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SAN RAFAEL

BioMarin is facing $1 million traffic fee

Money would fund projects to ease development impact

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BioMarin could be required to pay San Rafael nearly $1 million for transportation and traffic flow improvement projects in connection with the pharmaceutical company's plan to redevelop a major downtown property, city officials said.

The obligation is one of several tentative agreements that San Rafael and BioMarin reached this month in a private negotiation process. A development contract that spells out the obligations of both parties is now set for review by the San Rafael Planning Commission and City Council, officials said.

BioMarin is seeking the city's permission to build two four-story laboratory and office buildings on a 3-acre site at 999 Third St., which would be a major expansion to the company's facilities in downtown San Rafael. Additionally, the nonprofit Whistlestop hopes to build low-income housing and a senior center on the site through a partnership with BioMarin.

The proposed development contract, which is a 10-year agreement, "gives BioMarin a clear understanding of what the terms are for that site development," said San Rafael Mayor Gary Phillips. "This way, they can make their plans knowing what constraints there might be."

According to the tentative contract, BioMarin must pay San Rafael $500,000 for projects that improve traffic flow or parking availability. One such project would improve the timing of traffic lights along Second and Third streets, which are San Rafael's busiest thoroughfares. The rest of the money is set for unspecified city projects.

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BioMarin

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An environmental impact study determined that BioMarin's proposed development would likely worsen traffic congestion in San Rafael, generating approximately 2,453 daily vehicle trips. The company estimates between 500 and 550 employees will work in the offices on the property. The proposed housing and senior center will bring additional people to the property each day.

The contract also says that BioMarin must pay the city $400,000 for so-called "first and last mile" transportation initiatives, which are ways for workers to get to and from public transit. According to San Rafael's planning manager, Raffi Boloyan, that money could be used to improve bicycle and pedestrian routes, or for other traffic and parking improvement projects.

Additionally, the contract says that BioMarin must create a public plaza, 3,500 square feet of retail space and conference rooms available for public use on its property. The company must fund the creation of a bike lane along Lindaro Street between Anderson Drive and Third Street. And it must complete a $16 million environmental cleanup of its 999 Third St. site, a former Pacific Gas and Electric Co. property, so that it is suitable for residential use, among other requirements.

San Rafael is required in the contract to allow BioMarin up to 10 years to build its project, if it's approved by the City Council. The city must also freeze impact fees for the development at current rates.

BioMarin said in a statement that negotiations with the city over the development contract have been "productive" and that the company is "optimistic that we can finalize the process in the near future."

"We're grateful to BioMarin for investing in our community," said San Rafael Councilwoman Kate Colin. She said the agreements in the development contract "will provide great benefit" to San Rafael, particularly the company's environmental cleanup of the property.

The agreement, if approved, will allow the project to move forward for Whistlestop, the nonprofit organization that hopes to build a senior center and 67 apartments for low-income seniors on the property, city officials said. Though BioMarin doesn't plan to start construction until 2025 at the soonest, according to Phillips, Whistlestop hopes to break ground this year.

Whistlestop hopes to start construction "as soon as we can, because of the vital need for both affordable housing and aging services in the community," said Joe O'Hehir, executive director for the organization, which offers services for seniors and adults with disabilities.

Whistlestop has partnered with Eden Housing, an East Bay real estate firm, which is set to take on the affordable housing component on the site. Whistlestop's senior center would take up the first two floors of the planned six-story building, and the 67 apartments owned and managed by Eden Housing would take up the top four floors.

According to O'Hehir, Whistlestop has raised the estimated $10 million needed to build its senior center through private donations. But Eden Housing, which plans to fund the estimated $38 million construction of the apartments through state grants, won't begin applying for funding until city officials approve the project, O'Hehir said. If all goes according to plan, he estimates construction of the complex could be complete as soon as 2022.

BioMarin has agreed to donate the land for the project to Whistlestop, according to O'Hehir. The apartments and senior center would be built on a 15,000-square-foot portion of BioMarin's property.

Whistlestop, in turn, has agreed to give its property at 648 Lindaro St. to BioMarin in a land swap, O'Hehir said. The property, which is adjacent to BioMarin's campus, is used as a corporation yard for Whistlestop. The net property exchange results in a $1.2 million donation by BioMarin to Whistlestop, according to city officials.

"To me, that donation is priceless," Colin said. "Not only because of the people that are going to be helped, but also it's demonstrating to our population that we value healthy aging."

The Planning Commission is scheduled to hold a public hearing to consider the project, including the proposed development agreement, at 7 p.m. Jan. 28 at City Hall.