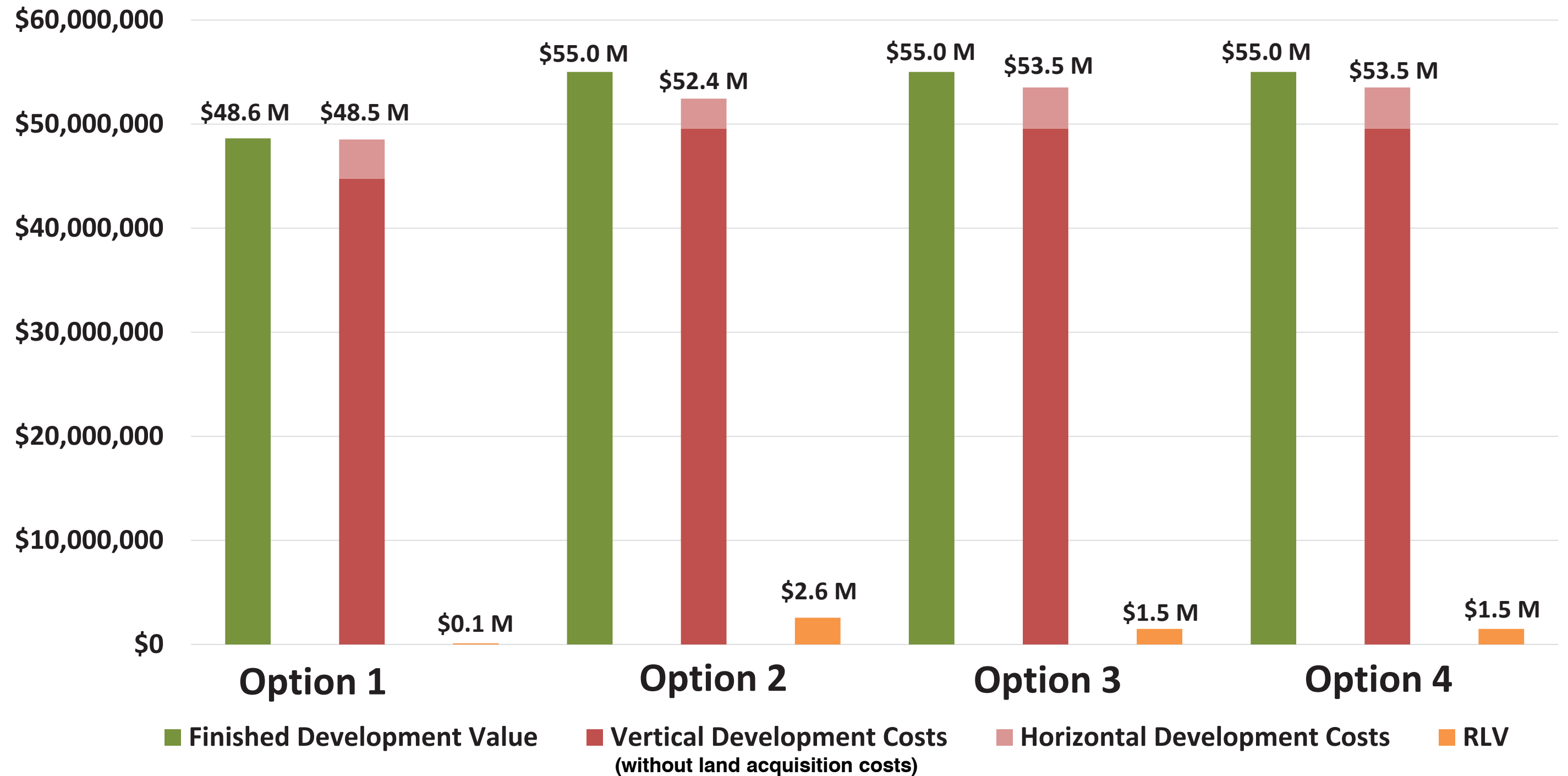
- Require subsidy
- Break-even
- Can pay for land
- Can fund infrastructure and other community amenities

What is the City's role in supporting project feasibility?





MARKET RATE HOUSING: RLV





AFFORDABLE HOUSING APPROACH

60 affordable units are assumed to be built by a specialized, non-profit affordable housing developer.

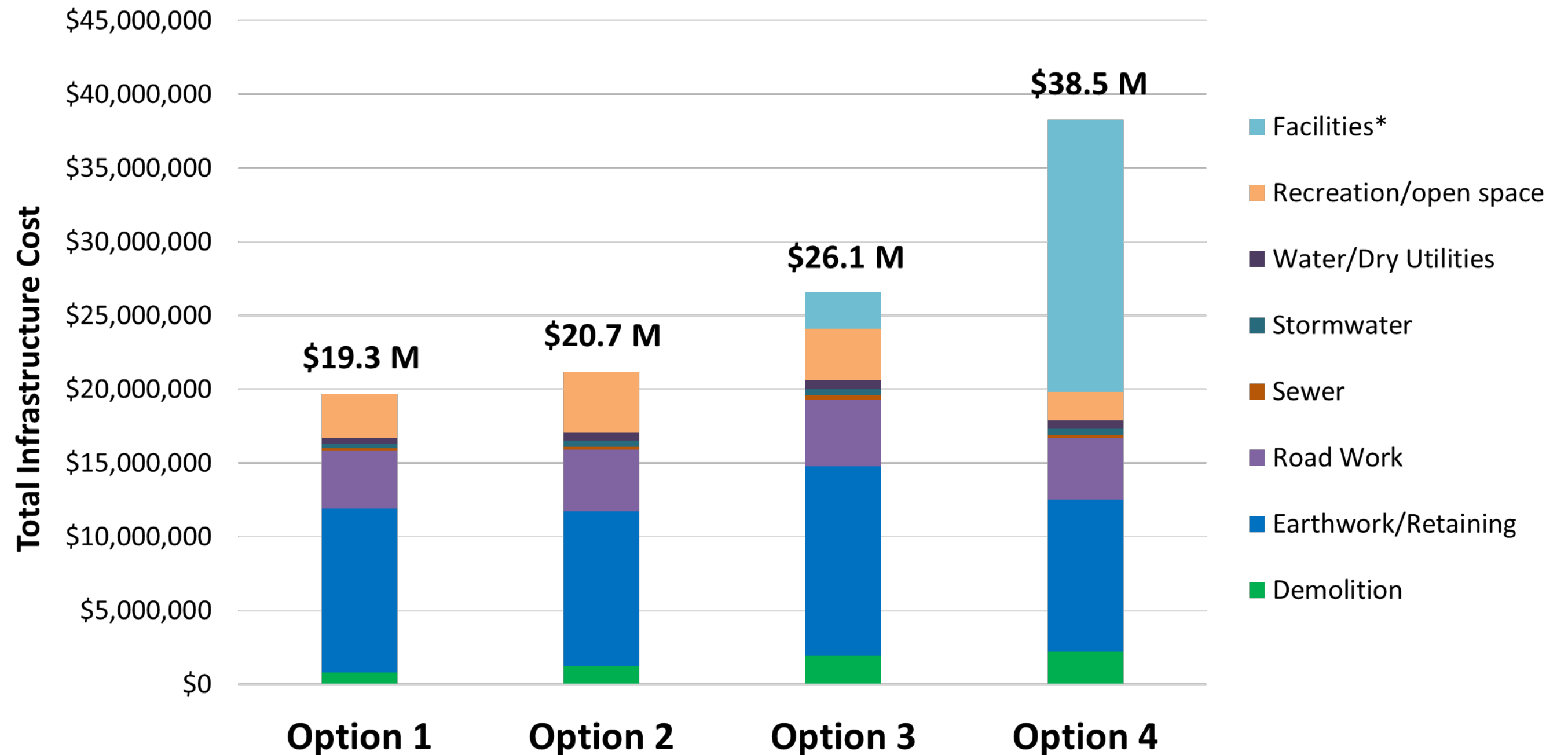
The affordable housing development can be built on land that the City leases (long-term ground lease) or sells (fee simple).

Affordable housing development “feasibility” depends on a few different factors, for example:

- Overall project size and achievable operating efficiencies
- Target population (can affect funding/financing)
- Availability and success of receiving public funding/ financing (local, state, federal)
- Financial markets (e.g., interest rates affect construction loans)
- Construction costs

Typically, an affordable housing developer would absorb some infrastructure costs in total project costs. The infrastructure costs have been adjusted accordingly.

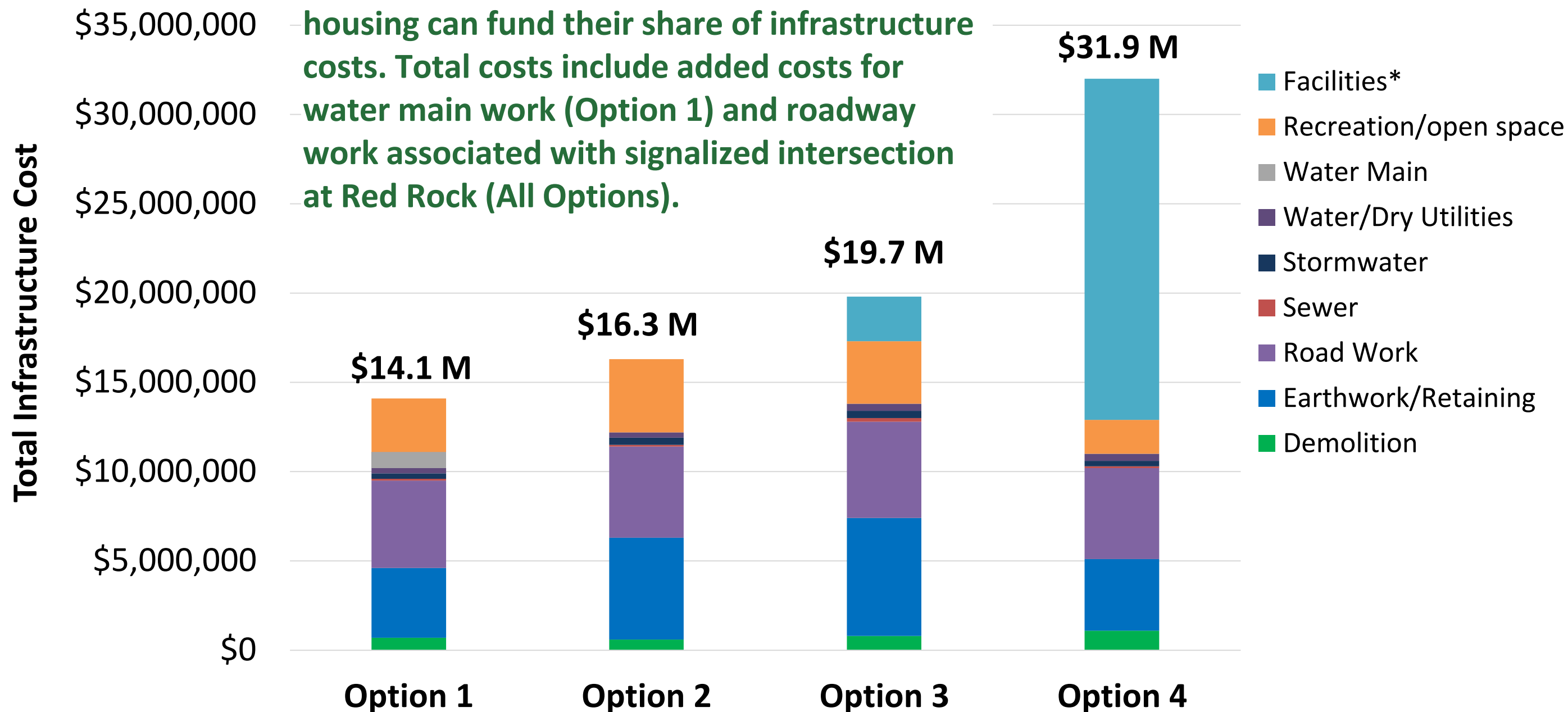
HORIZONTAL INFRASTRUCTURE



* Facilities include Public Works corporation yard (Options 3 and 4) and/ or parking structure (Option 4).

INFRASTRUCTURE / FACILITIES COSTS

Assumes both affordable and market rate housing can fund their share of infrastructure costs. Total costs include added costs for water main work (Option 1) and roadway work associated with signalized intersection at Red Rock (All Options).



* Facilities include Public Works corporation yard (Options 3 and 4) and/ or parking structure (Option 4).



INFRA / FACILITIES COST DETAIL

Funding Item	Option 1	Option 2	Option 3	Option 4
Road Work	\$4,900,000	\$5,100,000	\$5,400,000	\$5,100,000
Stormwater	\$300,000	\$400,000	\$400,000	\$300,000
Earthwork/Retaining	\$3,900,000	\$5,700,000	\$6,600,000	\$4,000,000
Water Main	\$900,000	\$0	\$0	\$0
Other*	<u>\$1,100,000</u>	<u>\$1,000,000</u>	<u>\$1,300,000</u>	<u>\$1,500,000</u>
Horizontal Infrastructure	\$11,100,000	\$12,200,000	\$13,700,000	\$10,900,000
Parks	\$3,000,000	\$4,100,000	\$3,500,000	\$1,900,000
Public Works	\$0	\$0	\$2,500,000	\$2,500,000
Parking Structure	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$16,600,000</u>
Community Facilities	\$3,000,000	\$4,100,000	\$6,000,000	\$21,000,000
Total Costs	\$14,100,000	\$16,300,000	\$19,700,000	\$31,900,000

*Other includes Demolition, Sewer, and Water/Dry Utilities.



INFRA / FACILITIES FUNDING DETAIL

Funding Source	Use of Funds	Option 1	Option 2	Option 3	Option 4
Total Costs		\$14,100,000	\$16,300,000	\$19,700,000	\$31,900,000
Water Management Grants	Water Main	\$900,000	\$0	\$0	\$0
Roadway Grants	Roadwork	\$4,900,000	\$5,100,000	\$5,400,000	\$5,100,000
Stormwater Grants	Stormwater	\$300,000	\$400,000	\$400,000	\$300,000
2 Single Family Home Lot Sales	TBD	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
RLV from 70 Market-Rate Units	TBD	<u>\$100,000</u>	<u>\$2,600,000</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>
Estimated Funding Gap	TBD	\$4,900,000	\$5,200,000	\$9,400,000	\$22,000,000

ECONOMICS

Can you provide more detailed information for gap funding and grant availability?



POTENTIAL FUNDING SOURCES

- Negotiation with selected developer around consideration for land value
- Sale of two single-family lots
- Potential grants (see subsequent slides)
- Non-profit affordable housing developer will bring experience/expertise with funding sources for affordable housing component
- Public financing: community facilities district, impact fees, parcel tax, bond measure, etc.
- Philanthropy (local fundraising toward community amenities)



ROADWAY & BIKE / PED GRANTS

Local

- One Bay Area Grants (OBAG)
- Alameda County Transportation Commission (CTC) Comprehensive Investment Plan (CIP)
- Transportation Development Act Article 3 (TDA3) Funding
- Safe Routes to School

State

- Caltrans Active Transportation Program (ATP)
- California Office of Traffic Safety (OTS) Grant Program
- SB 1 Local Streets and Roads Program (LSRP)
- Affordable Housing and Sustainable Communities (AHSC)

Federal

- Safe Streets For All (SS4A)
- Community Development Block Grants (CDBG)

STORMWATER GRANTS

Local

- One Bay Area Grants (OBAG)

State

- Community Economic Resilience Fund (CERF) Program
- CA Department of Water Resources Urban Flood Risk Reduction Program
- CA Department of Water Resources Urban Streams Restoration Program (USRP)
- Riverine Stewardship Program

Federal

- Building Resilient Infrastructure and Communities (BRIC)
- Hazard Mitigation Grant Program (HMGP)
- Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program
- Community Development Block Grants (CDBG)
- Urban Waters Small Grants Program (UWSG)

WATER MANAGEMENT GRANTS

Local

- East Bay Municipal Utility District (EBMUD)

State

- Water Recycling Funding Program (WRFP)
- State Water Resources Control Board: Financial Assistance Funding

Federal

- Community Development Block Grants (CDBG)
- Clean Water State Revolving Fund (CWSRF) – loan not a grant

COMMUNITY FACILITIES

Citywide Funding Mechanism

- Parcel Tax
- Bond Measure
- Fundraising/Philanthropy

New Development

- Impact Fee
- Community Facilities District (CFD)

LAND DISPOSITION: SELL VS LEASE

Can you provide more detailed information regarding sale of city-owned land versus a land lease?



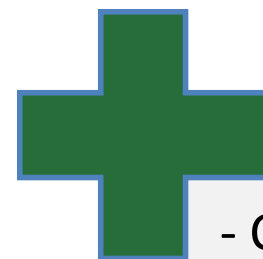
LAND DISPOSITION: SELL VS LEASE

Sell



- Upfront value to reinvest in site infrastructure or other community needs
- Gives developer flexibility to build ownership product, which may generate more value
- Reduced ongoing involvement

- City loses site control
- Value will be set based on market fundamentals at point in time (could be a positive depending on timing)



Lease

- City retains site control; land and improvements revert to City at end of lease
- Opportunity to negotiate for a share in upside as market improves
- Potential for long-term revenue stream
- City could negotiate for an upfront lease payment

- Typically lower valuation; but the longer the ground lease, the more the value will reflect fee-simple
- Unlikely to see ownership product
- Increased ongoing involvement



** If City is open to selling or leasing, expressing that flexibility in the developer solicitation documents is key.*

DEVELOPMENT INTEGRATION

Can the market rate residential (72 units) and affordable residential (60 units) be fully integrated?



Fully integrated/
one developer



Separate buildings/
one developer (team)



Separate buildings/
multiple developers





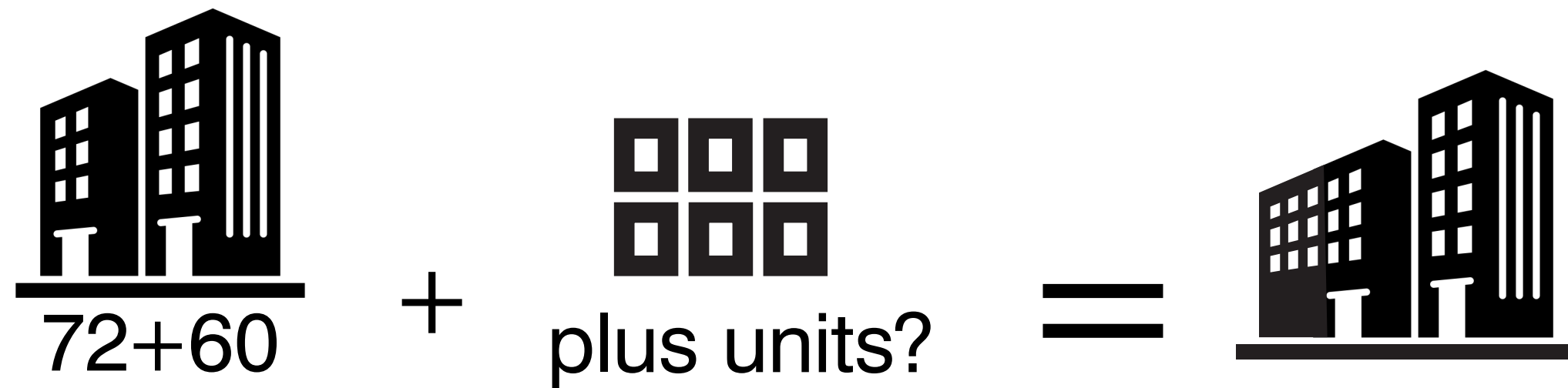
MARKET RATE & AFFORDABLE HOUSING INTEGRATION

Cohesive and Integrated Design

- Architectural design standards
- Open space and landscape features
- Common recreation amenities
- Shared access
- Similar architectural and landscape materials palette

PROJECT FEASIBILITY

Can a financial “break even” scenario be achieved through an increase (or decrease) of residential development?



Finished Development Value = Vertical + Horizontal Development Costs



FEASIBILITY STUDY TAKEAWAYS

Value Creation

- Similar value creation across options when evaluating lot sales and capitalized value of market-rate rents, assuming 132 units (72 above moderate, 60 lower income)
- Potential differentiators: Ability to capture views, tenure (rental vs. ownership)

Development Costs

- More variation across options based on vertical and horizontal costs
- Affordable units are expected to be developed by a non-profit housing developer
- Differentiators:
 - Vertical Costs
 - Horizontal Costs
 - Community Facilities/Amenities

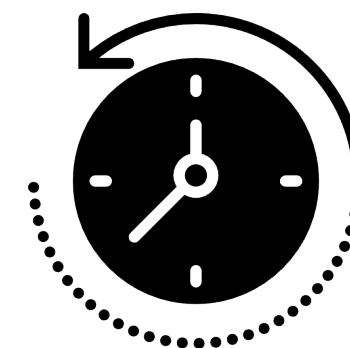
Development Costs

- Flexibility and phasing will be key

IMPLEMENTATION

What is the optimal timeline for Moraga Avenue improvements and residential development to occur?

- Concurrent construction of Moraga Avenue improvements and residential development is optimal.
- Improvements to be paid for through grant funding requires adherence to grant timelines.
- Roadway improvements would be constructed in phases. Sequence of phases will prioritize pedestrian and traffic safety features such as a signalized intersection and residential frontage improvements.



RECREATION IMPROVEMENTS

How can improvements to Coaches Field be accomplished through the Moraga Canyon Specific Plan?

- A specific plan cannot guarantee any improvements but does provide the regulatory and environmental framework for improvements to occur.
- Projects within a specific plan, such as improvements to Coaches Field, are typically accomplished through a simplified and expedited process.

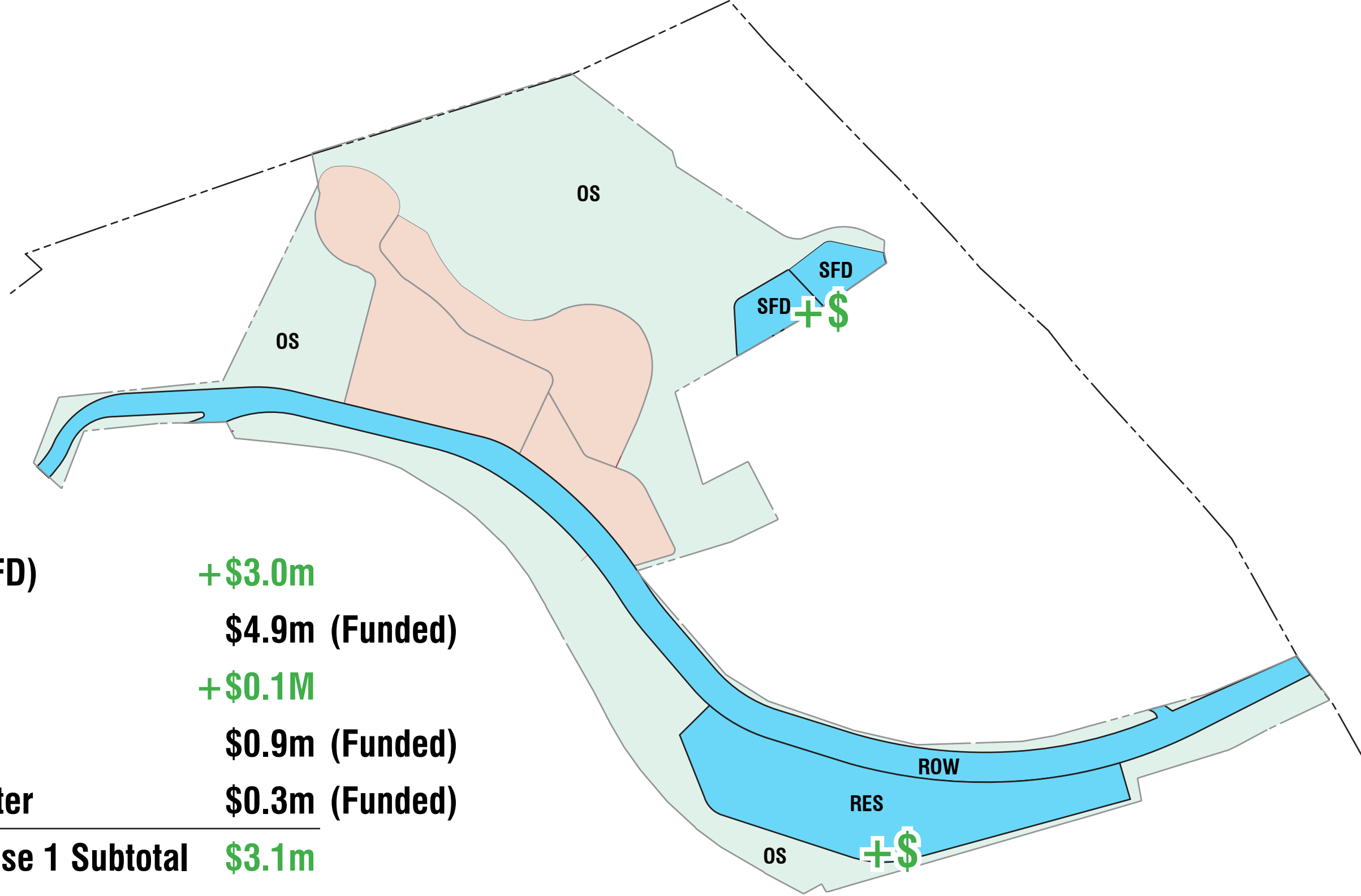




PHASING



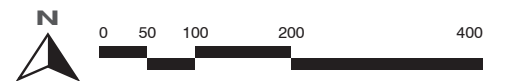
OPTION 1



PHASE 1

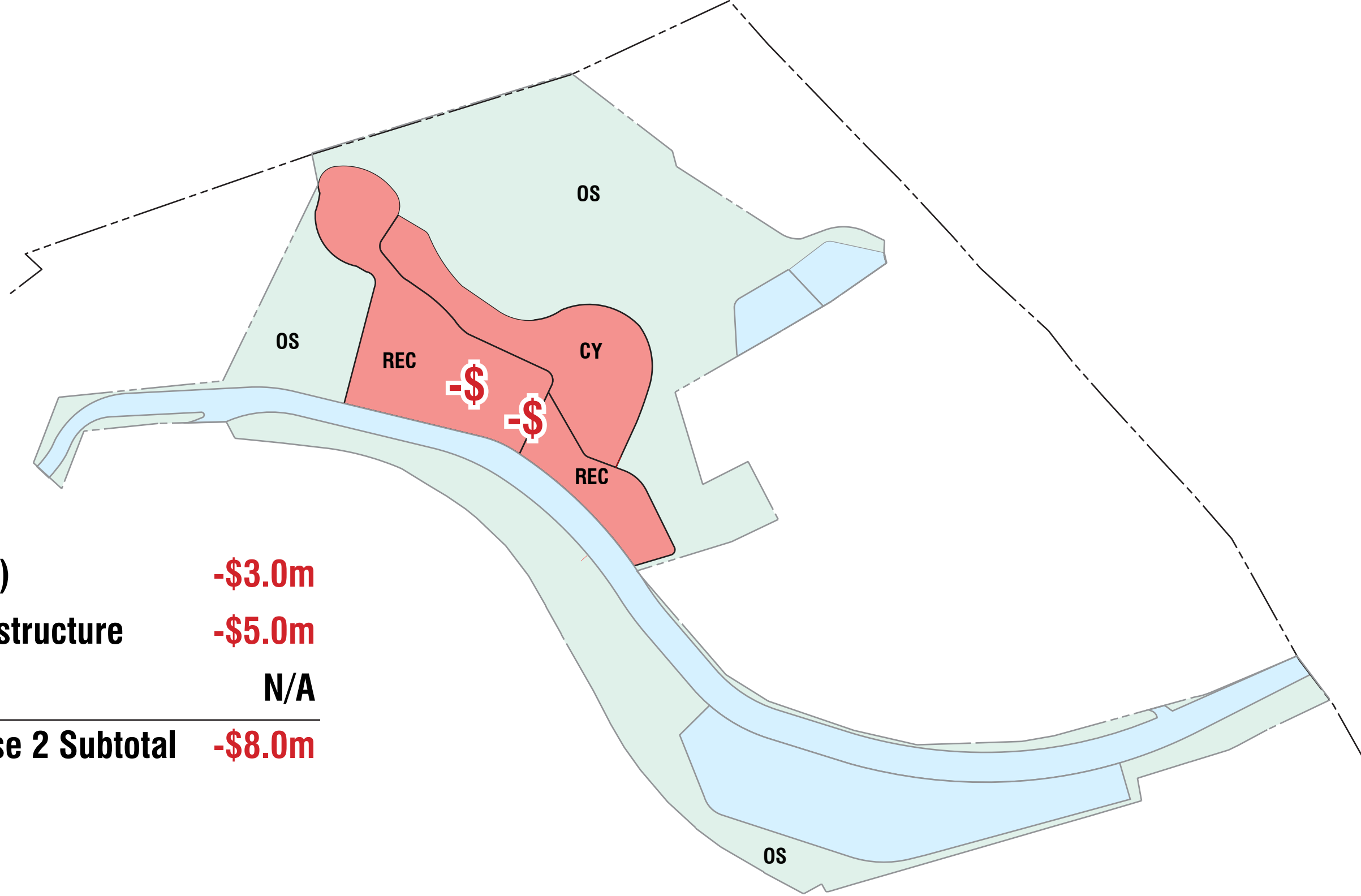
Sale of SFD lots (SFD)	+\$3.0m
Moraga Ave (ROW)	\$4.9m (Funded)
Housing RLV (res)	+\$0.1M
EBMUD Water line	\$0.9m (Funded)
Additional stormwater	\$0.3m (Funded)
Phase 1 Subtotal	\$3.1m

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





OPTION 1



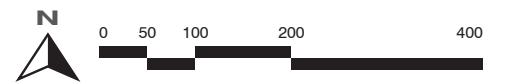
PHASE 2

Coaches Field (REC)	-\$3.0m
Coaches Field Infrastructure	-\$5.0m
Corp Yard (CY)	N/A
Phase 2 Subtotal	-\$8.0m

Phase 1: + \$3.1 Total Residual
 Phase 2: - \$8.0 Total Residual

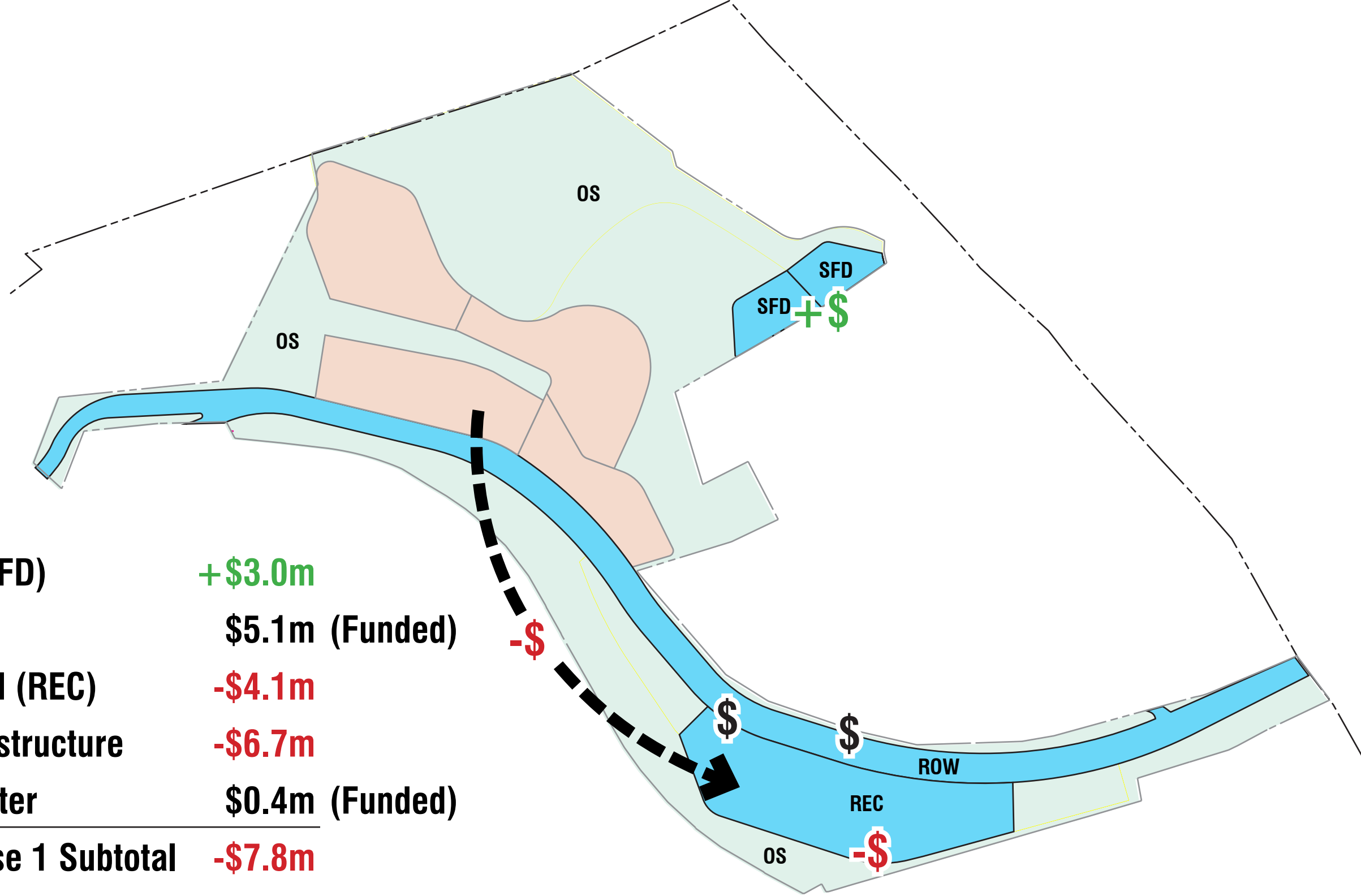
-\$4.9M TOTAL

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





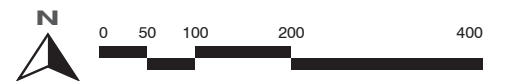
OPTION 2



PHASE 1

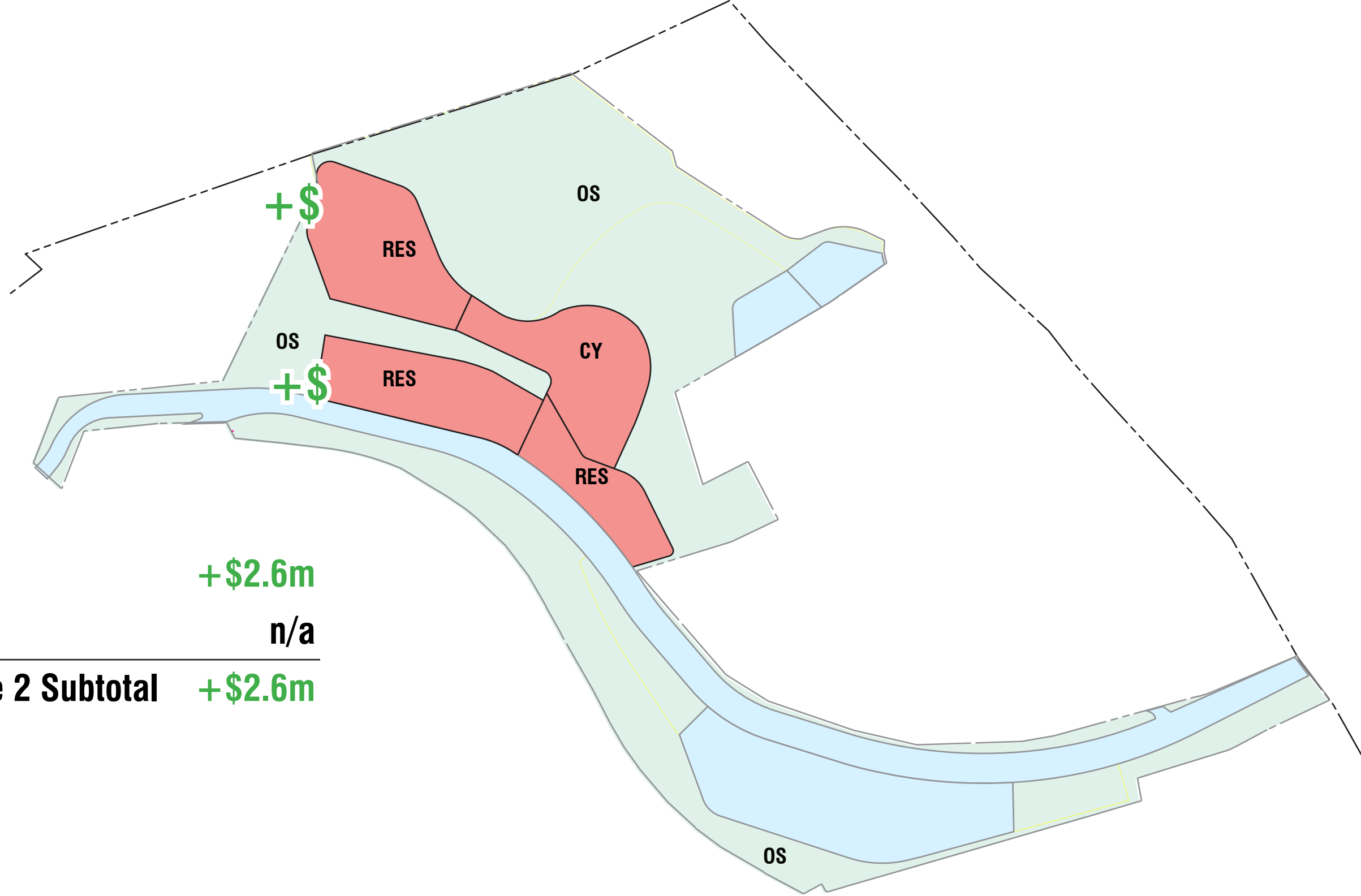
Sale of SFD Lots (SFD)	+\$3.0m
Moraga ave (ROW)	\$5.1m (Funded)
Move Coaches Field (REC)	-\$4.1m
Coaches Field Infrastructure	-\$6.7m
Additional Stormwater	\$0.4m (Funded)
Phase 1 Subtotal	-\$7.8m

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





OPTION 2



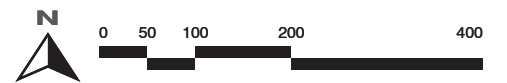
PHASE 2

Housing RLV (RES)	+\$2.6m
Corp Yard (CY)	n/a
Phase 2 Subtotal	+\$2.6m

Phase 1: - \$7.8 Total Residual
 Phase 2: + \$2.6 Total Residual

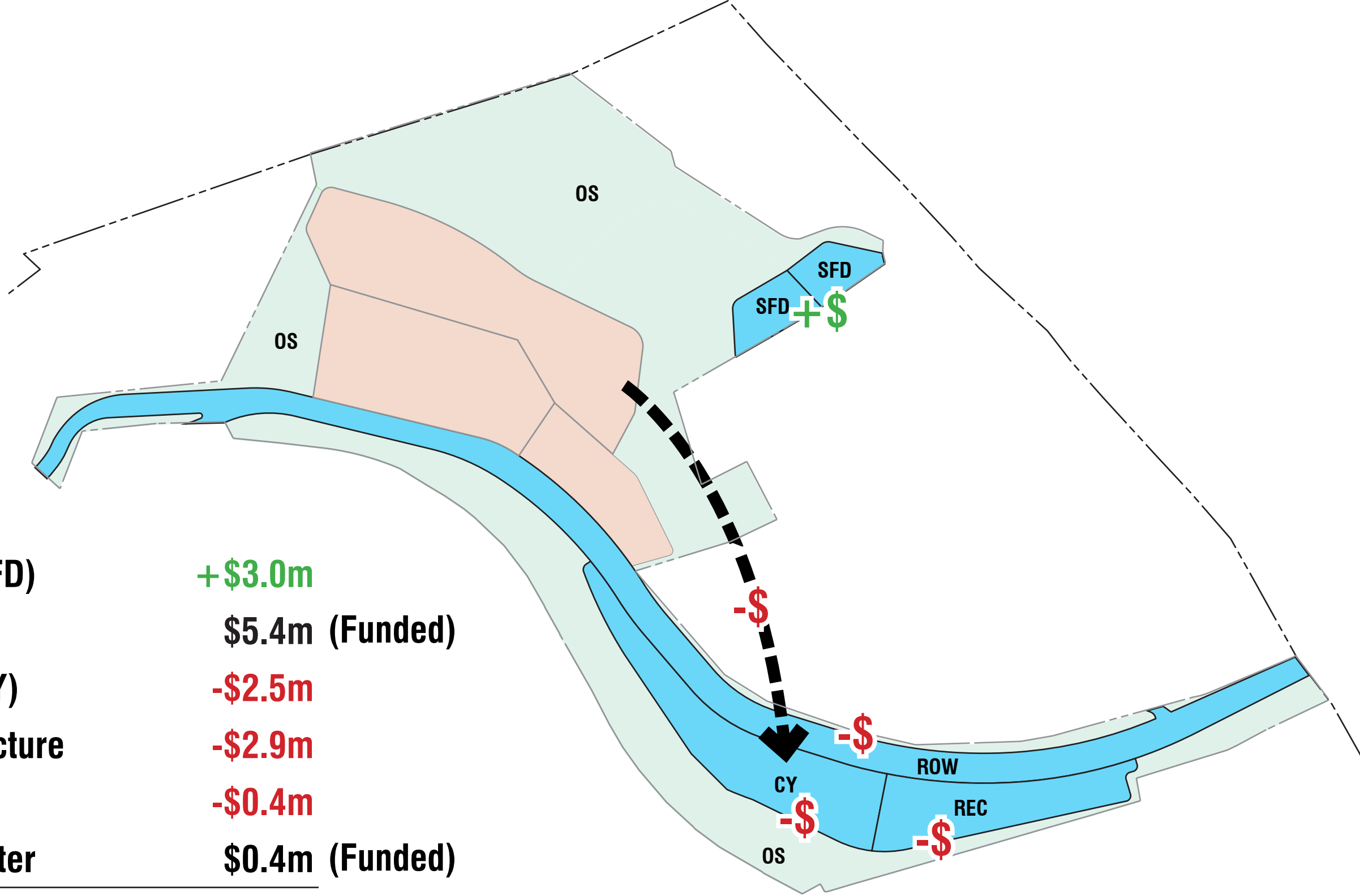
-\$5.2M TOTAL

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





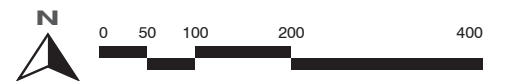
OPTION 3



PHASE 1

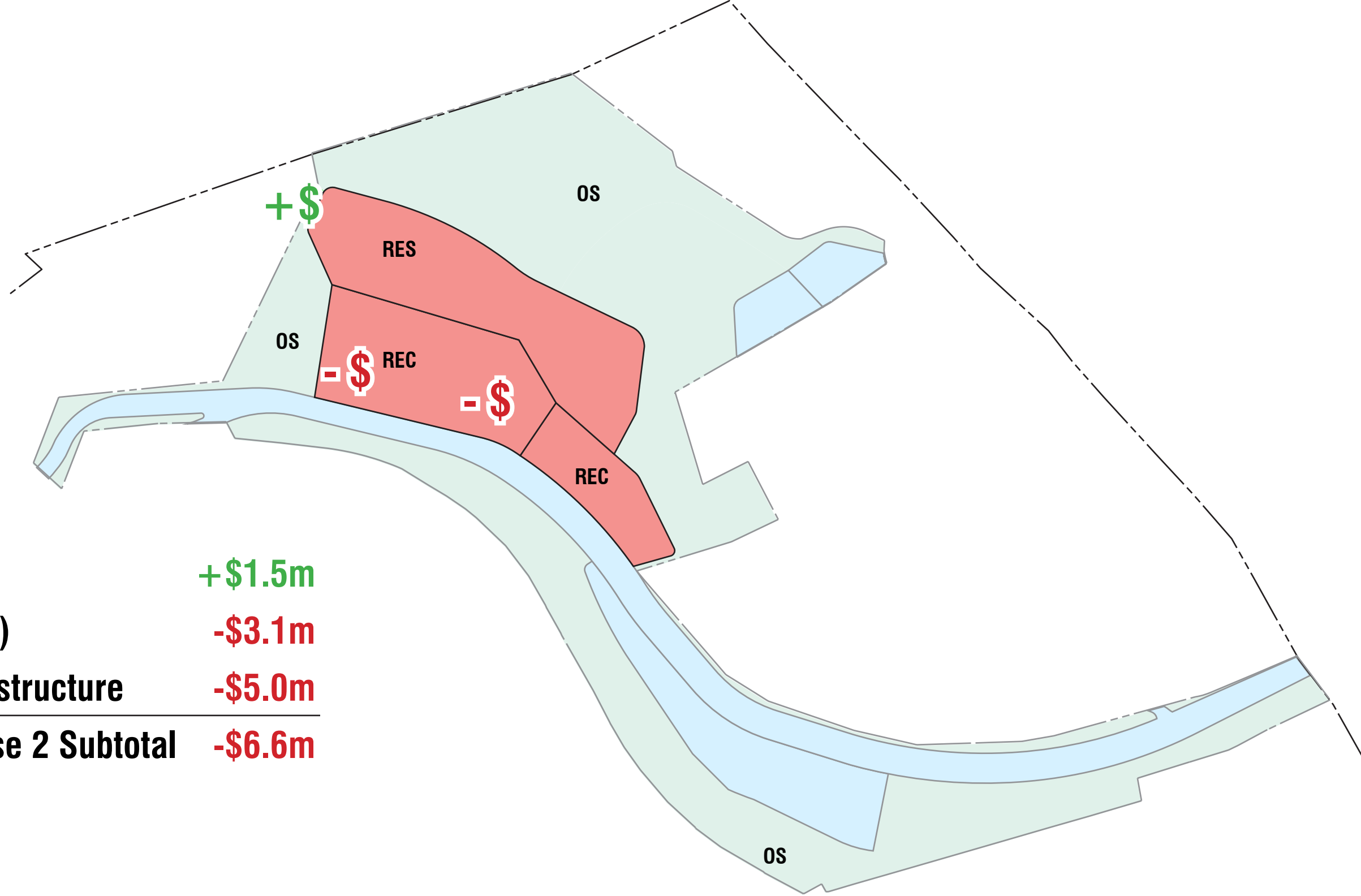
Sale of SFD lots (SFD)	+\$3.0m
Moraga ave (ROW)	\$5.4m (Funded)
Move Corp Yard (CY)	-\$2.5m
Corp Yard Infrastructure	-\$2.9m
Blair Park OS (REC)	-\$0.4m
Additional Stormwater	\$0.4m (Funded)
Phase 1 Subtotal	-\$2.8m

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





OPTION 3



PHASE 2

Housing RLV (RES)	+\$1.5m
Coaches Field (REC)	-\$3.1m
Coaches Field Infrastructure	-\$5.0m
Phase 2 Subtotal	-\$6.6m

Phase 1: - \$2.8 Total Residual
 Phase 2: - \$6.6 Total Residual

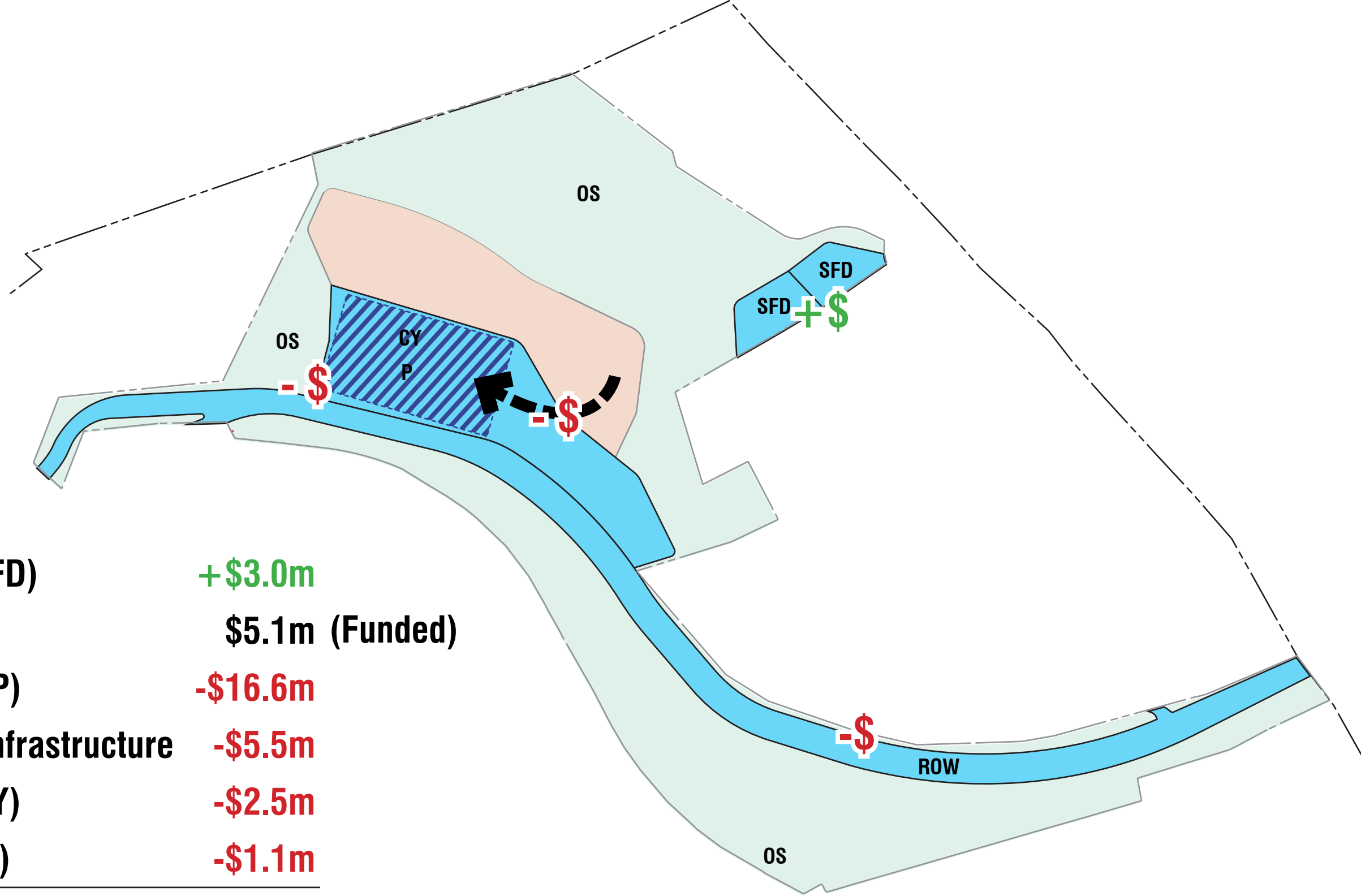
-\$9.4M TOTAL

MCSP PROJECT AREA
 CITY OF PIEDMONT
 PROGRAM ELEMENTS THAT GENERATE REVENUE
 PROGRAM ELEMENTS THAT REQUIRE PUBLIC FUNDS





OPTION 4



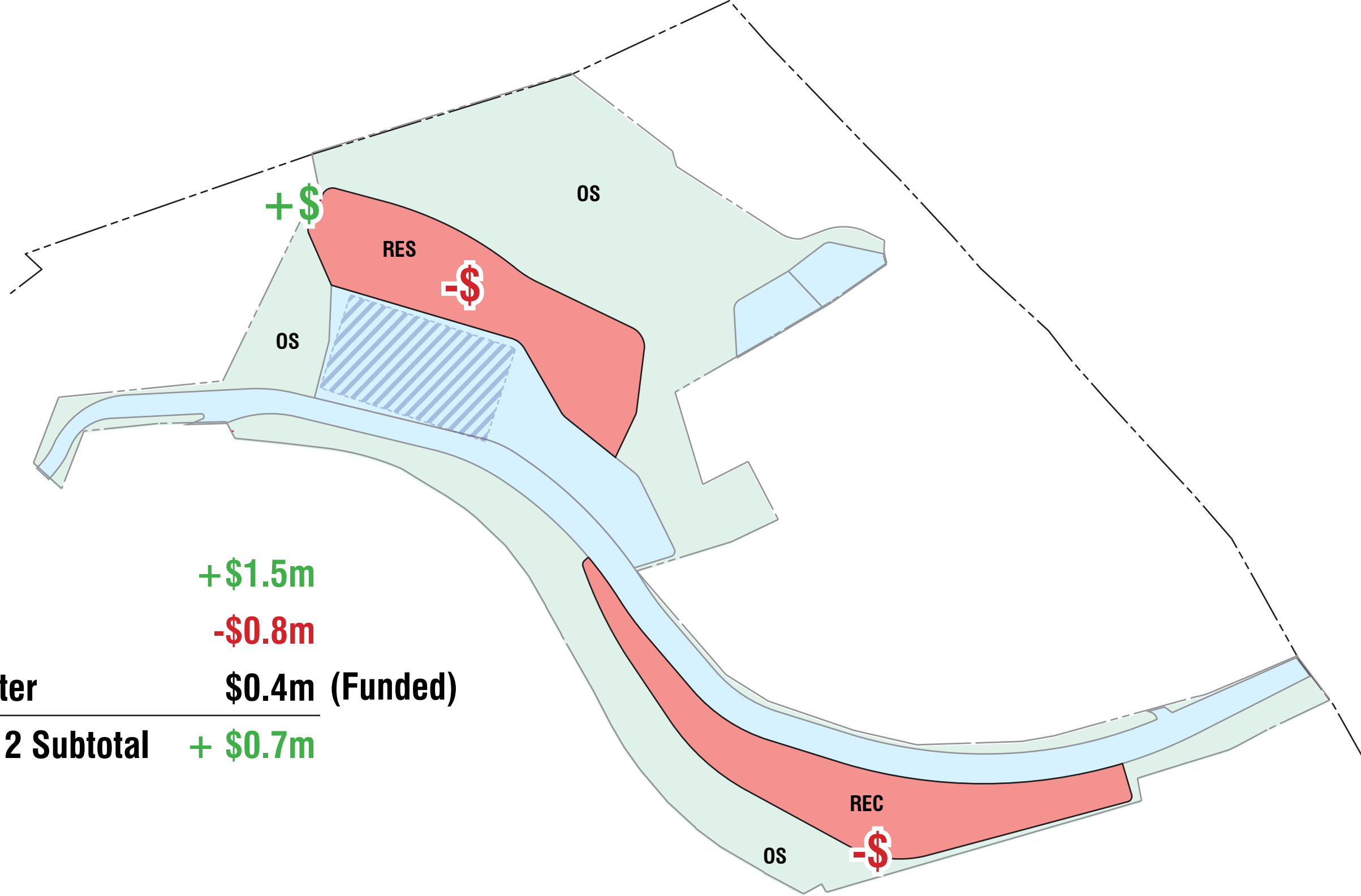
PHASE 1

Sale of SFD lots (SFD)	+\$3.0m
Moraga Ave (ROW)	\$5.1m (Funded)
Parking Structure (P)	-\$16.6m
Parking Structure Infrastructure	-\$5.5m
Move Corp Yard (CY)	-\$2.5m
Coaches Field (REC)	-\$1.1m
Phase 1 Subtotal	-\$22.7m





OPTION 4

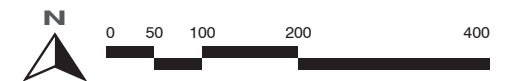


PHASE 2

Housing RLV (RES)	+\$1.5m
Blair Park (REC)	-\$0.8m
Additional Stormwater	\$0.4m (Funded)
Phase 2 Subtotal	+\$0.7m

Phase 1: - \$22.7 Total Residual
 Phase 2: + \$0.7 Total Residual

-\$22.0M TOTAL



QUESTIONS?



THANK YOU