



# City of San Leandro

Meeting Date: December 15, 2014

## Staff Report

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**File Number:** 14-525 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.L.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Lianne Marshall  
Assistant City Manager

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for City Council Review of Projects for Presentation to the City's Congressional Representatives and Administrative Departments During the March National League of Cities Conference in Washington D.C. for Inclusion in the Federal Fiscal Year 2015 Budget

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### RECOMMENDATION

Staff recommends that the City Council review and authorize the list of recommended local projects for presentation to the City's congressional representatives and administrative departments for consideration in the federal FY 2015-2016 budget.

### BACKGROUND & ANALYSIS

Annually, members of the City Council travel to Washington, D.C. during the National League of Cities conference and lobby congressional delegates to include City projects for funding in the federal budget for the coming year. This process, coordinated by the City's Federal advocacy representative Len Simon, may include meeting with various federal representatives, including members of Congress, their staff and/or federal agency representatives with presentation of written material in support of the City's selected projects. These efforts have proven successful with partially funded projects in recent years, including the COPS grant, the East 14th Street improvements, the Davis/I-880 Interchange, and the expansion of the Lit San Leandro fiber optic loop.

While it is not clear what funding may be available at the federal level in the coming year, it is important to proceed with identifying beneficial projects. Staff prepared the attached packet of four project requests:

- Urban Greenway and Creek Walk
- San Leandro: A Smart City Model
- Community Development Block Grant (CDBG) and HOME Programs

- Next Generation Manufacturing and Workplace District

### Next Steps

If authorized by Council, staff will include these summaries in the packet of materials that is delivered to Len Simon, the City's federal advocate, who will attend the City Council Work Session on January 12th in order to discuss his workplan for 2015. These materials also will assist in any advocacy efforts carried out on behalf of the City of San Leandro by Mr. Simon, City Council members, or staff over the course of the year ahead.

### Fiscal Impacts

The fiscal impact of these requests is unknown at this time. However, the projects identified may require some level of City funds as a match or to fill funding allocation shortfalls. Costs of attending the National League of Cities conference are already appropriated in the adopted current-year City budget.

### **ATTACHMENTS**

- Urban Greenway and Creek Walk
- San Leandro: A Smart City Model
- CDBG and HOME Programs
- Next Generation Manufacturing and Workplace District

**PREPARED BY:** Eric Engelbart, Assistant to the City Manager, City Manager's Office

# San Leandro: A Smart City Model

## Project Overview

The San Leandro Smart City Initiative recognizes the critical role of government in developing and maintaining a healthy, connected ecosystem in which its residents, businesses and visitors can thrive. Building on the Lit San Leandro (LitSL) public/private partnership that has created an existing and expanding 10-gigabit fiber optic network, San Leandro is poised to leverage that digital infrastructure to transform our City into a vibrant digital society.



## San Leandro possesses the critical ingredients required for creating a model, sustainable and digitally connected City:

- Leaders who inspire and pursue economic, social and environmental sustainability;
- A city government, business leaders, and community residents who collaborate to identify solutions;
- A proven ability to leverage existing resources through innovation and technology to improve services and reduce costs; and
- A commitment to intentionally nurture an engaged and vibrant digital society that strengthens our social capital and stimulates digital inclusion.

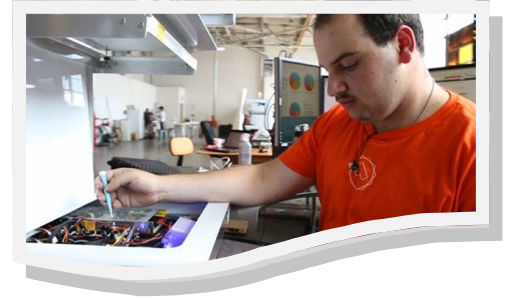
## The digital foundation we've laid to date includes:

- Development of a public/private partnership, called **Lit San Leandro (LitSL)**, that created an 11.5 mile, 10 gigabit per second fiber optic network to stimulate economic development and create jobs.
- An additional \$4.2 million investment by the **Economic Development Administration and the City of San Leandro** added 7.5 miles of new conduit to the City's fiber optic infrastructure in 2014.
- Over 140 businesses, co-working and incubator spaces in two cities (San Leandro and Berkeley) are now connected to the LitSL network, totaling 3 million square feet (s.f.) of commercial building space.
- Attraction of hundreds of thousands of dollars of reinvestment into a former Dodge/Chrysler automotive plant to create a 350,000 s.f. technology center for advanced manufacturing, known as "The Gate". **The Gate**, connected to LitSL in May of 2013 and only one-third leased, today is almost fully leased with an average 50% increase in new lease rates. The recent launch of the Bay Area Advanced Manufacturing (BAAM) hub at The Gate represents the largest collaborative hub of 3D printing-related companies under one roof anywhere in the world.
- Tour of The Gate by Democratic Whip Steny Hoyer and Congresswoman Barbara Lee in October 2014 in recognition of The Gate as a model for the creation of new manufacturing jobs for Americans and hope for restoring the American middle class.
- Partnership with **U.S. Ignite**, a White House program with a mission to "ignite" the development and deployment of new gigabit apps designed to have a profound impact on how Americans work, live, learn and play. In a 2013 competition sponsored by Ignite's partner, **Mozilla Ignite**, the City's team took a first place prize in a gigabit fiber application: **Remote Process Control**.
- Recognition of San Leandro's digital and economic transformation through dozens of publications, including the **Wall Street Journal, San Francisco Business Times, Fortune, CBS News, Forbes** and many others. Lit San Leandro received a 2013 "Real Estate Deal of the Year Award" by the San Francisco Business Times in the category of "Infrastructure/Public-Private Partnerships".
- Partnership with **OSisoft** to enable transparency of building HVAC and utility data for all municipal facilities, providing tools to increase building energy efficiencies and reduce costs.



## **Plans for the Future — A “Connected” City**

The next phase of San Leandro’s Smart City Initiative is to fully utilize “the internet of things”, expanding wi-fi access, using sensors and open data to increase engagement with community stakeholders, and continuing to expand connections enabled by LitSL. San Leandro is becoming a model for innovation and responsiveness, focused on the following initiatives:



### **Addressing the Digital Divide**

San Leandro’s main library is connected to LitSL, providing fast internet connectivity for community residents with limited access. The City is preparing to launch free City-wide wi-fi with the installation of its first Downtown access point.

Providing fast and free public internet access represents a significant milestone in our efforts to enable a level digital playing field for all San Leandro stakeholders.

### **Innovation in Education**

The City is partnering with San Leandro Unified School District to link each of its facilities to a dedicated, City-owned 10 gbps fiber optic internet connection. These fast connections will enable students, parents teachers and other education stakeholders to realize new ways of learning; with access to endless research opportunities and increased collaboration, communication, connections; ability to discover, create, design and build; and improve research tools for the next step, whether college, internships, jobs.

### **Smart Traffic Control and Parking**

San Leandro already has made use of a fiber optic backbone to monitor traffic patterns, maximize the efficiency of traffic signals, and review accident data to improve traffic safety. The next stage is to acquire and implement an adaptive traffic control system that continuously monitors, learns, predicts, and responds to traffic demands and conditions with optimal signal timing for prevailing conditions. Implementation of an advanced parking management system with new meters, sensors and demand-responsive pricing will make it easier to find parking in our fast-growing City.

### **Emergency Preparedness**

By increasing the ability of the Police and Fire Departments to access data quickly and communicate with regional agencies and health facilities, San Leandro will be far better prepared to respond to an emergency or natural disaster. The Smart City initiative also includes the installation of a dedicated public safety Wi-Fi network to ensure that first responders are always connected.

## **Funding Request**

San Leandro already has leveraged \$15 million in public and private funds to develop a fiber network and the first stages of the Smart City Initiative. To move to the next phase, the City estimates that another \$5 million will be required to implement City-wide wi-fi for the community and public safety, smart traffic and parking systems, and to support an effective open data portal.



# CDBG and HOME Programs

## Project Overview

The U.S. Department of Housing & Urban Development's (HUD) Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program have been important and long-standing community development funding resources for the City of San Leandro.

The City has allocated CDBG for important capital improvement projects that have enhanced the City's physical environment over the years. CDBG funds were vital in the construction of the City's new senior community center, which opened in 2011. Other notable CDBG-funded capital improvement projects include: Americans with Disabilities Act (ADA) improvements for City parks and community facilities, ADA accessible wheelchair ramps/curb cuts, and providing loans for low-income serving non-profit public service agencies to renovate their facilities. **The City continues to have significant capital improvement needs, including making all City facilities/parks fully ADA accessible** and providing home rehabilitation assistance to lower-income homeowners, particularly fixed-income seniors. Due to limited local and State revenue sources, **federal CDBG funds are even more critical for the City in addressing infrastructure needs.**

CDBG funds also have assisted local non-profit agencies in providing needed services to over 9,000 lower income San Leandro residents annually. The types of social services funded include: emergency food and clothing, mental health counseling, healthcare, employment services, emergency shelter for homeless families, support services for abused children, hot and nutritious meals for seniors as well as meal delivery to homebound seniors. These are vital services that often serve as a safety net for the neediest residents and require adequate CDBG funding to continue.

The City has utilized its HOME funds to assist in the construction of Cornerstone Apartments, a 115-unit affordable rental housing complex that is scheduled to begin construction in December 2014. **With the State's elimination of redevelopment, the City lost a substantial annual stream of affordable housing funding used to acquire, rehabilitate, and/or build affordable housing. HOME funds are more vital than ever to the City because it has become the City's primary affordable housing funding source to address the continuing housing affordability problem in the Bay Area.**



## Funding Request

San Leandro is seeking support and advocacy to restore CDBG and HOME funding to FY 2010-11 levels in order to more effectively address its community development and affordable housing needs. Reductions of about 17% in its annual CDBG entitlement grant allocation (\$786K vs. \$649K in FY13-14) and about 56% in its HOME grant (\$329K vs. \$144K) have occurred in the last three fiscal years. These significant and continual funding cuts compound the lingering impacts of the national economic downturn on cities such as San Leandro, which face limited local capacity and local/State funding resources to enhance inadequate infrastructure and increasing demands for vital social services and affordable housing.





# Next Generation Manufacturing & Workplace District

## Project Overview

San Leandro's industrial area encompasses 25% of the city's land area and provides two-thirds of its jobs. Today many of the former factory buildings are used for storing and moving goods, not making them. Warehousing and distribution uses have low employment per square foot and provide relatively little in terms of added-value and wages. San Leandro boasts a strategic Bay Area location, flexible industrial building stock, a highly-skilled workforce, and a high-speed fiber optic network that runs throughout the industrial area. With 1,000 acres of underutilized land and former factory spaces, San Leandro is capitalizing on the growing advanced manufacturing, 3D printing, and "maker" movements. Maximizing this opportunity requires reinvesting in the industrial area.



With the 21st Century transformations in business and industry, workplace districts must now be tools to help attract, nurture, and retain talent. In other words, they have to be real places that have services and experiences that workers and entrepreneurs want nearby. This is increasingly the case with younger generation workers who have different attitudes towards work-life balance and locational preferences for activities.

In partnership with urban design and economic development experts and the City's business leaders, San Leandro developed the *Next Generation Workplace District Study*. The study is a strategic plan for transforming the industrial area into a center for innovation, collaboration, advanced manufacturing and high technology clusters. The Next Generation Study is comprised of three primary strategies:

## Three Primary Strategies

**Boost value-added companies.** Nurture and attract entrepreneurs, scale-ups, the maker community, and manufacturing innovators to build upon San Leandro's industrial legacy.

**Engage existing businesses.** Work with established businesses to strengthen connections and supply chains to build upon existing clusters in specialty food production, machining, and instruments and control.

**Humanize the place.** 21st Century employers are drawn to locations with amenities and services in order to attract and retain talented employees. A welcoming industrial district is walkable and bikeable and includes public meeting places where people can share a meal and exchange ideas.

SAN LEANDRO

*We make Things!*

In October 2014 Congressmembers Steny Hoyer and Barbara Lee visited San Leandro to recognize our role in the "Make it in America" initiative.

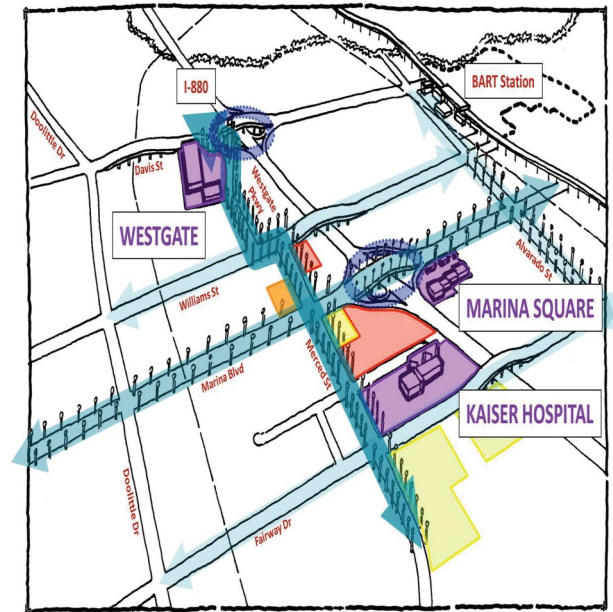


## Next Generation Implementation

San Leandro has initiated numerous programs to leverage private investment, attract innovative companies, and improve infrastructure. The City also recently completed a zoning code update to remove barriers and increase the vitality of the area.

Specific projects and improvements include:

- Streetscape improvements to improve **aesthetics, connections and mobility** along key arterials.
- New **bike lanes**.
- Service enhancements to San Leandro LINKS, a **free shuttle** connecting businesses to mass transit.
- Lighting and sidewalk improvements to upgrade the **pedestrian experience**.
- Targeted **business incentives** to attract businesses that create high quality jobs and expand our innovation ecosystem.
- Development of a growing **craft beer cluster**, to provide needed amenities to younger workers and maintain San Leandro's strength in food and beverage production.



## Funding Request

San Leandro is leveraging public and private dollars to implement the Next Generation Workplace District vision. To realize these opportunities, San Leandro is seeking funding assistance for infrastructure projects, including streetscape improvements, the LINKS shuttle program and recapturing abandoned rail spurs to create pedestrian and bike pathways, and increase connectivity. Successful implementation of the Next Generation initiatives will help the City maximize the potential of its industrial area as a hub of *advanced manufacturing, innovation, and quality job creation*.



# Urban Greenway and Creek Walk



The urban Greenway is a unique regional project that provides a north-south bicycle and pedestrian connection to the 625,000 residents of Oakland, San Leandro and Hayward. The Creek Walk, an east-west pedestrian connection, bisects the Greenway, further expanding this network of active open space. These complimentary projects through densely populated neighborhoods, schools, retail areas, community centers, industrial areas and transit hubs, provide alternative transportation, clean up blighted areas and offer much needed recreational opportunities.



## Greenway Project Overview

The East Bay Greenway is planned to be a well-lighted, beautifully landscaped pedestrian and bicycle path connecting five BART stations. With play areas and other community amenities, the currently neglected space will be transformed into a community asset that brings people together in healthier, safer, and stronger communities.

The twelve-mile East Bay Greenway passes through four jurisdictions: Oakland, San Leandro, unincorporated Alameda County, and Hayward. It will run along and adjacent to the BART elevated "A" Line, parallel to the San Francisco Bay Trail and the Ridge Trail. The Greenway will serve as an urban counterpart to these existing recreational routes.

In order to make the Greenway comfortable and inviting for inexperienced and/or beginning cyclists, the Greenway is designed as a separated multi-use pathway (Class I bike path) for as much of the route as possible. Along streets with high levels of traffic where space for a separated path is inadequate, the plan proposes Class II bike lanes. On residential streets with less traffic, the plan proposes installing Class III bicycle boulevards. The Plan proposes a safe and attractive pedestrian walkway along the entire twelve-mile route.



## Greenway Funding Request

Probable construction costs for the 3.5 mile San Leandro section of the project is approx. \$28 million. The cost of the entire 12-mile long project is approx. \$94 million, although costs could be reduced in an acquisition scheme involving land swaps. Alameda County voters authorized Measure BB in November 2014, which will provide sufficient funds to complete the first phases of project construction; federal funding would facilitate additional public-serving amenities and safety features.



# Creek Walk Project Overview



## San Leandro Creek Trail Master Plan



The City of San Leandro is seeking a grant to construct and create an urban Creek Walk along a stretch of San Leandro Creek from East 14<sup>th</sup> Street in Downtown San Leandro to the Southern Pacific Railroad. The San Leandro Creek runs six miles from east to west, a portion of which runs through Downtown San Leandro, where there is little public access. The Creek Walk will promote healthy living, support economic development downtown, and restore access to the Creek by reconnecting the community with our waterways.

Recently the City received a grant from Caltrans for development of the San Leandro Creek Trail Master Plan, which will provide design concepts and an implementation strategy for a multi-use trail and path along San Leandro Creek. The Master Plan will be developed with extensive public outreach and with partnership between the Cities of San Leandro and Oakland, Rails-to-Trails Conservancy, Merritt College, National Park Service, San Leandro Creek Alliance, and Friends of San Leandro Creek. The Master Plan will provide design guidelines for the initial Creek Walk project, a 3/4 mile stretch starting from Root Park in Downtown San Leandro.



The Creek Walk will provide:

- ◇ Public access to the Creek
- ◇ Restoration of the Creek banks and bed
- ◇ Increased open space for the community
- ◇ Opportunities for walking and healthy living
- ◇ Attraction and access to Downtown
- ◇ Natural setting in an urban area for the community to connect to nature & explore

### **Creek Walk Funding Request**

A grant would allow the City to implement the first phase of the San Leandro Creek Trail Master Plan by creating and constructing a three-quarter mile multi-purpose path through Downtown San Leandro. Construction costs for this initial section of the Creek Walk are approximately \$2 million.