

Baylands project returns before Brisbane

Officials weigh financial, environmental concerns against local control interests

By Austin Walsh Daily Journal staff Jan 16, 2018

After postponing deliberations for a few months, Brisbane officials are returning to examining a transformative residential and commercial development proposed along the Baylands.

The Brisbane City Council is slated Tuesday, Jan. 16, to discuss the Peninsula's largest residential development proposal, aiming to build 4,400 new homes and 7 million square feet of commercial space offered by Universal Paragon Corporation.

Following a decision to table the issue last year in favor of watching housing bills develop in the state Legislature, Brisbane officials will bring back the often divisive and polarizing project for further consideration.

With the proposal's return comes a variety of unresolved concerns illustrated in a letter from Brisbane City Manager Clay Holstine who questioned the developer's capacity to build it as planned.

Universal Paragon Corporation is yet to commit to remediating the soil contamination at the 660-acre site, which was the former home to a rail yard and municipal fill abutting the county's northern border and Highway 101, claims Holstine.

"Building housing is a complex issue for any local government, and significantly more complicated when the proposed housing is to be built on a long-contaminated former industrial site," said Holstine. "It's infinitely more difficult when the developer, Universal Paragon Corp.,

hasn't committed to fully cleaning up the site, as is the case with Baylands."

Holstine's concerns are compounded by the developer's still unclear financial plan for developing the site.

"UPC has yet to fulfill any steps required to make the Baylands ready for development, such as site contamination cleanup, securing water resources or demonstrating how it will finance this proposed \$1 billion development," he said.

He pointed to stagnant projects proposed by the developer in San Francisco and another Brisbane property as a potential precedent for the fears harbored by Brisbane officials regarding the Baylands.

"Whatever development decision is made will irrevocably impact the health and welfare of future residents and neighboring communities. Brisbane is prepared to act but needs to know it has a sound financial partner that will deliver what it promises," he said.

With finances top of mind for officials, members of the City Council should consider permitting a fiscal analysis of the project studying development scenarios including varying amounts of housing, according to a city memo.

The effort would weigh the city's expected financial burden assumed through approving housing at the site against opportunities to generate revenue, according to the report.

"The analysis should help inform the City Council's decision making process going forward as to what different development scenarios (each with varying ranges of residential and nonresidential development) would mean for the city," according to the report.

Should councilmembers approve pursuing the study, it would return to officials for further examination in March.

Beyond the financial concerns, Brisbane officials are focused on preserving local control over the fate of the residential development.

Much of the justification for pushing pause on deliberations last year was to give room for talks at the state Capitol regarding housing bills designed to facilitate housing construction, according to the memo.

Central to the fears of Brisbane officials are discussions of lawmakers crafting a bill requiring residential development at the Baylands, which officials believe could still come to fruition if the City Council does not approve the housing proposal.

“Representatives anticipate the Legislature will enact such a bill in 2018 if the city does not take action publicly in early 2018 to signal it is open to a reasonable amount of residential development on the Baylands,” according to the memo signed by Holstine, Community Development Director John Swiecki and City Attorney Michael Roush.

While officials express a commitment to battling such legislation in court, they are also cognizant of the costly legal fees tied to such endeavors, according to the memo.

Considering the variety of issues tied to the project, Holstine encouraged officials and community members to take a comprehensive approach to examining the complicated proposal.

“We understand the desire of many to alleviate California’s housing crisis,” he said. “The Baylands looks like an easy solution, but upon inspection, it isn’t.”

The Brisbane City Council meets 6:30 p.m. Tuesday, Jan. 16, at Brisbane City Hall, 50 Park Place.

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