



Office of the Mayor

CONSENT CALENDAR
November 29, 2022

To: Members of the City Council

From: Mayor Jesse Arreguin

Subject: Grant Approval: San Francisco Foundation to support the Equitable Black Berkeley Initiative

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to accept a \$75,000 grant award from the San Francisco Foundation to renew the existing ideation facilitator contract supporting the Equitable Black Berkeley Initiative, a community-led process to develop a reparative approach to new development at the Ashby BART Station and Adeline Corridor, with the goal of maximizing affordability of new housing.

FISCAL IMPACTS OF RECOMMENDATION

The grant funds will be deposited and expensed from the One-Time Grant: No Capital Expenses Fund and will be appropriated in the First Amendment to the FY 2023 Annual Appropriations Ordinance.

CURRENT SITUATION AND ITS EFFECTS

On November 30, 2021, the City Council approved a \$50,000 grant from the San Francisco Foundation (SFF) grant to support a six-month process to ideate increasing affordable housing at the North Berkeley and Ashby BART stations. SFF has increased the grant funding by \$75,000 continuing the work of the part time consultant in creating a plan, in collaboration with the community and multiple partners, to secure the funding needed to meet the project goals of maximizing affordable housing at and around the Ashby and North Berkeley BART sites within a reparative framework.

BACKGROUND

The City of Berkeley's Black population has experienced a history of segregation, disinvestment, displacement, gentrification, health disparities, achievement gaps and wealth generation inequity as a result of deliberate policy and planning decisions. This is a story repeated in countless Black communities across the country.

South Berkeley was, historically, a predominantly black community that was redlined, locking Black residents out of homeownership and access to credit. Between 2012 and 2018, the median home price in Berkeley's redlined districts more than doubled, from \$517,000 to \$1,140,000. This increase was 7 percent faster than anywhere else in the city as a result of gentrification. In that same time period, rents in South Berkeley increased 42 percent. As a result, over the past 30 years, Berkeley's Black population has decreased from 23.5% to 7.9%. Two-thirds of South Berkeley residents are renters

and 20% are below the poverty line. Very little of the existing housing in South Berkeley is deed-restricted affordable.

The City Council and BART Board unanimously adopted a Memorandum of Understanding (MOU) in December 2019 and January 2020, respectively, related to future development at the Ashby and North Berkeley BART sites. This transit oriented development (TOD) on BART land will create hundreds of new affordable housing units around both Ashby BART and North Berkeley BART in the next decade.

Berkeley now has the opportunity to correct historic harms and ensure that the new developments are designed to maximize equity outcomes for the African American community and low-income residents. Equitable Black Berkeley is an innovative, replicable model to support equity, opportunity and the well-being of Berkeley's Black community. It will underpin policies to repair harm, create financing vehicles to sustain community investment and ensure Black families have a right to stay, right to return, and right to own/build equity. EBB will help alleviate the housing crisis and create the conditions for the South Berkeley community to thrive.

The San Francisco Foundation grant contemplated by this council item would provide support to the City in developing additional strategies for increasing financial support for greater affordability levels for the BART projects and engaging the black community in developing a reparative framework that will address economic harms and provide the support infrastructure to provide repair.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Would support Climate Action goals by providing more affordable housing along transit corridors.

RATIONALE FOR RECOMMENDATION

Increasing affordability levels for new housing developments and addressing inequities for communities of color are expressed City values and council direction. This grant supports the efforts to increase affordability in previously redlined areas in a reparative framework.

CONTACT PERSON

Mayor Jesse Arreguin, 510-981-7100

Attachments:

1: Resolution

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

SAN FRANCISCO FOUNDATION GRANT APPLICATION AND ACCEPTANCE OF FUNDING

WHEREAS, the City Council and BART Board unanimously adopted a Memorandum of Understanding (MOU) in December 2019 and January 2020, respectively, related to future development at the Ashby and North Berkeley BART sites; and

WHEREAS, The City of Berkeley's Black population has experienced a history of segregation, disinvestment, displacement, gentrification, health disparities, achievement gaps and wealth generation inequity as a result of deliberate policy and planning decisions; and

WHEREAS, South Berkeley was, historically, a predominantly black community that was redlined, locking Black residents out of homeownership and access to credit; and

WHEREAS, Between 2012 and 2018, the median home price in Berkeley's redlined districts more than doubled, from \$517,000 to \$1,140,000. This increase was 7 percent faster than anywhere else in the city as a result of gentrification. In that same time period, rents in South Berkeley increased 42 percent. As a result, over the past 30 years, Berkeley's Black population has decreased from 23.5% to 7.9%. Two-thirds of South Berkeley residents are renters and 20% are below the poverty line; and

WHEREAS, The MOU states a minimum threshold of 35% affordable units (at low, very low and/or extremely low income levels) with a goal of achieving even higher levels of affordable housing at the BART sites, including up to 100% affordable; and

WHEREAS, On November 30, 2021, the Berkeley City Council voted to receive a grant from the San Francisco Foundation to support a consultant to assist the Equitable Black Berkeley Initiative (EBB) in a six-month process to ideate financing alternatives to increase the level of affordable housing at the North Berkeley and Ashby BART stations within a reparative framework; and

WHEREAS, the San Francisco Foundation grant of \$75,000 would support continuing the consultant contract supporting the Equitable Black Berkeley Initiative, a community-led process to develop a reparative approach to new development at the Ashby BART Station and Adeline Corridor, with the goal of maximizing affordability of new housing.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to accept a \$75,000 grant from the San Francisco Foundation to continue funding a consultant(s) to work with staff and the community to develop a plan to increase affordability at the BART housing projects within a reparative framework.

