



# Memorandum

## AGENDA ITEM 6

**DATE:** January 18, 2023

**TO:** Treasure Island Mobility Management Agency Board

**FROM:** Suany Chough, Assistant Deputy Director for Planning

**SUBJECT:** 1/24/23 Board Meeting: Authorize the Executive Director to Apply for, Receive, and Enter into an Agreement with the State of California Department of Housing and Community Development for \$6,500,000 from the Higher Impact Transformative Allocation of the Regional Early Action Planning Grants Program

<p><b>RECOMMENDATION</b>    <input type="checkbox"/> Information    <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> <li>• Authorize the Executive Director to Apply for, Receive, and Enter into an Agreement with the State of California Department of Housing and Community Development (HCD) for \$6,500,000 from the Higher Impact Transformative (HIT) Allocation of the Regional Early Action Planning Grants Program (REAP 2.0)</li> </ul> <p><b>SUMMARY</b>  HCD’s REAP 2.0 seeks to accelerate infill housing development, reduce Vehicle Miles Traveled (VMT), increase housing supply at all affordability levels, affirmatively further fair housing, and facilitate the implementation of adopted regional and local plans to achieve these goals. Within REAP 2.0, \$30 million is set aside for a HIT Allocation which supports innovative or novel approaches that are scalable and further REAP 2.0’s goals and objectives. TIMMA staff, working with the Treasure Island Development Authority (TIDA), identified a \$6.5 million package of projects on Treasure Island that fits the goals and objectives of the REAP 2.0 HIT Allocation. We submitted the grant application on December 30, 2022. HCD requires approval of authorizing resolutions in a specific format to apply for, receive, and enter into agreement for REAP 2.0 funds. The resolution (Attachment 1) is due to HCD by February 15, 2023. If awarded, this grant will help</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Fund Allocation</li> <li><input type="checkbox"/> Fund Programming</li> <li><input type="checkbox"/> Policy/Legislation</li> <li><input type="checkbox"/> Plan/Study</li> <li><input type="checkbox"/> Capital Project Oversight/Delivery</li> <li><input type="checkbox"/> Budget/Finance</li> <li><input checked="" type="checkbox"/> Contract/Agreement</li> <li><input type="checkbox"/> Other: _____</li> </ul>
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accelerate implementation of affordable housing development and complementary transportation improvements for residents and workers on Treasure Island and Yerba Buena Island.	
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## BACKGROUND

In the 2019-20 Budget Act, Governor Gavin Newsom allocated \$250 million for planning activities that accelerate housing production to meet identified needs of communities. HCD established the Regional Early Action Planning Grant Program (REAP) in 2019. In 2021, HCD expanded the program focus to integrate climate goals with housing goals, allowing for a broader planning and implementation investments. REAP 2.0 seeks to accelerate infill housing development, reduce VMT, increase housing supply at all affordability levels, affirmatively further fair housing, and facilitate the implementation of adopted regional and local plans to achieve these goals. REAP 2.0 is administered by HCD in collaboration with the Governor’s Office of Planning and Research, the Strategic Growth Council, and the California Air Resources Board.

## DISCUSSION

Of the \$600 million in the REAP 2.0 program, 85% will flow directly to Metropolitan Planning Organizations such as the Metropolitan Transportation Commission. Of the remaining funds, \$30 million is set aside for tribal entities and rural areas; \$30 million for the HIT Allocation; and the remainder for administration. The HIT Allocation supports innovative or novel approaches that are scalable and further REAP 2.0’s goals and objectives including housing and equity goals, reduction of VMT, and implementation of the region’s Sustainable Communities Strategy.

TIMMA staff, working with the TIDA, identified a package of projects on Treasure Island that fits the goals and objectives of the REAP 2.0 HIT allocation. The \$6.5M package includes:

- Predevelopment activities for Parcel E1.2, a site designated for affordable housing for seniors, to be implemented by TIDA (\$2 million). The REAP 2.0 funding would supplement \$2 million available to TIDA from the Developer’s housing subsidy commitment. Activities include design, engineering, permitting, financing, and fees. There will also be some outreach to the community as part of the design process.
- Specifications and launch of a Treasure Island multi-operator transit pass (\$500,000). This funding would allow us to complete design and specification for the transit pass with Clipper, Muni, WETA, and AC Transit, and launch the program.
- Planning, implementation and a one-year demonstration phase of an on-demand shuttle service to the East Bay (\$3.8 million). This would provide on-demand



microtransit service between Treasure Island and the East Bay, a route not currently served by any kind of transit. The scope includes a demonstration phase of one year.

- Follow-up activities to implement recommendations from the Treasure Island Supplemental Transportation Study (\$200,000). This funding would allow us to continue the community-based transportation planning process funded by the Prop K Neighborhood Program and co-led by the Transportation Authority and One Treasure Island.

**Next Steps.** Following approval by the TIMMA Board, we will submit the subject resolution to HCD by February 15, 2023. As required by HCD, TIMMA also will need to execute an agreement with TIDA for TIDA to implement the Parcel E1.2 project. That agreement is due to HCD by March 31, 2023 and is subject to approval by both the TIMMA Board and the TIDA Board. We are working on agendizing this agreement for approval at both bodies in February 2023.

Grant awards are expected to be announced in Spring/Summer 2023. Funds must be committed by June 2024 and fully expended by June 2026.

## **FINANCIAL IMPACT**

Approval of the resolution and receipt of the REAP 2.0 grant would facilitate implementation of aspects of the Treasure Island Transportation program, reducing the shortfall in the TIMMA capital program by approximately \$570,000. If awarded, the grant funds would be budgeted in Fiscal Year 2023/24 and we would bring contract award recommendations to be funded by this grant to the Board for approval as part of future agenda items.

## **TIDA CAB FEEDBACK**

Due to timing considerations, this item will be presented to the TIDA Citizen Advisory Board at its February meeting.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - Resolution



**TREASURE ISLAND  
MOBILITY MANAGEMENT AGENCY**

TB012423

RESOLUTION NO. 23-04

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RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE REQUEST FOR FUNDS FROM THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S HIGHER IMPACT TRANSFORMATIVE (HIT) ALLOCATION OF THE REGIONAL EARLY ACTION PLANNING GRANTS PROGRAM (REAP 2.0)

A necessary quorum and majority of the Board of the Treasure Island Mobility Management Agency, a transportation management agency authorized by the Treasure Island Transportation Management Act of 2008 ("TIMMA" or "Applicant") hereby consents to, adopts and ratifies the following resolution:

WHEREAS, The State of California (the "State"), Department of Housing and Community Development ("Department") is authorized to provide up to \$30,000,000 to Eligible Entities ("Applicant") listed in Health and Safety Code Section 50515.08, subdivisions (a)(1)-(6) under the Higher Impact Transformative (HIT) Allocation of the Regional Early Action Planning grants program (REAP 2.0), as detailed in Health and Safety Code Section 50515.08-10; and

WHEREAS, The Department issued a Notice of Funding Availability on November 9, 2022 for REAP 2.0 HIT Allocation funds available to Eligible Entities; and

WHEREAS, TIMMA is an Eligible Entity eligible to submit a Request for Funds pursuant to Health and Safety Code Section 50515.08(c) to develop and accelerate the implementation of the requirements described in Health and Safety Code section 50515.08(c)(1); and

WHEREAS, The Treasure Island Development Authority (TIDA) is a non-profit, public benefit agency dedicated to the economic development of former Naval Station Treasure Island vested with the rights to administer and develop Tidelands Trust property, including the development of 8,000 residential units, of which 27% are affordable; and

WHEREAS, TIMMA is authorized to implement the Treasure Island Transportation Implementation Plan ("TITIP"), approved by the San Francisco Board of Supervisors as part of the Development Agreement for Treasure Island to expand mobility options for the 20,000 new residents; and

WHEREAS, TIMMA, working with TIDA, identified a package of projects on Treasure Island that fits the goals and objectives of the REAP 2.0 HIT Allocation, totaling \$6,500,000;



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and

WHEREAS, TIMMA's grant application package includes the following four proposed uses:

- Predevelopment activities for Parcel E1.2, a site designated for affordable housing for seniors, to be implemented by TIDA (\$2,000,000);
- Specifications and launch of a Treasure Island multi-operator transit pass (\$500,000);
- Planning, implementation and a one-year demonstration phase of an on-demand shuttle service to the East Bay (\$3,800,000); and
- Follow-up activities to implement recommendations from the Treasure Island Supplemental Transportation Study (Neighborhood Program planning process) (\$200,000); and

WHEREAS, The Department shall approve the Request for Funds, subject to the terms and conditions of Eligibility, Guidelines, NOFAs, Program requirements, and the Standard Agreement by and between the Department and REAP 2.0 Grant Recipients; and

WHEREAS, The Department requires Applicants to approve a resolution authorizing the Executive Director to execute the request for REAP 2.0 HIT Allocation funds; now, therefore, be it

RESOLVED, That TIMMA is hereby authorized and directed to request an allocation of funds not to exceed \$6,500,000 (the amount allocated pursuant to Health and Safety Code section 50515.07(a) consistent with the methodology described in 50515.09(a)); and be it further

RESOLVED, That the Executive Director is authorized to execute the Request for Funds, on behalf of the Applicant as required by the Department for receipt of REAP 2.0 funds; and be it further

RESOLVED, That when TIMMA receives an allocation of REAP 2.0 funds in the authorized amount of \$6,500,000 from the Department pursuant to the above referenced Request for Funds, it represents and certifies that it will use all such funds only for eligible activities as set forth in Health and Safety Code section 50515.08(c)(1), as approved by the Department and in accordance with all REAP 2.0 requirements, guidelines, all applicable state



**TREASURE ISLAND  
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and federal statutes, rules, regulations, and the Standard Agreement executed by and between TIMMA and the Department; and be it further

RESOLVED, That the Executive Director is authorized to enter into, execute, and deliver a State of California Standard Agreement for the amount of \$6,500,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the REAP 2.0 Allocation, TIMMA's obligations related thereto and all amendments the Department deems necessary and in accordance with REAP 2.0.