



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>3 JUN 2019</i> <i>Phil M. Powner</i>		GENERAL MANAGER ACTION REQ'D: No		
DATE: 12/21/2018		BOARD INITIATED ITEM: No		
Originator/Prepared by: Abigail Thorne-Lyman Dept: Systems Development <i>Abigail Thorne-Lyman</i> Signature/Date: <i>Dec 31, 2018</i>	General Counsel <i>[Signature]</i> <i>1/2/19</i> []	Controller/Treasurer <i>[Signature]</i> <i>1/2/19</i> []	District Secretary []	BARC <i>[Signature]</i> <i>1/2/2019</i> []

Affordable Housing and Sustainable Communities Applications for FY2017-2018, and Pass-Through Agreements for FY2015-2016 Awarded Grants

PURPOSE:

To obtain authorization to enter into agreements required to apply for and receive funds for transit access improvements from the FY2017-2018 Affordable Housing and Sustainable Communities (AHSC) grant program and to execute pass-through agreements to receive funds from previously awarded FY2015-2016 AHSC grants.

DISCUSSION:

The State of California Strategic Growth Council (SGC) and Housing and Community Development Department (HCD) have issued a Notice of Funding Availability for the FY2017-2018 Affordable Housing and Sustainable Communities (AHSC) Grant Program, funded by Cap-and-Trade auction proceeds.

BART's Transit-Oriented Development (TOD) Policy sets a goal of "Partner(ing) to ensure BART contributes to neighborhood/district vitality, creating places offering a mix of uses and incomes." BART has previously successfully partnered with private developers and used the AHSC program to secure funding that will both build affordable housing and enhance active transportation access to stations. In this forthcoming round of funding, BART has been working with seven potential applicants on an array of improvements, as shown in Attachment 1. Affordable housing developer applicants who are seeking AHSC funds to subsidize the construction of their projects are more competitive if up to 30% of their funding request will be for projects that improve pedestrian, bicycle, or transit

infrastructure. The projects included for BART are therefore mutually beneficial, making the applications more competitive and providing improvements to BART and surrounding areas.

The grant requirements do not require BART to be a direct applicant for these funds for any of these projects. BART would be a subrecipient, and, under the terms of the grant application, must enter into agreements in advance of the application deadline, confirming that BART retains ownership of property being improved, and establishing roles and responsibilities for making transportation improvements and seeking reimbursement for costs from the lead applicant(s).

In four of the anticipated applications (improvements at MacArthur, North Berkeley, Civic Center, and Millbrae stations), the BART-related transportation improvements are separate from the housing project, and BART would receive funds via a pass-through agreement with either the City or housing developer applicant.

The affordable housing projects associated with the remaining three anticipated applications (improvements at Balboa Park, Fruitvale, and West Oakland stations) are proposed to be immediately adjacent to BART's improvements, and BART is an active participant in the negotiations associated with the housing development. Transportation improvements requested through the AHSC application have been negotiated by staff as a condition of approval of other property-related negotiations with BART (which will be brought to the Board for approval as separate items either at this or future meetings); specifically:

- Balboa Park: Approval of easements on BART Property (the subject development occurring on adjacent City-owned property)
- Fruitvale: Approval of modifications to recorded agreements on the City-owned property where the subject development will be taking place
- West Oakland: Approval of the transit-oriented development on BART property.

The affordable housing developments associated with these applications cannot be built without these approvals, and the agreements required for the AHSC applications will therefore only be enacted subject to the Board's approval. The State of California requires AHSC-related agreements to be executed in advance of the AHSC grant application deadline of February 11, 2019.

Staff is seeking Board approval to enter into agreements with various parties as described in Attachment 1. The agreements would:

- Describe BART's previous experience with at least two similar projects within the last 10 years;
- Stipulate the terms of agreement between the developer, City and BART for completion of BART-related improvements including roles and responsibilities for making the improvements, and a schedule of performance;
- Stipulate the terms for funding and reimbursement, and responsibility for cost

overruns;

- Confirm that BART has site control and entitlements or approvals needed to construct the transportation improvements; and
- Confirm that BART will work in good faith and in a timely manner with the developer to provide any necessary permits to enter BART-owned property, as appropriate.

Staff is also requesting authorization from the Board to enter into pass-through agreements with Applicants if they are awarded the funds, contingent on Board authorization of all other required agreements as stated above. SGC and HCD are expected to announce grant awards in Summer 2019.

Pass-Through Agreements for 2015-2016 AHSC Applications

Additionally, BART included transportation projects in several applications in the FY2015-2016 round of AHSC funding. At the time no Board action was required by the application date. Several applicants received funding, and BART is ready to implement associated transportation projects. These projects and the requested dollar amounts are shown in the table below:

Improvement	Co-Applicant	Funding Amount to BART
2 Bicycle Stairway Channels at Coliseum Station	City of Oakland	\$93,800
2 Bicycle Stairway Channels, Accessible Fare Gate at Lake Merritt Station	City of Oakland	\$235,000

Staff is also requesting authorization from the Board to enter into pass-through agreements with the City of Oakland to receive funds for these projects.

All agreements will be approved as to form by the Office of the General Counsel.

FISCAL IMPACT:

Depending on which applications are awarded, the AHSC program could provide between \$0 and \$11 million in contributions to BART capital improvements as described in Table 1. Some of these contributions will support planned Measure RR station access projects, leveraging BART's own funds. Proposed AHSC improvements at the Balboa Park, Fruitvale, and West Oakland stations may not take place without AHSC funds as no other fund source has been identified.

Funding for the FY2015-2016 AHSC applications will contribute \$328,800 toward BART

station capital improvements with BART providing \$48,000 in matching funds which have been previously allocated in the capital budget toward bike channel improvements.

ALTERNATIVES:

Do not authorize staff to enter into these agreements. BART will not apply for funds from AHSC as a subrecipient. The related affordable housing projects could be negatively impacted as the BART portion of the applications contributes to the competitiveness of their applications for AHSC, and some of the proposed improvements as noted above would not necessarily occur.

RECOMMENDATIONS:

Adopt the following Motions.

MOTIONS:

1. Authorize the General Manager or her designee to enter into agreements, including Memoranda of Understanding and Pass-Through Agreements where BART is a recipient. Agreements would be executed with the following Applicants or their affiliates (e.g. limited partnerships) for the FY2017-2018 Affordable Housing and Sustainable Communities grant program as required in order to apply and receive funds for Sustainable Transportation Infrastructure and Transit-Related Amenities:

- City of Oakland with BRIDGE Housing and the Spanish Speaking Unity Council (Fruitvale)
- City of Oakland with East Bay Asian Local Development Corporation (MacArthur)
- City of San Francisco with the Related Companies L.P. and Mission Housing (Balboa Park)
- City of San Francisco with Tenderloin Neighborhood Development Corporation (Civic Center)
- Core Companies and Millbrae Transit Village L.P. (Millbrae)
- BRIDGE Housing (North Berkeley)
- China Harbour Engineering Corp. and Strategic Urban Development Alliance (West Oakland)

2. Authorize the General Manager or her designee to enter into Pass-Through Agreements with the City of Oakland for successful FY2015-2016 AHSC applications.

Attachment 1:

FY2017-2018 Affordable Housing and Sustainable Communities (AHSC)

Overview of Anticipated Applications with BART Involvement

Station	BART Project	Max BART Funding Request	Current Estimated Project Cost	Other Funds	Affordable Housing Location	Affordable Housing Developer	Party/ies to Side Agreement
Projects with Pass Through of Funds to BART for Transportation Improvements							
MacArthur	40th Street Underpass Lighting	\$600,000	\$2,000,000	Measure RR	52nd & San Pablo Avenue	East Bay Asian Local Development Corporation (EBALDC)	City of Oakland
North Berkeley	Access Improvements, Part I	\$900,000	\$3,000,000	Measure RR Other Funds TBD	Berkeley Way	BRIDGE Housing	BRIDGE Housing
Civic Center	Station Entrance Canopy	\$1,000,000	\$2,000,000	Measure RR, Proposition A (City/County) (Part of Larger Project)	500 Turk St.	Tenderloin Neighborhood Development Corp. (TNDC)	TNDC
Millbrae	Tail Track & Possible Station Improvements	\$2,000,000	\$5,000,000	Federal, BART, Measure RR (Part of Larger Project)	Gateway at Millbrae (BART TOD Project)	The Core Companies	The Core Companies
Projects Where Developer Would Build Transportation Improvements on BART Property							
Balboa Park	Road Conversion to Ped, Bike, and Transit Plaza	\$4,500,000	\$5,500,000	Proposition K (City/County)	Balboa Park Station	Related Companies, City of San Francisco, Mission Housing	Related Companies, City of San Francisco, Mission Housing
Fruitvale	Ped/Bike Improvements from Station Entrance to 37th Avenue	\$1,000,000	\$1,000,000	None	Fruitvale Transit Village Phase IIB	BRIDGE Housing/Unity Council	BRIDGE Housing, Unity Council, City of Oakland
West Oakland	Bike Station	\$1,000,000	\$1,000,000	None	West Oakland Station (BART TOD Project)	China Harbour Engineering Corporation (CHEC), Strategic Urban Development Alliance, LLC. (SUDA)	CHEC, SUDA
Possible AHSC Grant Funds to BART		\$11,000,000					