



# City of Emeryville

CALIFORNIA

## MEMORANDUM

**DATE:** July 15, 2025

**TO:** LaTanya Bellow, City Manager

**FROM:** Mohamed Alaoui, Public Works Director

**SUBJECT:** **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Accept Funds And Execute Funding Agreements With The U.S. Department Of Housing And Urban Development And For All Other Agreements Necessary To Implement The 40th Street Transit-Only Lanes And Multimodal Enhancements Project**

### RECOMMENDATION

Staff recommends that the City Council adopt the above-entitled resolution authorizing the City Manager to accept funds and execute funding agreements with the U.S. Department of Housing and Urban Development (HUD) to implement the 40th Street Transit-Only Lanes and Multimodal Enhancements Project.

### BACKGROUND

The 40th Street Transit-Only Lanes and Multimodal Enhancements Project (Project) is a transformative infrastructure initiative designed to improve safety, accessibility, and efficiency for all modes of travel along a critical regional corridor. The Project includes the redesign of 40th Street, from Adeline Street to the 40th-Shellmound Bridge, and Shellmound Street, from the 40<sup>th</sup>-Shellmound Bridge to Christie Avenue. The Project will create dedicated bus-only lanes, a two-way Class 4 separated bikeway connecting to the Bay Bridge Trail, and significant pedestrian safety improvements at key intersections.

The City Council first approved the conceptual design for the Project in 2019. Given its scale, the Project was segmented into two major parts: Part I, covering 40th Street from Adeline Street to the IKEA entrance, and Part II, along Shellmound Street from the IKEA entrance to Christie Avenue. The total estimated cost for both parts of the Project is approximately \$32.6 million.

Staff has been diligently working for several years to secure the necessary funding from a variety of local, regional, state, and federal sources to close a significant funding gap. To date, the City has successfully secured \$31.9 million through the following awards:

- Design Phase (\$4,031,00 Total)
  - Alameda CTC Countywide Transportation Plan 2022: \$2,000,000
  - Statewide SB1 Active Transportation Program (ATP) Cycle 5: \$1,374,000
  - City Funds: \$657,000
- Construction Phase (\$28,568,000 Total)

- Alameda CTC Countywide Transportation Plan 2024: \$8,376,000
- Affordable Housing and Sustainable Communities (AHSC) Program: \$3,800,000
- State Earmark (2023 CA State Priority Legislative Budget Projects): \$375,000
- Metropolitan Transportation Commission RM3 Safe Routes to Transit and Bay Trail Program: \$13,167,000
- Alameda CTC Countywide Transportation Plan 2026: \$2,000,000
- Federal Earmark (FY2024 THUD Appropriations Bill): \$850,000

The Federal Earmark (last item listed above) is a federal award from the U.S. Department of Housing and Urban Development (HUD). It is the subject of this resolution and is a critical component of the overall funding strategy to deliver this vital project for the community.

## **DISCUSSION**

The City of Emeryville has been formally awarded a federal grant of \$850,000 for the 40th Street Transit-Only Lanes and Multimodal Enhancements Project. These funds are provided by the U.S. Department of Housing and Urban Development (HUD) through the FY 2024 Community Project Funding (CPF) program. HUD has provided Grant Agreement No. B-24-CP-CA-0256 for the City's execution.

This grant award is a significant achievement in the City's efforts to fully fund the Project, specifically contributing to the construction phase. Accepting these federal funds is a critical step in closing the remaining funding gap and advancing the Project toward the start of construction.

To formally accept the grant, the City Council must authorize the City Manager to execute the Grant Agreement with HUD. The execution of this agreement will obligate the City to comply with all applicable lawful federal regulations and requirements as outlined in the agreement, including but not limited to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), federal environmental review (NEPA) processes, and specific financial and performance reporting through HUD's systems.

Staff are prepared to manage these federal requirements. Upon execution of the agreement, staff will coordinate with HUD to complete the necessary administrative and environmental prerequisites to make the grant funds available for reimbursement of eligible project costs. Therefore, staff recommends the City Council authorize the City Manager to execute the Grant Agreement with HUD and all other agreements necessary to implement this critical funding for the Project.

## **FISCAL IMPACT**

There are no matching funds required in the HUD FY 2024 Community Project Funding Guidelines. The funds from this funding agreement will be assigned to the Project (CIP Project No. 22242002) under Fund 254.

## **STAFF COMMUNICATION WITH THE PUBLIC**

City staff have developed a dedicated webpage on the City's official website providing comprehensive, up-to-date information about the project. This resource is intended to enhance transparency and keep the public informed throughout the project's duration. In addition, extensive public outreach has occurred including but not limited to:

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### **Mailers:**

- 612 postcards were sent to residents and businesses within a quarter-mile of the corridor.
- 454 detailed mailers were delivered directly along 40th Street and intersecting unsignalized streets, with an additional 11 hand-delivered where needed

### **Meetings & Events:**

- 7 in-person meetings were held in June–July 2023 (presentations + materials shared).
- Telephone outreach included 9 calls to local residents and business representatives.
- A community workshop took place in August 2018, along with intercept surveys at bus stops in Fall 2018

### **Virtual Workshops:**

- 4 virtual workshops were conducted, engaging 22 participants

### **Stakeholder Engagement:**

- 16 additional in-person meetings with 42 stakeholders (e.g., property owners, business leaders)

### **Surveys & Feedback:**

- The project received 203 survey responses.

Additionally, the project has been discussed at various Transportation Committee, Transportation and Sustainability Committee, and Bicycle and Pedestrian Advisory Committee meetings as part of regular Public Works updates since 2018.

## **CONFLICT OF INTEREST**

None.

## **CONCLUSION**

Staff recommends that the City Council adopt the above-entitled resolution authorizing the City Manager to accept funds and execute funding agreements with the U.S. Department of Housing and Urban Development (HUD) to implement the 40th Street Transit-Only Lanes and Multimodal Enhancements Project.

**PREPARED BY:** Ryan O'Connell, Senior Civil Engineer

## **APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:**



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LaTanya Bellow, City Manager

## **ATTACHMENTS**

- Attachment A – HUD Grant Award Letter
- Draft Resolution
  - Exhibit A – Draft HUD Grant Agreement