



Office of the City Manager

CONSENT CALENDAR
July 13, 2021

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Jordan Klein, Director, Planning and Development Department
 Subject: Authorize the City Manager to Accept REAP and PDA Planning Grant Applications

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to accept three planning grant awards and to execute documents or amendments associated with each grant. The three applications awarded are: A competitive Regional Early Action Planning (REAP) grant in the amount of \$75,000; a non-competitive REAP grant in the amount of \$83,506; and a Priority Development Area (PDA) Planning Grant for the San Pablo Avenue PDA in the amount of \$750,000.

FISCAL IMPACTS OF RECOMMENDATION

The total anticipated budget for the 2023-2031 Housing Element Update is approximately \$540,000. The City has allocated \$325,000 from a previously-awarded State of California Local Early Action Planning (LEAP) grant towards this effort and will be applying the \$83,506 non-competitive REAP grant and \$75,000 competitive REAP grant to help cover the remaining budget need of \$215,000. The final \$56,494 needed for the Housing Element Update will be expended from the Community Planning Fund (within the Permit Service Center Fund).

The total anticipated budget for the San Pablo Avenue Specific Plan is \$750,000. The PDA Planning Grant will go entirely towards the completion of that effort. No City matching funds are required for any of the three grant awards being accepted in this action.

CURRENT SITUATION AND ITS EFFECTS

The 6th Cycle 2023-2031 Housing Element Update is required by State law and is a Strategic Plan Priority Project, advancing our goal to create affordable housing and housing support services for our most vulnerable community members. The state mandates that all jurisdictions must plan for the projected housing needs of residents at varying levels of income as part of the Housing Element and Regional Housing Needs Allocation (RHNA). The City of Berkeley currently has a draft RHNA of approximately 8,934 units for the 6th Cycle. The Land Use Policy Planning staff and consultant team will focus on the Housing Element Update effort over the next 18 months.

The San Pablo Avenue PDA is a Strategic Plan Priority Project, advancing the City’s goal to foster a dynamic, sustainable, and locally-based economy. Recent changes along San Pablo Avenue in Berkeley range from pedestrian safety improvements to new commercial businesses and mixed-use housing developments. The City anticipates that the San Pablo Avenue Plan Area has the potential to add at least 1,250 housing units, of which at least 250 will be deed restricted affordable for Low or Very Low-Income households. Land Use Policy Planning staff will embark on this effort by partnering with a planning consultant team to ensure that a Specific Plan is adopted by 2025 as required for all PDA grant-funded projects.

BACKGROUND

In late December 2020, the Joint Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) released a Call for Letters of Interest for \$1 million in competitive REAP grants (maximum \$100,000 per grant), \$5 million in non-competitive REAP grants, and \$7.8 million in PDA Planning and Technical Assistance funds for jurisdictions in the Bay Area region. The City of Berkeley submitted Letters of Interest on February 11, 2021 and were awarded the following grants:

Grant Type	Submitted Application	Recommended Award
Competitive REAP	\$100,000 to be used towards the Housing Element and missing middle rezoning	\$75,000
Non-Competitive REAP	\$83,506 to be used towards the Housing Element Update	\$83,506, based on a Draft RHNA Methodology Eligible Units formula
PDA Planning Grant	\$800,000 to be used towards developing the San Pablo PDA Specific Plan	\$750,000

Berkeley was one of only 14 successful jurisdictions out of 65 that applied for competitive REAP funding. The City’s 6th Cycle RHNA target is approximately 8,934 units, a 202% increase over the 5th Cycle. The City will put the combined \$158,506 in competitive and non-competitive REAP funding towards the preparation of the Housing Element Update and its associated implementation steps, including housing inventory and policy analysis, rezoning, and associated environmental review. The Housing Element Update process also includes extensive public outreach and engagement to ensure that Berkeley’s community members and stakeholders understand, guide, and contribute to the planning process.

In March 2021, City Council adopted two referrals regarding participatory planning, key principles and zoning considerations for the Housing Element Update process. In April

2021, City staff presented to the Council a memorandum providing a summary of Berkeley's Housing Element and General Plan progress and further background on the City's RHNA. Please see the links section at the end of this staff report for full details.

Rezoning will focus on encouraging growth and density in transit- and resource-rich areas as well as creating "missing middle" housing opportunities in districts currently zoned for lower densities. In 2019, City Council adopted a referral for missing middle housing (sponsored by Councilmembers Droste, Bartlett, Robinson, and Kesarwani; see link below) requesting analysis on dividing existing housing into smaller units and allowing a wider range of housing types on single-family lots, such as duplexes, triplexes/fourplexes, courtyard apartments, bungalow courts, and townhouses.

In 2015, City Council adopted a referral (sponsored by former Councilmembers Maio and Moore; see Attachment 2) requesting preparation of a San Pablo Avenue Plan, recognizing that a comprehensive vision is necessary to guide the future development of this important multimodal, multi-use corridor. San Pablo Avenue is a primary transportation corridor in the East Bay, extending from the Carquinez Bridge through Berkeley to Downtown Oakland, and has been the subject of multiple regional planning efforts, including ABAG's East Bay Corridor Initiative and Alameda County Transportation Commission's (ACTC) San Pablo Avenue Corridor Project. The City will use the PDA funding for a comprehensive planning process to define a cohesive community vision for the future of San Pablo Avenue and identify opportunities and specific strategies to support a diversity of housing, commercial activities, and public amenities along this important corridor and its adjacencies.

ABAG/MTC has compiled a Regional Consulting Bench ("Bench") of pre-qualified consultants with expertise in assisting jurisdictions in multiple service categories, from comprehensive planning to housing and transportation policy to engagement and outreach. The City has the option to administer the PDA grant through the ABAG/MTC Bench or through a reimbursement-based grant administered by City staff.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The projects funded by these grants – the Housing Element Update and the San Pablo Avenue Specific Plan – will result in greater housing development near transit- and employment-rich areas. Prioritizing density and affordable housing in these areas will incentivize community members to use alternative modes of transportation and reduce vehicle miles traveled (VMT), which are critical for reducing greenhouse gas emissions, and will bring the City closer to meeting its Climate Action Plan and Climate Emergency goals.

RATIONALE FOR RECOMMENDATION

In order to accept the awarded competitive and non-competitive REAP Grants and the PDA Planning grant, City Council must adopt and submit the attached Resolution.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Grace Wu, Senior Planner, Planning and Development Department, 510-981-7484

Attachments:

- 1: Resolution
- 2: Referral to Planning Commission re San Pablo Ave. development, July 14, 2015

Links:

1. Droste L., Bartlett B., Robinson R. and Kesarwani R. (2019, April 23). *Missing Middle Housing Report*. Berkeley City Council.
https://www.cityofberkeley.info/Clerk/City_Council/2019/04_Apr/Documents/2019-04-23_Supp_2_Reports_Item_32_Rev_Droste_pdf.aspx
2. Droste, L., Arreguín J., Kesarwani R., and Taplin T. (2021, March 25). *Initiation of Public Process and Zoning Concepts for 2023-2031 Housing Element Update*. Berkeley City Council.
https://www.cityofberkeley.info/uploadedFiles/Clerk/City_Council/2021/03_Mar/Documents/Initiation%20of%20Public%20Process%20and%20Zoning%20Concepts%20-%20Mayor%203-25-21.pdf
3. Hahn, S. and Harrison, K. (2021, March 25). *Initiation of Participatory Planning for Berkeley's Regional Housing Needs Allocation (RHNA)*. Berkeley City Council.
[https://www.cityofberkeley.info/Clerk/City_Council/2021/03_Mar/Documents/2021-03-25_\(Special\)_Supp_2_Reports_Item_2_Supp_Hahn_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2021/03_Mar/Documents/2021-03-25_(Special)_Supp_2_Reports_Item_2_Supp_Hahn_pdf.aspx)
4. Williams-Ridley, D. (2021, April 28). *Housing Element Update and Annual Progress Report*. Off-Agenda Memo to Mayor and City Council.
https://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3_-_General/Housing%20Element%20Update%20042821.pdf
5. ABAG and MTC. (2020, December). Letter of Interest: Regional Early Action Program (REAP) and Priority Development Area (PDA) Planning & Technical Assistance.
https://abag.ca.gov/sites/default/files/applicant_guide_reap_pda_loi.pdf

RESOLUTION NO. ##,###-N.S.

ACCEPTANCE OF TWO REGIONAL EARLY ACTION PLANNING (REAP) GRANTS
AND ONE PRIORITY DEVELOPMENT AREA (PDA) GRANT

WHEREAS, the City Council of the City of Berkeley desires to accept and approve the application and award of two REAP grants and one PDA grant to assist in the preparation and adoption of the 2023-2031 Housing Element update, its associated rezoning efforts, and the San Pablo Avenue Specific Plan; and

WHEREAS, pursuant to the 2019-2020 Budget Act, the State Department of Housing and Community Development (HCD) established the Regional Early Planning Grant Program (REAP) to provide one-time grant funding for planning activities that will accelerate housing production and facilitate compliance in implementing the 6th Cycle of the Regional Housing Needs Allocation (RHNA); and

WHEREAS, since 2008, the Federal Surface Transportation Program (STP) Planning Funds, distributed by MTC and guided by the One Bay Area Grant programs (OBAG) policies, have dedicated funds to regional initiatives that support PDA planning and implementation; and

WHEREAS, in late December 2020, ABAG and MTC solicited Letters of Interest from the 109 local jurisdictions in the nine-county Bay Area for approximately \$12 million in Technical Assistance and Planning Grants to support the completion of Housing Elements, housing-supportive initiatives, and Priority Development Areas (PDAs); and

WHEREAS, the funding is divided into three categories: non-competitive REAP funding (formula based on Draft RHNA Methodology), competitive REAP funding (\$100,000 maximum grant), and PDA Planning funding (\$800,000 maximum grant per PDA); and

WHEREAS, on February 11, 2021, the City of Berkeley submitted Letters of Interest applications for REAP competitive and non-competitive funding and PDA Planning grants; and

WHEREAS, the City was notified on May 14, 2021 by the Joint MTC Planning and ABAG Administrative Committees of the recommended awards for three funding grants: \$83,506 in REAP non-competitive grant funding for the Housing Element, \$75,000 in REAP competitive grant funding for the Housing Element and missing middle rezoning, and \$750,000 in PDA Planning for the San Pablo Avenue Specific Plan.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee is hereby authorized to accept the REAP and PDA grant application awards as follows: \$83,506 in REAP non-competitive grant funding for the Housing Element, \$75,000 in REAP competitive grant funding for the Housing Element

and missing middle rezoning, and \$750,000 in PDA Planning for the San Pablo Avenue Specific Plan.

BE IT FURTHER RESOLVED that the City Manager of the City of Berkeley is authorized to enter into, execute, and deliver on behalf of the Applicant, an agreement with Association of Bay Area Governments (ABAG) for the REAP grants and an agreement with Metropolitan Transportation Commission (MTC) for the PDA grant (Standard Agreements) for the amounts awarded to complete the City's Housing Element update, support the analysis and rezoning for missing middle housing, and complete a Specific Plan for the San Pablo Avenue PDA, and any and all other documents required or deemed necessary or appropriate to evidence and secure the REAP and PDA grants, the Applicant's obligations related thereto, and all amendments thereto.

BE IT FURTHER RESOLVED that the Applicant shall be subject to the terms and conditions as specified in the Letter of Interest (LOI) and the Standard Agreements provided by the Department after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreements. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the fully executed Standard Agreements. Pursuant to the LOI and in conjunction with the terms of the Standard Agreements, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.



CITY COUNCIL

CONSENT CALENDAR

July 14, 2015

TO: Honorable Mayor and Members of the City Council

FROM: Councilmembers Linda Maio and Darryl Moore

SUBJECT: Referral to Planning Commission: Guiding Development on San Pablo Avenue

RECOMMENDATION

Refer to the Planning Commission the development of a Plan to guide development on San Pablo Avenue.

BACKGROUND

There has been a spate of development on San Pablo Avenue recently and we can expect more development to occur. Neighbors are concerned that major corridors in the City have been the subject of a Plan to guide development, yet this major Avenue still lacks such a plan. This item initiates a planning process for San Pablo Avenue, including a major outreach component to the community.

FINANCIAL IMPLICATIONS

Staff time.

CONTACT

Councilmember Linda Maio, District 1, 510-981-7110
Councilmember Darryl Moore, District 2, 510-981-7120

