



Office of the City Manager

CONSENT CALENDAR
October 1, 2024

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Scott Ferris, Director, Parks Recreation & Waterfront
 Subject: Grant Contract: Housing and Urban Development (HUD) for the African American Holistic Resources Center Project

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or their designee to accept the U.S. Department of Housing and Urban Development (HUD) grant for the African American Holistic Resources Center Project in the amount of \$1,000,000, execute any resulting grant agreements and any amendments; and that Council authorize the implementation of the pre-construction work and appropriation of funding for related expenses, subject to securing the grants.

FINANCIAL IMPLICATIONS

The City has assembled \$14.1M in funding from the following sources to complete the African American Holistic Resources Center Project: a) \$13.85M from Measure T1, and b) \$250,000 from General Fund. The \$1,000,000 from HUD is in addition to the \$14.1M in existing funding and will help the City cover the current project funding gap that was caused by increased inflation costs for materials and supplies.

CURRENT SITUATION AND ITS EFFECTS

In the Consolidated Appropriations Act, 2022 (Public Law 117-103) (the FY2022 Act), Congress made funding available for “grants for the Economic Development Initiative (EDI) for the purposes, and in amounts, specified for Community Project Funding/Congressionally Directed Spending”. These “Community Project Funding” or “CPF” awards are administered by the Department of Housing and Urban Development (HUD). HUD has assigned Grant Number B-22-CP-CA-0073 for the African American Holistic Resource Center Project in the amount of \$1,000,000. This is a cost-reimbursement grant with a performance period from the date of obligation through August 31, 2030. The grant contract must be signed by the City in order for grant funds to be accessed for the project.

BACKGROUND

The African American Holistic Resource Center (AAHRC) project aims to address critical needs within the Berkeley community, particularly among African American residents. Located at 1890 Alcatraz Avenue, this project involves the demolition of an

existing City-owned building, and construction of a new facility to establish a dedicated, culturally responsive space aimed at enhancing the social determinants of health and overall well-being for African Americans. The AAHRC will serve as a beacon of support and empowerment, offering a comprehensive range of activities and services tailored to foster community strength and resilience. It is designed to meet the specific needs of individuals who have faced disproportionate impacts from racism and gentrification, particularly those from Berkeley's historic South and West neighborhoods, as well as displaced residents. While welcoming all individuals, the AAHRC's primary focus is to validate and strengthen African American identity, cultural values, and traditions through culturally appropriate approaches. By addressing inequities across mental and physical health, among other facets of life, the AAHRC aims to reduce disparities and foster a thriving African American community in Berkeley. At this time, the City has completed the planning phase to identify community needs that the AAHRC can help address, involving a variety of stakeholders and public community meetings.

In November 2016, Berkeley voters approved Measure T1 – a \$100 million dollar general obligation bond to repair, renovate, replace or reconstruct the City's aging existing infrastructure, including facilities, streets, sidewalks, storm drains, and parks. Measure T1 passed with 86.5% of the vote.

In 2020, staff and Commissions engaged in a large public process, consisting of over 45 community meetings to determine the projects to be funded in Phase 2 of Measure T1 projects. This list of projects, including the AAHRC, was approved by the City Council on December 15, 2020, Resolution No. 69,657-N.S.

In 2022, the project had \$7.25M in total project funding (comprised of \$7M T1, \$225K GF). This funding would have been enough to complete the renovation of the 4,000 square foot city-owned building at 1890 Alcatraz Street. With increasing construction costs and the completion of an engineering assessment of the building and site (structural and geotechnical) which found significant structural problems, City staff recommended that this building be replaced. On January 31, 2023, City Council acted to eliminate the option of renovating the existing structure at 1890 Adeline, leaving only the size of building to be determined. On June 13, 2023, City Council authorized an additional funding to construct a new 6,000 square foot facility. With additional funding, and the additional \$1,000,000 from HUD to help cover the projected funding gap, the project budget would be increased to \$14.1M.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

All improvement construction projects are required to comply with the City of Berkeley Climate Action Plan, specifically in terms of reducing construction waste, as well as environmentally preferred purchasing guidelines to reduce waste and increase the use of renewable resources. This project helps the City meet Strategic Goal 1 – infrastructure.

The proposed action is to adopt a resolution authorizing the receipt of grant funds, which will be used for pre-construction costs such as design work, technical studies, and environmental review. Receipt of the funds does not involve any commitment to a

construction project and does not limit the choice of alternatives or mitigation measures. The proposed activity is therefore not a project pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(3) and 15378(b). Appropriate environmental review consistent with the requirements of CEQA will be completed prior to committing to construct the project.

RATIONALE FOR RECOMMENDATION

The allocation of this HUD grant will allow the City to cover the gap in funding caused by recent inflation in order to complete the African American Holistic Resource Center Project.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Scott Ferris, Director of Parks, Recreation & Waterfront, 981-6703
Evelyn Chan, Supervising Civil Engineer, 981-6700

Attachments

1: Resolution

RESOLUTION NO. -N.S

GRANT CONTRACT: HUD AWARD IN THE AMOUNT OF \$1,000,000 FOR THE
AFRICAN AMERICAN HOLISTIC RESOURCE CENTER PROJECT

WHEREAS, The African American Holistic Resource Center (AAHRC) project aims to address critical needs within the Berkeley community, particularly among African American residents; and

WHEREAS, in the federal Consolidated Appropriations Act, 2022 (Public Law 117-103) (the FY2022 Act), Congress made funding available for “grants for the Economic Development Initiative (EDI) for the purposes, and in amounts, specified for Community Project Funding/Congressionally Directed Spending”. These “Community Project Funding” or “CPF” awards are administered by the Department of Housing and Urban Development (HUD); and

WHEREAS, HUD has assigned Grant Number B-22-CP-CA-0073 for the African American Holistic Resources Center project. The grant contract must be signed by the City in order for grant funds to be accessed for the project; and

WHEREAS, the City has assembled \$14.1M in funding from the following sources to complete the African American Holistic Resources Center Project: a) \$13.85M from Measure T1, and b) \$250,000 from General Fund. The \$1,000,000 from HUD is in addition to the \$14.1M in existing funding and will help the City cover the current project funding gap that was caused by increased inflation costs for materials and supplies.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or their designee is authorized to accept the HUD grant for the African American Holistic Resource Center Project in the amount of \$1,000,000, execute any resulting grant agreements and any amendments; and that Council authorize the implementation of the projects and appropriation of funding for related expenses, subject to securing the grants. A record signature copy of said agreements and any amendments to be on file in the Office of the City Clerk.