

STAFF REPORT



MEETING DATE:	June 27, 2017
SUBJECT:	Award SRTA Infill & Redevelopment Incentive Program Funds and Authorize Technical Services Agreement with Lead Consultant
AGENDA ITEM:	9
STAFF CONTACT:	Daniel Wayne, Senior Transportation Planner

SUMMARY:

The SRTA Board of Directors authorized a request for proposals (RFP) for projects to receive technical assistance under SRTA's Infill & Redevelopment Incentive Program. The purpose of the incentives is to help prepare a competitive grant application under the Affordable Housing and Sustainable Communities (AHSC) program. Two responsive proposals were received – both to redevelop the Downtown Redding parking structure into a mixed use project that fits within the larger vision for the downtown core. A joint proposal from The McConnell Foundation and K2 Development is recommended.

STAFF RECOMMENDATION:

It is recommended that the board of directors authorize the executive director to execute a technical services agreement with Kuchman Architects, for technical assistance under Cycle II of SRTA's Infill & Redevelopment Incentive Program, for a term ending December 31, 2018, not to exceed \$175,000.

DISCUSSION:

SRTA's Infill & Redevelopment Incentive Program provides technical assistance to developers and local agencies interested in projects that combine high-density mixed-use development with sustainable transportation (i.e. walking, bicycling, and public transportation facilities, services, and programs). Projects must be located within, or directly serve, a strategic growth area as delineated in the 2015 Regional Transportation Plan. No cash is provided to the developer and local jurisdiction; rather, incentives are used to acquire consultant technical services on their behalf. Technical needs include site design, architectural design, parking studies, cost estimating, and similar pre-development activities. Deliverables are used to compete for a construction grant under the AHSC program.

At the April meeting, the board of directors authorized a request for proposals (RFP) soliciting developer projects. The following entities responded:

- Related California – Related California has a development portfolio of over 10,800 units of multi-family affordable housing. They are a full-service company with extensive experience planning, designing, financing, constructing, and managing properties of all sizes. They have a demonstrated track record of partnering with the public sector and assembling creative financing packages with both public- and private-sector investment.

- The McConnell Foundation and K2 Development (joint application) – Located in Redding, The McConnell Foundation is a well-known philanthropic organization with a long history of investing in the community. Projects include the Cascade Theatre restoration, Redding Schools of the Arts, and the Sundial Bridge. K2 Development is likewise located in Redding and familiar to the agency, having partnered with SRTA and the city of Redding last year in acquiring a \$20 million AHSC grant to redevelop the former Dicker’s department store. K2’s Development portfolio includes the Parkview Square residential and commercial project located behind city hall, as well as the Ridgestone Villas multi-family housing project located just north of the Shasta Mall.

Proposals were reviewed and determined to be responsive. Related California’s proposal requests \$120,000 and includes \$130,000 in in-kind match (108%). The McConnell Foundation and K2 Development’s proposal requests \$175,000 and includes \$348,800 in cash and in-kind match (199%). Both proposals provided a high-level concept for redevelopment of the Downtown Redding parking structure and feature a mix of residential, commercial, community space, and parking. The specific details of either concept would, however, need to be worked out with the help of program incentives. Highlights of each project are provided by attachment. Full proposals are available online at: <http://www.srta.ca.gov/bids.aspx?bidID=34>.

Proposals were evaluated by SRTA and city of Redding staff in accordance with the five equally weighted criteria set forth in the RFP. Consensus scores for the two proposals are as follows:

	Related California	The McConnell Foundation and K2 Development
Completeness of the proposal (20 pts)	14	18
How well the project concept meets AHSC criteria (20 pts)	14	18
Demonstration of community support and/or the developer’s experience leading community collaboration for similar projects (20 pts)	17	18
Ability to deliver the project if awarded an AHSC grant, as demonstrated by financial capacity and strength of experience delivering similar projects (20 pts)	19	17
Matching funds (cash and in-kind) (20 pts)	16	20
Total	80/100	91/100

In summary, both proposals were excellent and would likely lead to a competitive AHSC grant application. It is recommended, however, that the board of directors authorize the executive director to execute a technical services agreement with the Kuchman Architects as lead consultant for The McConnell Foundation and K2 Development’s proposal. Distinguishing factors include a high level of matching funds and greater attention to AHSC program evaluation criteria.

With regard to next steps, the board of directors' decision will be presented to the Redding City Council in mid-July for concurrence prior to executing a technical services agreement with the selected consultant. The timeline for completing all deliverables is very aggressive due to the anticipated January 2018 deadline to submit applications for the next round of AHSC program grants.

ALTERNATIVES:

The board of directors may select Related California's proposal, or may decline both proposals and direct staff to reissue the RFP with the same or different terms. Reissuing the RFP is not recommended given the anticipated deadline of January 2018, to submit a project for the upcoming AHSC program cycle.

OTHER AGENCY INVOLVEMENT:

Local agency staff assisted SRTA in distributing an expression of interest form used to gauge developer interest in the incentive program. City of Redding staff worked with SRTA staff to finalize the RFP and to evaluate proposals.

FINANCING:

A budget of \$175,000 is included in proposed Amendment #1 to the FY 2017-19 Overall Work Program (see Agenda Item 5-10), under Work Element 702.047 (Sustainable Development Incentive Program).



Daniel S. Little, AICP, Executive Director

Attachments:

SRTA Infill & Redevelopment Incentive Program, Cycle II Request for Proposals

Related California Abbreviated Proposal

(Full proposal available online at: <http://www.srta.ca.gov/DocumentCenter/View/3691>)

The McConnell Foundation and K2 Development Abbreviated Proposal

(Full proposal available online at: <http://www.srta.ca.gov/DocumentCenter/View/3692>)

Abbreviated Related California Proposal
(project description only)



**SHASTA REGIONAL TRANSPORTATION AGENCY
REQUEST FOR PROPOSALS FOR PROJECTS LOCATED IN THE
DOWNTOWN REDDING STRATEGIC GROWTH AREA
JUNE 7, 2017**



[7] PROPOSAL DESCRIPTION

Situated in Downtown Redding, our project provides 81 units of affordable of housing in a mixed-use building in a key location. As an infill development, our Proposal will benefit residents, local businesses and services by infusing the local consumer base with new households.

Given the proximity to the Redding train station and the RABA Transit Center, residents of the proposed housing will be situated at the gateway to the Shasta region while still being connected to the Sacramento metropolitan area. The transit center will also provide residents with convenient access to services within Redding. With the proposed extension of the regional bike trail, we envision the site being a terminus where bicycle storage, rental, and maintenance functions can be provided. The introduction of the bicycle program will encourage a sustainable and pedestrian-friendly option to access the Turtle Bay recreation area, and foster the same for local transportation.

The program will consist of 81 units of apartments offering studio, 1-bedroom, 2-bedroom and 3-bedroom types. The residential structure will be 4-stories of wood framed construction, with the majority of the units located on the upper levels. The lower level is envisioned to contain up to ten flexible spaces for either live work units or commercial or community serving spaces. The flex commercial space will face an internal courtyard. The bulk of the ground floor will be dedicated to residential amenities along with some commercial components. The goal is to emphasize the symbiotic relationship between the mixed uses and have a transparent façade at the pedestrian level, setting up opportunities to engage the public space in interesting ways.

The project proposes to redevelop and renovate the existing city owned parking structures behind the Downtown Redding Mall. Our concept exemplifies the goals of the Downtown Redding Specific Plan, by redesigning these parking structures to put pedestrians first and automobiles second. Our proposal is designed to encourage pedestrian circulation and will open up Butte and Yuba Street to pedestrian and auto access. As stipulated in the Specific Plan our project will limit the amount of dedicated residential parking. Our proposal envisions, improving the north and south parking structures with improvements such as solar carports and electric charging stations and redesigning the parking lots to allow for residential and shared public parking on the north and south parking lots.

Project Highlights:

3 Brm @ 21
2 Brm @ 06
1 Brm @ 48
Studio @ 06

Total: 81 units = approximately 80 units to the acre

- 10-12,000 SF of Commercial space
- Parking for approximately 100 cars on the North parking lot, approximately 360 spaces for the general public in the North and South parking lots.
- A total of approximately 170 bike parking spaces, including secured bike storage for residents and public use.
- Site includes a large improved alley for pedestrian friendly commercial street
- Bike repairs shop
- Public Plaza



SCALE: 1" = 600'-0"

DOWNTOWN REDDING AERIAL

DOWNTOWN REDDING

CALIFORNIA STREET BETWEEN TEHAMA STREET AND PLACER STREET

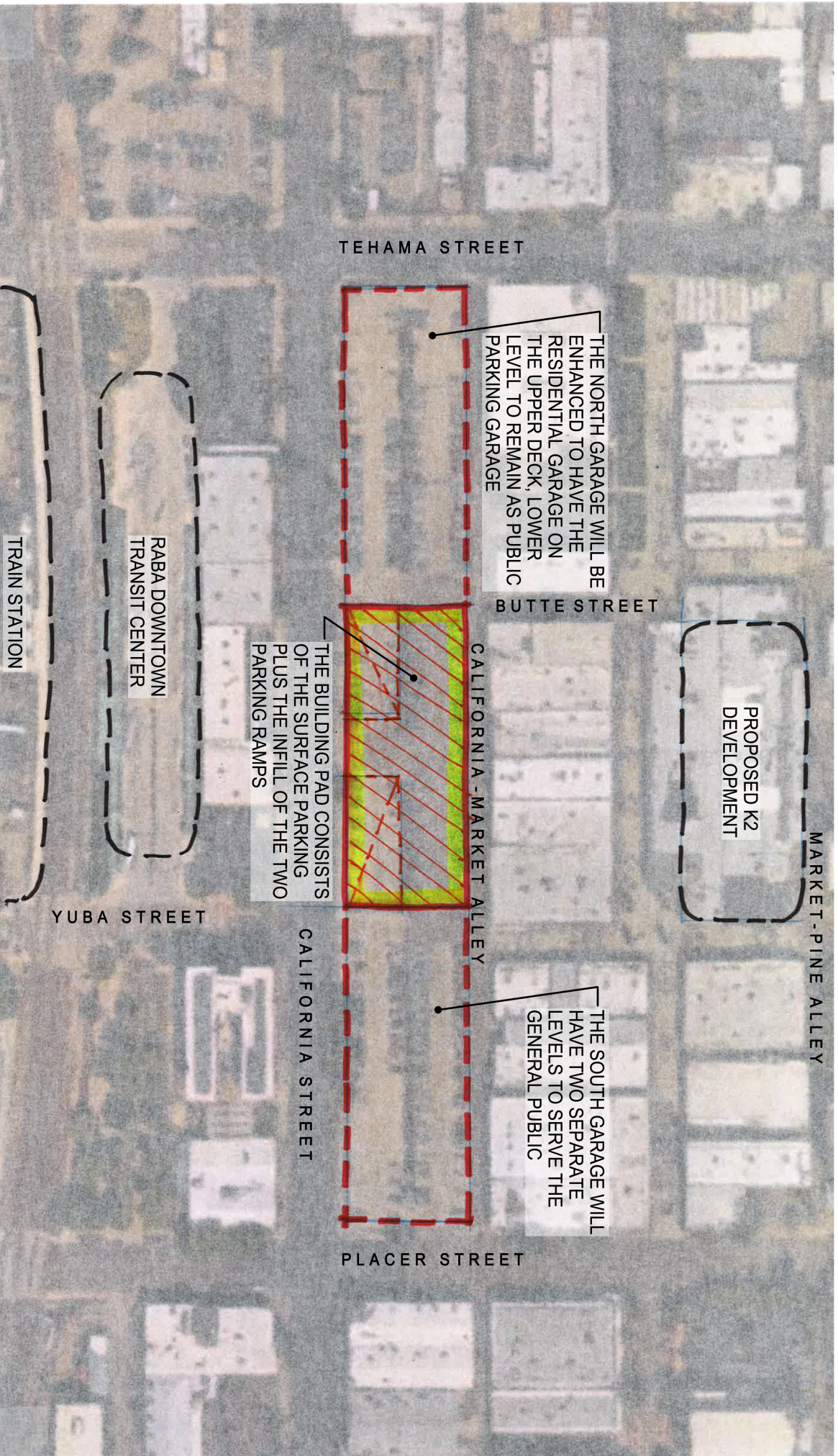


501A 2nd Street
Redding, CA 96001
Phone: 970.258.6888

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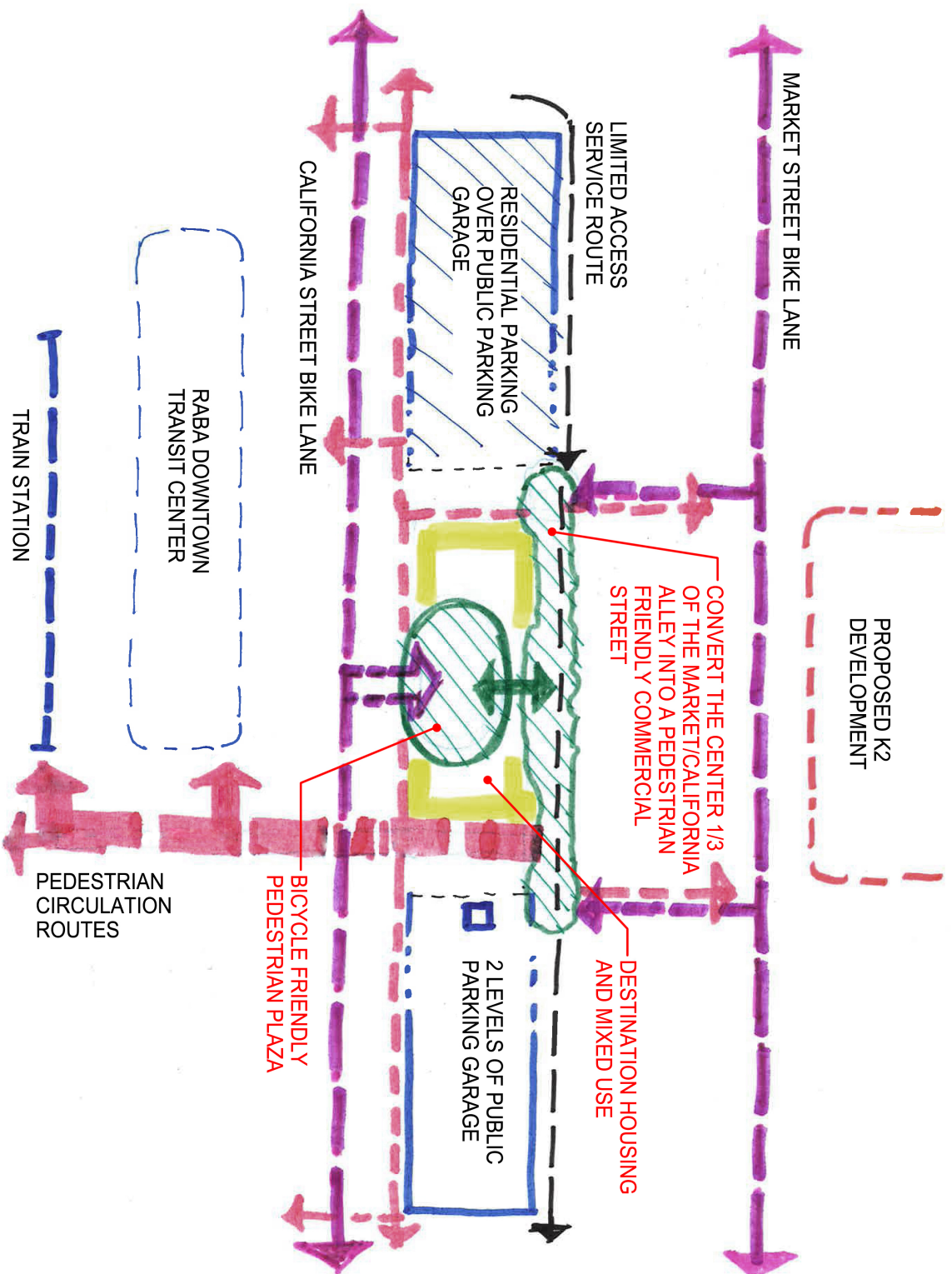
MAY 21, 2017



PROPOSED PROJECT SITE

DOWNTOWN REDDING

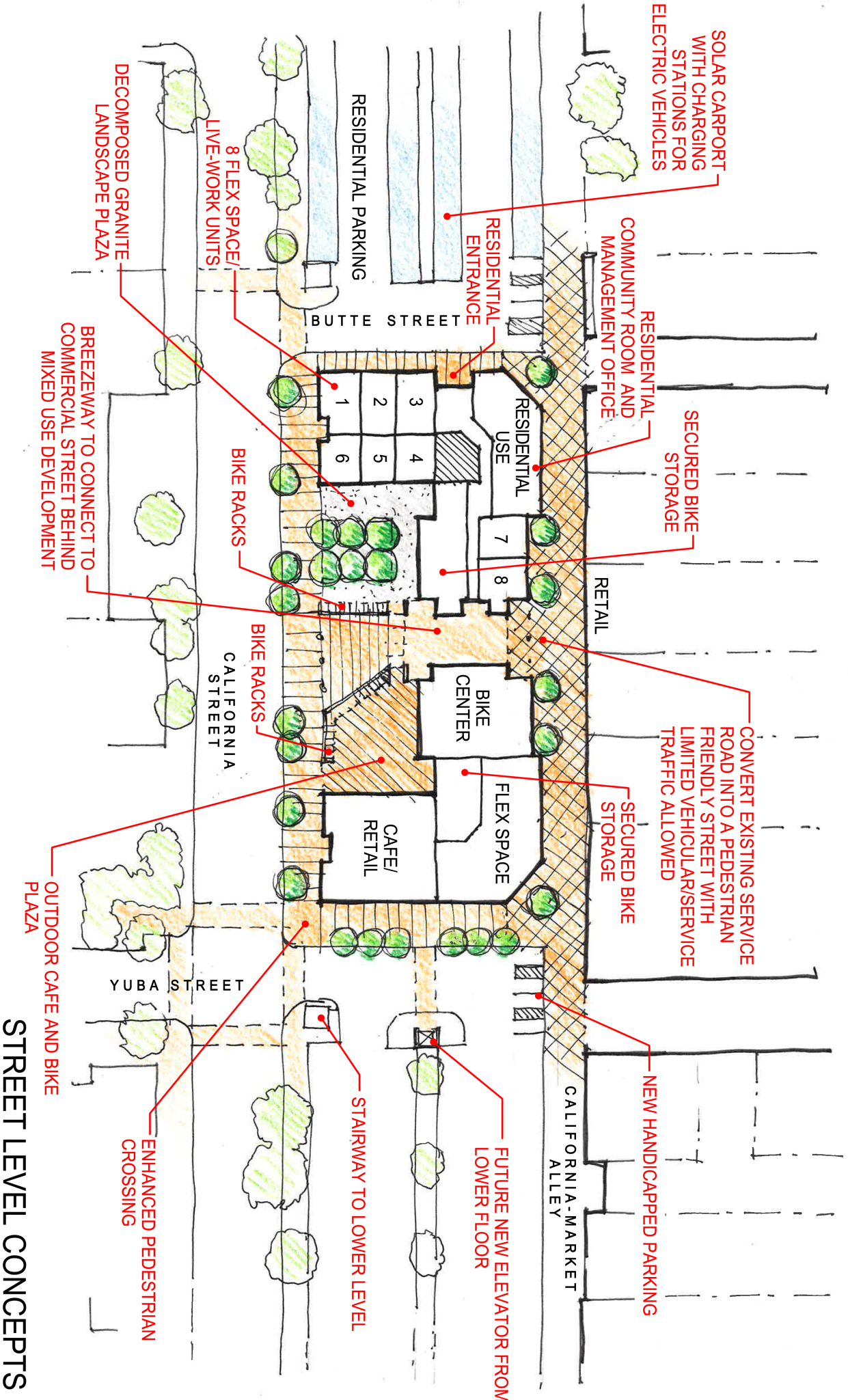
CALIFORNIA STREET BETWEEN TEHAMA STREET AND PLACER STREET



URBAN DESIGN CONCEPTS

DOWNTOWN REDDING

CALIFORNIA STREET BETWEEN TEHAMA STREET AND PLACER STREET

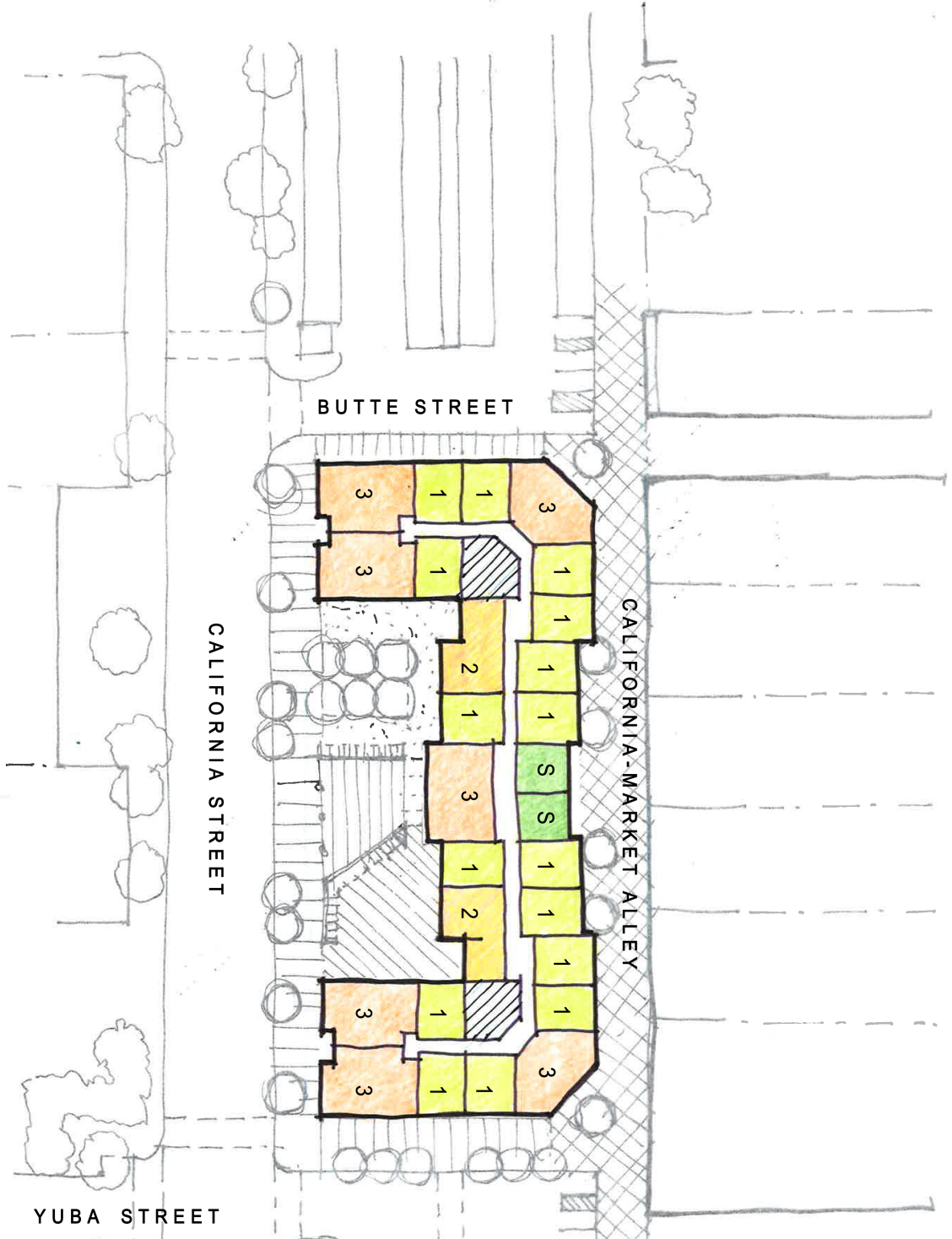


STREET LEVEL CONCEPTS

DOWNTOWN REDDING

CALIFORNIA STREET BETWEEN TEHAMA STREET AND PLACER STREET

DEVELOPMENT SUMMARY



RESIDENTIAL PROGRAM

3 BDRM @ 21 (26%)
2 BDRM @ 6 (7%)
1 BDRM @ 48 (60%)
STUDIO @ 6 (7%)
TOTAL 81 DU

COMMERCIAL PROGRAM

8 FLEX SPACE/LIVE-WORK UNITS @ 8,000 SF
RETAIL FLEX SPACE @ 10,000-12,000 SF

GROSS BUILDING AREA

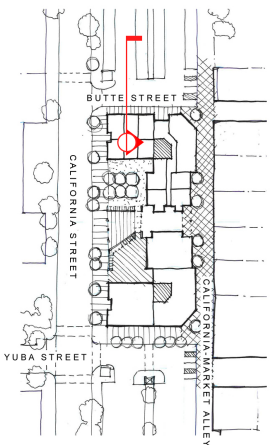
RESIDENTIAL @ 85,000 SF
OTHER @ 25,000 SF
TOTAL ±110,000 SF

PARKING

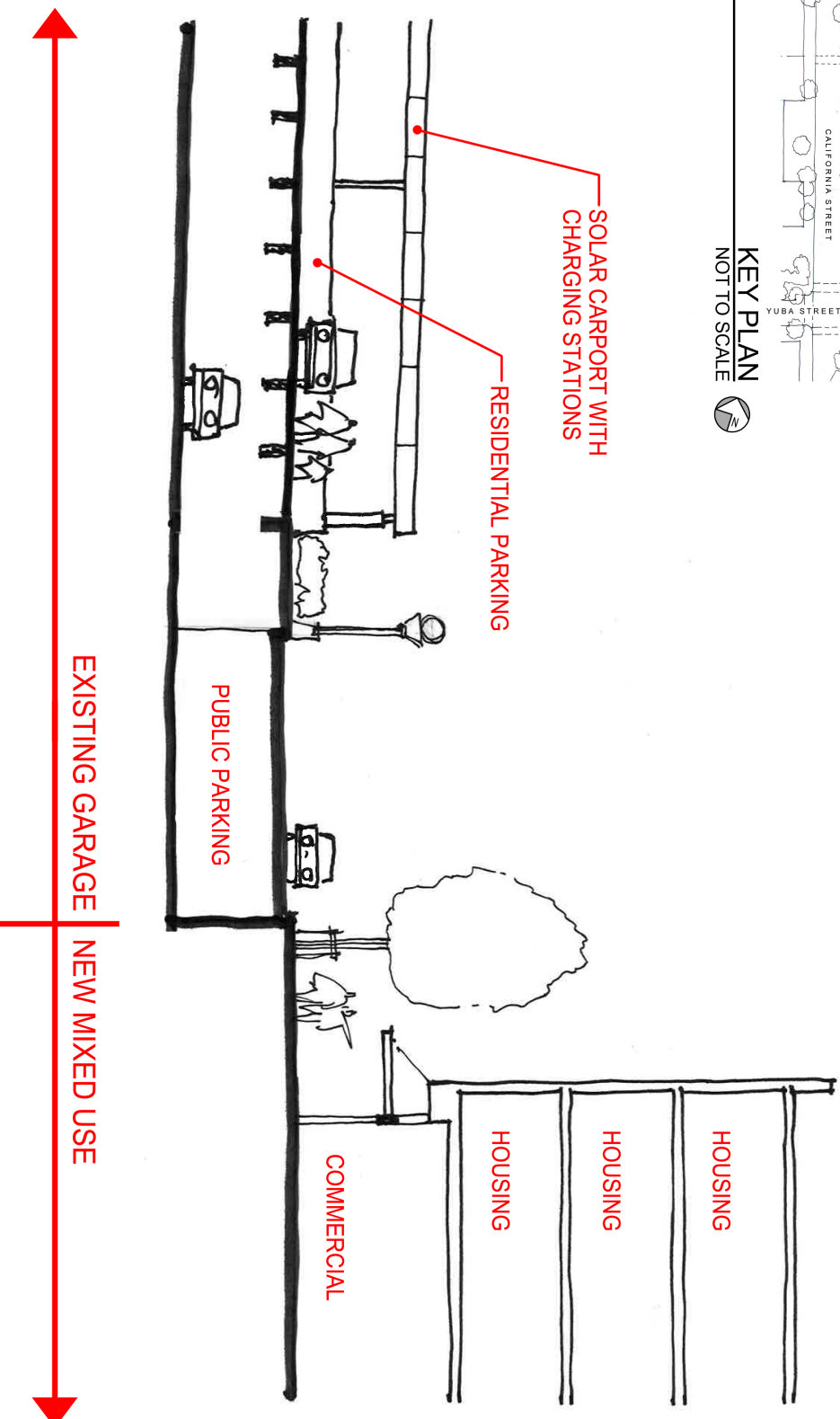
±100 SPACES FOR PROPOSED MIXED-USE DEVELOPMENT
±360 SPACES FOR GENERAL PUBLIC

BIKE PARKING

±60 SECURED BIKE STORAGE FOR RESIDENTS
±50 SECURED BIKE STORAGE FOR PUBLIC USE
±60 OUTDOOR BIKE RACKS

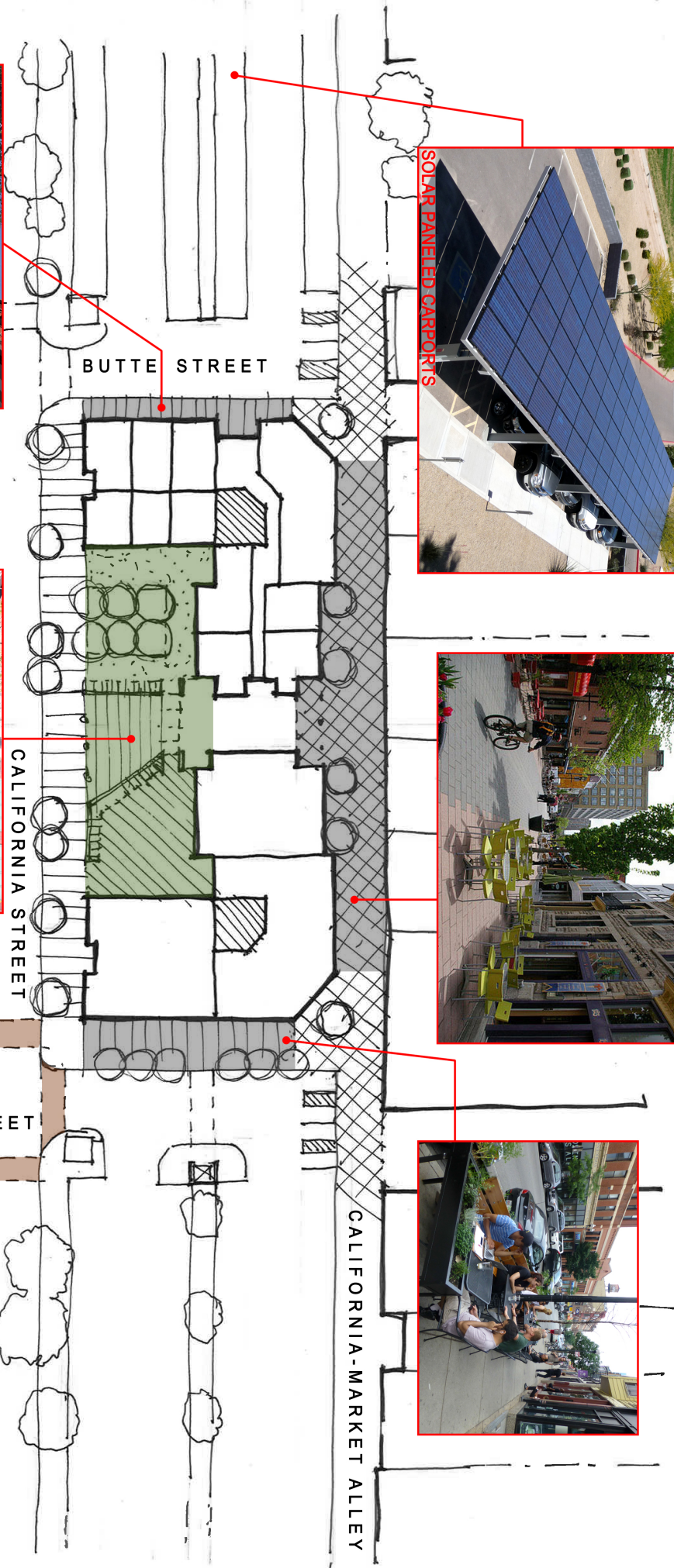


KEY PLAN
NOT TO SCALE

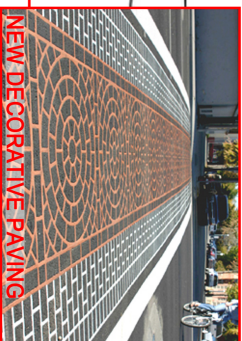




SOLAR PANELED CARPORTS



BIKE FRIENDLY PLAZA



NEW DECORATIVE PAVING

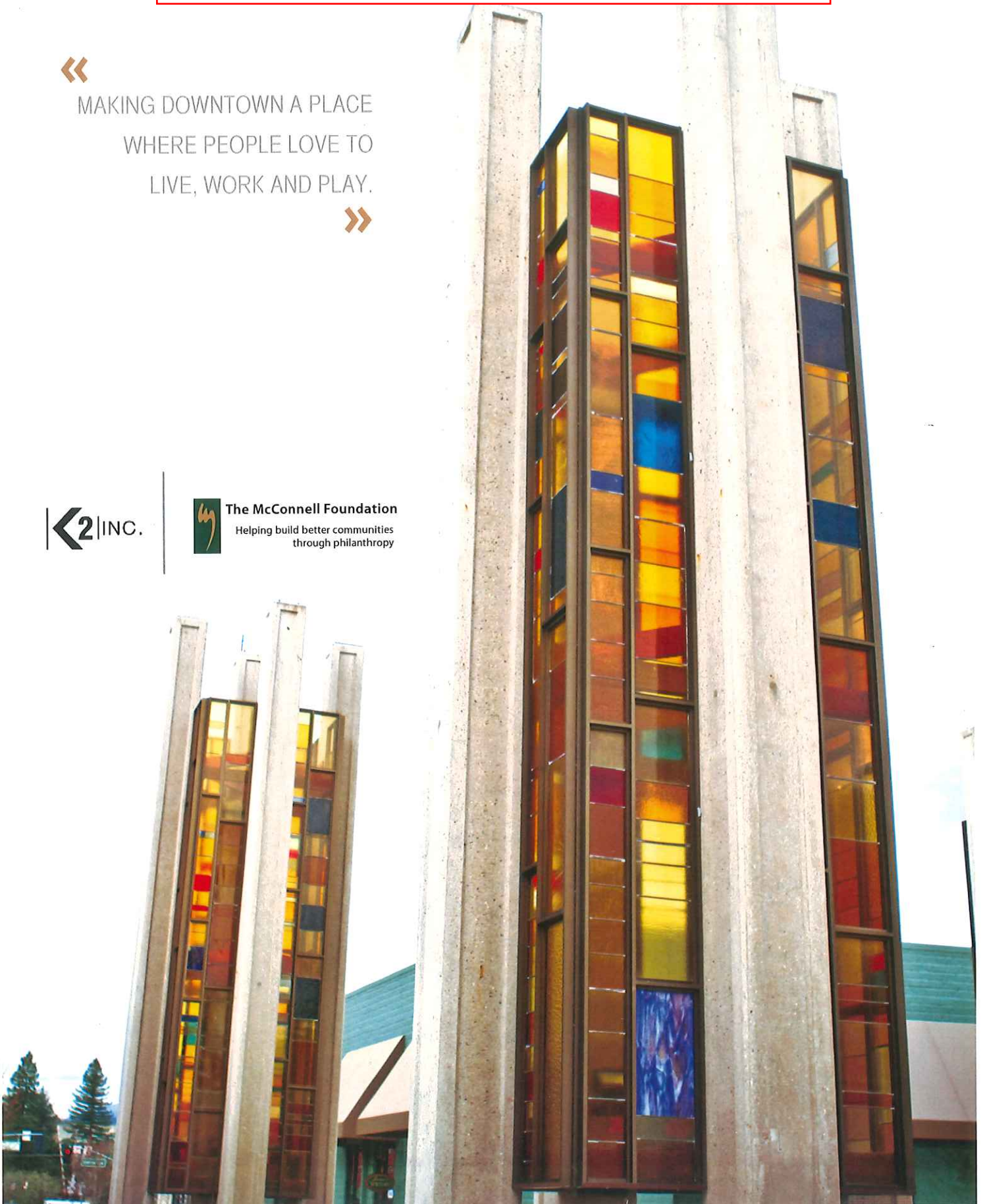
Abbreviated The McConnell Foundation-K2 Development Proposal
(project description only)



MAKING DOWNTOWN A PLACE
WHERE PEOPLE LOVE TO
LIVE, WORK AND PLAY.



The McConnell Foundation
Helping build better communities
through philanthropy



» PROPOSED PROJECT SITE

PROJECT SITE



Parcels

AP #'s: 101-790-034, 101-790-033, 101-790-032

Demonstration of Site Control

Site Control of the entire project area is currently held by City of Redding and/or City of Redding Redevelopment successor agencies. Currently the project applicant has submitted an expression of interest to the City of Redding for the acquisition of the entire project site. It is assumed a joint application will be submitted between project developer and the City of Redding as demonstrated by the attached letter of support in Appendix 4 dated May 26, 2017. At the time of application submittal either project applicant or City of Redding will retain site control and satisfy the threshold requirements of the AHSC application.

Site Background

There has been an increased focus on the development and revitalization of Downtown Redding both by city leaders and the public. Recent planning advancements include the Downtown Redding Community Based Transportation Plan, completed in October 2016, the update to the Downtown Specific Plan, expected to be completed Winter 2017, and California Transportation Agency's continued focus on SR 273 multi-modal active transportation studies.

The California Street Parking Structure is positioned in the heart of downtown Redding and is nearing the end of its useful life. It occupies more than 3 blocks of land in the core of our Central Business District and is an encumbrance to the future development of a vibrant downtown. Today the structure partially contributes to blight, vagrancy, and is a barrier to the natural flow of all modes of transportation downtown. The redevelopment of this site is critical to achieving the objectives of the Downtown Specific Plan and Transportation Plan.



» PROJECT GOALS

1. Positively Impact Surrounding Businesses
2. Establish a Sense of Place Downtown
3. Increase Housing Supply in the Central Business District
4. Strengthen Connections from Downtown to our Trail System
5. Foster Architectural Identity Downtown
6. Increase Land Use Densities Downtown
7. Close Economic Feasibility Gaps for Future Developments
8. Attract Retail Business Downtown
9. Grow a Culture Centered on Community, Arts and Entertainment
10. Serve the Needs of Underrepresented Populations

» GUIDING PRINCIPLES

- 1. AHSC Program Success:** Most importantly, the project and all related components will be designed to exceed all scoring categories outlined in the Affordable Housing and Sustainable Communities Program.
- 2. Community Participation:** Robust community participation is essential for the success of this planning process. Developing a stakeholder communications database and focusing on providing full and equitable participation of groups and constituencies traditionally underrepresented in transportation planning and development efforts.
- 3. Bike Facilities:** Develop a safe and secure system of Class I, II, and III bicycle facilities and sidewalks that connect natural resources and link regional parks, residential areas, schools and commercial activity centers, including the core downtown area. The plan will review underused alleys and roadways for exclusive or shared bicycle-pedestrian facilities, establishing minimum bicycle parking Downtown, connecting disjointed bicycle and pedestrian routes, and traffic signal actuation for bicycle and pedestrian use. These improvements will be visualized on a series of maps that represent the geographic distribution of demographics, circulation patterns, land uses, and proposed multi-modal infrastructure projects within the study area.
- 4. Encouraging Multi-modal Transit:** Recommendations for encouraging transit use to and from Downtown, accommodating bicycle travel, and encouraging pedestrian activity. The study will address how the city's Downtown intermodal transit facility can be more effectively utilized to increase multimodal travel, with a goal to create a more pedestrian and bicycle-friendly community.
- 5. Connectivity:** Strategies for creating connectivity through and between the Downtown area and Sacramento River Trail System. The Plan will complement/continue the recently completed "Dana to Downtown" trail connection improvements, as well as the future trail extension to Downtown from the Diestelhorst Bridge.
- 6. Parking Strategies:** Analysis of parking facilities and opportunities with the objective of determining an optimal balance between providing parking to support economic and residential growth Downtown and encouraging and developing multimodal forms of transportation. A high degree of focus will be given to global short-term and long-term parking solutions throughout the Central Business District.
- 7. Green Infrastructure and Building:** Consideration of opportunities that can be utilized Downtown to develop green infrastructure, including addressing storm water runoff, providing a robust urban street tree plan, and streetscape plans illustrating unique qualities and opportunities of the community. Green building features and techniques (LEED, Greenpoint and Cal Green considered) will be incorporated in all building elements. Special considerations will be given to renewable energy and energy efficiency throughout the project.
- 8. Architectural Design:** All architectural design shall consider the existing built environment in downtown Redding and any updates to the Downtown Specific Plan. Particular focus will be made to surrounding buildings and impacts as well as historical considerations.
- 9. Master Planning / Cultural District:** The entire project site will be planned both for the delivery of short-term and long-term goals of downtown within the context of the planned cultural district. All project elements planned shall have a positive short-term and long-term effect on surrounding business and adjacent project sites.
- 10. Program Selection:** Special consideration will be given to programs that demonstrate an efficient reduction in greenhouse gas emissions, agricultural land use preservation and those that serve underrepresented communities.



» PROJECT VISION

ILLUSTRATIVE VISION

Below is one vision of a project incorporating all design elements considered as part of this proposal. This is for illustrative purposes only. The purpose of the following scope is to ensure proper master planning of the project site, selection of appropriate project elements and full consideration of all project options to ensure project feasibility, success in the grant application and proper attention to the needs of the community.



PROJECT ELEMENTS UNDER CONSIDERATION

- Complete restoration of the grid system downtown to the greatest degree possible reflecting the current Downtown Transportation and Specific Plans. This will include exploration of complete re-introductions of Butte and Yuba Streets from Pine Street to California Street.
- Creation of additional pedestrian/bike friendly complete streets surrounding the project area and provide for additional connection to existing, current and future projects.



- Provide much needed comprehensive planning for parking in the Central Business District. Addressing both current and long-term needs, including but not limited to: parking supply and demand analysis, land use planning, pricing strategies, and financing analysis.
- Further development of pedestrian and bike infrastructure. Includes the evaluation of full or partial completion of the bike and pedestrian loop downtown and connection to Sacramento River Trails and Turtle Bay Exploration Park.
- Creation of transit infrastructure improvements to increase multi-modal traffic circulation throughout the Central Business District.
- Construction of high density, multi-story, mixed-use multi-family housing project sites.
- Evaluation of land use planning for future development sites to incorporate the changing needs and shifting demands of an evolving downtown.

- Evaluation of surface parking sites both on project site and off project site. Covered parking, solar generation and electric vehicle charging stations to be considered in the design.
- Evaluation of land use planning for multi-story public parking structure.
- Evaluation of public open spaces and urban greening, including place making for permanent farmer's markets and community markets. Open spaces to include public gathering areas for entertainment and use year round with special consideration of local climate.

PROGRAMS UNDER CONSIDERATION

- **Explore ways to continue innovative agriculture and natural resource practices on public access land owned and managed by The McConnell Foundation and potential program partners.** During the same time window as the proposed project in downtown Redding, The McConnell Foundation is undertaking a zoning change to convert 555 acres from rural

agriculture to open space at Ross Ranch. This will make it a demonstration site for sustainable and regenerative agriculture in line with the Healthy Soils Initiative and Carbon Sequestration approach, and will be a learning laboratory for Shasta College. *This links to the proposed project at the site through the community market, commercial kitchen, farmers market and food production hub concepts we are exploring particularly through project elements 1 and 4. This approach could include intentional workforce and economic development through those employed at the proposed site.*

- **Grantmaking to organizations that share the aims of reducing vehicle miles traveled and greenhouse gas reduction.** This includes support for Shasta Living Streets, a local organization dedicated to building better bikeways and trails, walkable cities and vibrant public places in Shasta County to which the organization has granted before. *The link to the proposed project is through consideration of future grantmaking to Shasta Living Streets regarding the Bike Depot as a downtown location for 21st century cycling amenities through project elements 3 and 4.*

- **Community Vitality programming focused on downtown Redding revitalization, including a newly created staff position of Program Officer which will include engaging underrepresented and underserved populations.** This work will build on the track record of grantmaking to groups that serve underrepresented and underserved populations such as People of Progress, PlusONE Mentors, Inc., SEACM (serving refugees and immigrants), Shasta County Head Start Child Development, Shasta Family Justice Center, Shasta Region Big Brothers/Big Sisters, Inc., Special Olympics Shasta

County, Stillwater Learning Program, and Youth Violence Prevention Council of Shasta County. *Under exploration currently is engagement with local Indigenous populations who tend to be underserved and underrepresented in our area such as the Native Roots Network and the Native Arts Cultural Collective, and Indigenous People's History Day. The link to the proposed project is through potential programming of project element 1, 3, and 4.*



» PROJECT DESIGN ELEMENT CONSIDERATION 1

MIXED-USE MARKET RATE HOUSING SITE

- Site is located within the planned Cultural District.
- Artistic building and height transition elements.
- Consider Ground Level: 8K SF Retail and Surface Parking.
- Consider Second Floor: Class A Office, 12K SF.
- Consider 3rd-4th Floors: 40-50 Market Rate Units.
- Community market concept considered in first floor.
- Commercial kitchen considered in first floor.
- Consideration given to innovative transportation-related amenities such as ride-sharing through services like Zipcar.



» PROJECT DESIGN ELEMENT CONSIDERATION 2

MULTI-STORY PARKING STRUCTURE SITE

- Site is located within the planned Cultural District.
- Public parking set aside for current or future development of public parking garage.
- Partially replace displaced parking stalls of current structure.
- 300-400 stalls, 4 stories, 300 X 140 parcel.
- Potential urban greening elements and architectural conformity with adjacent projects.



» PROJECT DESIGN ELEMENT CONSIDERATION 3

URBAN GREENING OPEN SPACE

- Site is located within the planned Cultural District.
- Raised planter beds with attached benches and eating areas.
- Well shaded and well lit.
- Urban greening grant possibilities, AHSC Grant strength.
- Potential for event space / flexible public use.



» PROJECT DESIGN ELEMENT CONSIDERATION 4

COMMUNITY OPEN SPACE

- Site is located within the planned Cultural District.
- Potential for community and farmers markets.
- Potential for outdoor amphitheater.
- Water feature.
- Public square and event location.
- Urban greening elements.
- Special considerations given to local climate conditions.
- Potential for Bike Depot to support 21st century cycling amenities.



» PROJECT DESIGN ELEMENT CONSIDERATION 5

SURFACE LEVEL PARKING

- Site is located within the planned Cultural District.
- Solar covered stalls considered.
- Electric car charging stations.
- Help support short-term parking demands of project site.
- Urban greening elements incorporated in design.
- Accessibility from alley and street.



» PROJECT DESIGN ELEMENT CONSIDERATION 6

FUTURE DEVELOPMENT SITE

- Site is located within the planned Cultural District.
- Potentially fit small grocery model or small movie theater concept.
- Site open for highest and best use in evolving downtown economy.
- Site would be open for build to suit if market yielded demand.



» PROJECT DESIGN ELEMENT CONSIDERATION 7

MIXED-USE AFFORDABLE HOUSING PROJECT

- Site is located within the planned Cultural District.
- Potential of 8,000 SF of first floor retail.
- Surface level parking on site.
- Housing starting at .5 story level.
- Potentially 3-4 floors housing.
- Range of potential housing units 50-75. Approximately 75% designated affordable housing, 25% market rate. Affordable housing allocation balanced to maximize AHSC score.



» ESTIMATE PROJECT TIMELINE

COMMENCE PLANNING WORK	JULY 5TH, 2017
ANTICIPATED NOFA RELEASE	SEPTEMBER 15TH, 2017
USE PERMIT SUBMITTAL	OCTOBER 1ST, 2017
FULL DELIVERABLES	NOVEMBER 15TH, 2017
ANTICIPATED APPLICATION DUE	NOVEMBER 30TH, 2017