



Rashi Kesarwani  
Councilmember District 1

## **SUPPLEMENTAL AGENDA MATERIAL for Supplemental Packet 2**

**Meeting Date:** February 13, 2024

**Item Number:** 13

**Item Description:** RFP for Development of West Berkeley Service Center

**Submitted by:** Mayor Arreguin (Author), Councilmember Rashi Kesarwani (Author)

This supplemental item makes some minor clarifying edits to assist in directing staff.



Office of the Mayor

ACTION CALENDAR

January 16, 2024

To: Honorable Members of the City Council  
From: Mayor Jesse Arreguin and Councilmember Rashi Kesarwani  
Subject: RFP for Development of West Berkeley Service Center

RECOMMENDATION

Refer to the City Manager to issue a Request for Proposal (RFP) or Request for Qualifications (RFQ), once a viable local funding source(s) has been identified, for the development of the city-owned West Berkeley Service Center, (1900 Sixth Street), to permit site acquisition and construction of a 100-percent affordable housing project with the following key features:

- Space on the ground floor of the building for administrative offices, community space and supportive services as currently provided by the City;
- Maximizing the number of units under the existing zoning Mixed Use-Residential (MU-R) in conjunction with state law AB 1763 (2019);
- A mix of unit sizes, including studios, one-bedroom, and two-bedroom units;
- Require RFP applicants to include a plan for services provision and integration for the population(s) they propose to serve;
- A preference for serving ~~seniors~~seniors with cognitive disabilities and adults with mental health conditions while maintaining flexibility to serve other populations based on availability of funding; ~~and~~
- A board and care facility with a minimum of 20 beds including space for staff and services, unless it is determined that viable funding sources are not available.

The City Manager should also consider the feasibility of the following elements in the program design:

- Universally designed housing for older adults ~~with a portion of the units for assisted living and memory care;~~
- ~~A board and care facility with a minimum of 20 beds including space for staff and services;~~

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- ~~Consider~~**Explore** available federal, state, regional, local and private funding sources to finance the construction of a housing project, including with the potential target populations.

The issuance of an RFP should be timed to happen soon after ~~the City has funding for the development has been~~ identified local funding for the development that could potentially be made available via the RFP/RFQ.<sup>1</sup>

#### BACKGROUND

Berkeley General Plan Policy H-18 encourages the use of city-owned sites, including parking lots for affordable housing or mixed-use projects: “When appropriate and feasible, use City-owned or controlled sites for affordable housing and/or mixed-use residential projects with a substantial portion of affordable units.”

On May 28, 2019, (Attachment #1), the City Council stated the intent for the use of the West Berkeley Service Center property, 1900 6<sup>th</sup> Street, would be used for senior housing with on-site services consistent with Age Friendly Berkeley Plan recommendations and maximizing the number of affordable units on site. They further referred to the City Manager to conduct a basic analysis of the development potential for the site, including build-out scenarios for a three to seven story building on the site that would include amenities, supportive social services, and community space.

Staff returned “Referral Response: Analysis of the Development Potential for the West Berkeley Service Center Site” to Council as a comprehensive Information Report on the September 7, 2023 City Council Agenda. In the report, staff analyzed Zoning Designation, State Streamlining Laws and State Density Bonus to provide considerations for development potential. Current zoning of the site is MU-R. Given staff assumptions as provided in the report (Attachment #2), it could be possible to build 190 units in six stories with AB1763. AB1763 (2019) expands State Density Bonus Laws to housing projects that are 100 percent to low-income households (excluding manager units) with up to 20 percent of units for moderate-income households. Also, projects near transit, such as the West Berkeley Service Center site, are not subject to density limits, may raise height limits by three stories or 33 feet, and are allowed up to four concessions.

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<sup>1</sup> We note that CDBG funds are currently being used to rehabilitate the ground-floor of 1900 Sixth Street, and the issuance of an RFP/RFQ should consider the fiscal implications related to use of CDBG funds (specifically, the requirement to maintain the current use for a minimum of five years). Affordable housing projects typically take about five years to secure funding.

Recommendations for Council action included rezoning the site to C-W and allocating funding for environmental review, or referral to the City Manager to develop recommendations to Council that would inform a RFP to develop senior housing on the site under the current MU-R zoning.

#### CURRENT SITUATION AND ITS EFFECTS

The population of Berkeley residents 65 and older has steadily increased in recent years. Projections from multiple sources, including the Alameda County Plan for Older Adults, show that by 2030 over 20% of Berkeley residents will be over 65. Based on surveys completed by the Age Friendly Berkeley Initiative (2018) older adults increasingly prefer to age in their communities with housing affordability and availability, along with transit access, noted as major areas of concern, especially for low-income respondents. Wait lists for affordable senior housing units are as long as 8 years.<sup>2</sup>

Board and Care facilities operate under the supervision of the Department of Social Services through a Community Care License and are staffed 24 hours per day, seven days per week. They provide residential care for seniors and/or people with disabilities who need assistance in their daily lives including room and board, meals, a supportive living environment with daily activities for participation and entertainment, and assistance with personal care. There is a critical lack of Board and Care facilities in the state. In recent years, the number of licensed board and care facilities, including Adult Residential Facilities and Residential Care Facilities for the Elderly has been declining largely due to inadequate funding and rising housing construction costs.<sup>3</sup> San Francisco has lost more than a third of its facilities that serve seriously mentally ill people under the age of 60 which is consistent with what other counties report, anecdotally, up and down the state.<sup>4</sup> More housing and mental health resources are critical to address the needs of our most vulnerable low-income adults who are most at-risk of homelessness: older adults, persons with disabilities, and persons with severe mental illness.

Currently, the City's Health, Housing and Community Services Department is utilizing the West Berkeley Service Center to house the West Berkeley Family Wellness Center that provides services such as Women, Infants and Children's (WIC) program, immunization programs, programs offering nursing support, Berkeley Black Infant Health and free yoga classes. Community Development Block Grant (CDBG) funds

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<sup>2</sup> Age Friendly Berkeley Action Plan, 2018: <https://berkeleyca.gov/sites/default/files/2022-01/Age-Friendly-Berkeley-Action-Plan.pdf>

<sup>3</sup>White Paper: County Behavioral Health Directors Association, February 28, 2020: Loss of Board and Care Facilities Is at Crisis Level: <https://namisantaclara.org/wp-content/uploads/2020/11/Loss-of-Board-and-Care-Facilities-is-at-Crisis-Level-2.28.20.pdf>

<sup>4</sup> San Francisco Chronicle article: SF Board-and-Care homes for Seriously Mentally Ill Shuttering as Costs Soar, April 16, 2019: <https://www.sfchronicle.com/bayarea/article/SF-board-and-care-homes-for-seriously-mentally-13766754.php>

have been identified for improvements to the facility and have a five-year requirement for use, once all the funds are drawn down, without a pro-rata repayment. These improvements are scheduled to begin during the first quarter of 2024. During that time, a temporary facility will be needed to accommodate the temporary relocation of these programs to ensure continuation of services and activities during the construction period of any new housing project.

It is, currently, uncertain how this proposed development could be funded. The City of Berkeley Housing Trust Fund and funds from the 2018 Bond Measure O are in short supply or already dedicated to other projects. However, additional resources may become available through a proposed regional housing bond measure<sup>5</sup> or earmarked funding. Preparing an RFP that would be ready for issuance at the time resources have been identified would expedite development of the West Berkeley Service Center, ensuring critical resources can be provided for the community.

FINANCIAL IMPLICATIONS:

Staff time required for developing recommendations for an RFP. In addition, a budget will need to be developed for the temporary relocation of the West Berkeley Family Wellness Center services and possibly any pro-rata CDBG repayment.

ENVIRONMENTAL SUSTAINABILITY:

Aligns with environmental sustainability goals by providing housing densification along transit corridors.

CONTACT PERSON:

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Attachments:

1. May 28, 2019 Council referral: Development of the West Berkeley Service Center, 1900 6<sup>th</sup> Street, for Senior Housing with Supportive Services
2. September 7, 2023, Referral Response: Analysis of the Development Potential of the West Berkeley Service Center Site

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<sup>5</sup> Bay Area Housing for All website: <https://bayareahousingforall.org/>