



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: June 17, 2025

TO: LaTanya Bellow, City Manager

FROM: Chadrick Smalley, Community Development Director

SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Accept A Grant Of \$250,000 From The Metropolitan Transportation Commission's Transit-Oriented Communities Planning Grant Program For Development Of An Inclusionary Housing Policy And Modifications To The Residential Landlord And Tenant Relations Ordinance; And Committing To Take Steps Toward Achieving Compliance With The Metropolitan Transportation Commission's Transit-Oriented Communities Policy**

RECOMMENDATION

Staff recommends the City Council adopt the attached resolution authorizing the City Manager to accept a grant of \$250,000 from The Metropolitan Transportation Committee (MTC) Transit Oriented Communities (TOC) Planning Grant Program to support the development of an inclusionary housing policy and make modifications to the Residential Landlord and Tenant Relations Ordinance.

BACKGROUND

The MTC is the regional transportation planning and funding agency serving the nine-county San Francisco Bay Area. In October 2021, MTC and the Association of Bay Area Governments (ABAG) adopted Plan Bay Area 2050 after a multi-year process that began in 2019. Plan Bay Area 2050 identifies strategies for housing, economic growth, transportation and the environment to make the Bay Area more resilient and equitable over the next 30 years. Consistent with the Plan Bay Area 2050 goals, MTC adopted Resolution No. 4530 in 2023, establishing the regional Transit-Oriented Communities (TOC) Policy.

MTC's TOC Policy seeks to support the region's transit investments by creating communities around transit stations and along transit corridors that not only support transit ridership, but also are places where Bay Area residents of all abilities, income levels, and racial and ethnic backgrounds can live, work and access services, such as education, childcare, and healthcare. TOC Policy requirements consist of the following four elements:

- 1) Minimum and allowable residential and/or commercial office densities for new development;
- 2) Policies focused on affordable housing production, preservation and protection, and commercial anti-displacement and stabilization policies;
- 3) Parking management; and
- 4) Transit station access and circulation.

The TOC Policy applies to areas within one half mile of the following types of existing and planned fixed-guideway transit stops and stations: regional rail, commuter rail, light-rail transit, bus rapid transit, and ferries. MTC has identified nearly 65 jurisdictions with a TOC area, including the City of Emeryville with the existing Amtrak Capital Corridor station. Compliance with the TOC Policy is voluntary, but jurisdictions that are subject to and compliant with the policy are expected to be more competitive for some MTC discretionary funding, including One Bay Area Grant (OBAG) transportation funds. MTC has directed jurisdictions to anticipate demonstrating compliance prior to the adoption of OBAG 4, expected in early 2026.

In September 2024, MTC issued a call for projects under the TOC Planning Grants Program to provide funding for the implementation of Plan Bay Area 2050 strategies. Approximately \$2 million was made available for one-time grants to support the development and adoption of housing policies that focused on the production, preservation and protection of affordable housing. Housing policy awards would be between \$100,000 - \$500,000 and may be applied to address one or more TOC housing policies.

On November 22, 2024, the City submitted an application for \$500,000 in TOC Planning Grant funds to support development or modification of existing policies to ensure compliance with TOC Production Policy 1: Inclusionary Zoning, Protection Policy 1: Just Cause Eviction, Protection Policy 8: Relocation Assistance, and Protection Policy 11: Anti-Harassment Protections. These policies were selected primarily because they implement programs in the City's adopted 2023-2031 Housing Element.

On February 14, 2025, the MTC board approved the City of Emeryville to receive a \$250,000 TOC Planning Grant award to support adoption or modification of affordable housing policies. Work must be completed within 24 months of project initiation, and the city must submit a resolution accepting the TOC Planning Grant award by June 30, 2025.

DISCUSSION

The TOC Policy requires jurisdictions to have adopted at least six affordable housing policies, which jurisdictions can select from a menu of identified policies in the TOC Administrative Guidance. Jurisdictions should select at least two policies for each of the "3Ps"—affordable housing production, preservation, and protection. Additionally, jurisdictions must select at least one commercial stabilization policy, however commercial stabilization policies are not eligible for TOC Planning Grants. The scope of work for this grant will be further refined in consultation with MTC.

The table below lists the TOC Affordable Housing policies staff will utilize the TOC Planning Grant to achieve TOC Policy compliance, and what program the policy aligns with in the 2023-2031 Housing Element.

Category	TOC Affordable Housing Policy	Housing Element Program
Production	#1 - Inclusionary Housing	A. Affordable Housing Program
Protection	#1 - Just Cause	QQ. Tenant Protection Measures
Protection	#11 - Anti-Harassment	QQ. Tenant Protection Measures

For reference, the Housing Element Programs listed above are described as follows:

Program A:

1. Affordable Housing Program.

The City will continue work collaboratively to ensure all residential housing projects subject to the requirements of the Affordable Housing Program (Article 4, Chapter 5, Title 9) are implemented. The City will evaluate the feasibility of the following potential modifications:

- Increase the number of new affordable ownership residential units created by amending Section 95.402 to reduce the number of new ownership residential projects required to comply with the ordinance below the current regulation requirement of 10 units.
- Incorporate an inclusionary housing requirement into the Affordable Housing Program by amending Section 9-5.406 and 9-5.407 to eliminate the reference to the impact fees so that all residential rental projects must include a percentage of affordable units, as authorized under Assembly Bill (AB) 1505.
- Increase the number of affordable rental residential units created for extremely low and developmentally disabled by amend Section 9-5.407 to increase the percentage of required affordable housing units above the current regulation requirement of 12 percent for very low and low-income households
- Increase the creation of affordable rental residential units for extremely low- and very low-income affordable units for people living with physical and/or developmental disabilities by amending Section 9-5.407 to add an option for developers to choose to produce a smaller percentage of affordable units, than required, if the affordable units are targeted to these special needs populations.

2. Development Bonus Programs.

The City will continue to offer developers the opportunity to utilize the City's Development Bonus Program (Section 9.4.204) or the State Density Bonus Program (Article 5, Chapter 5, Title 9), for those seeking to increase the number of dwelling units allowed at the project site in exchange for providing additional affordable housing units, above and beyond what is required under the Affordable Housing Program. The City will analyze what the new percentage of affordable housing units shall be for Community Benefit points in context of the changes being made to the Affordable Housing Program

Program QQ:

Tenant Protection Measures

The City will continue to implement the following strategies to minimize tenant displacement:

- Continue to implement the Emeryville Live/Work or enrolled in EUSD preference in the leasing of Below Market Rate Rental units in Emeryville.
- Continue to partner with a 3rd party Housing Service Provider to implement the Tenant/Landlord Eviction and Harassment Ordinance (i.e. Just Cause). The Housing Service Provider will provide assistance to tenants and landlords in navigating their rights and the requirements under the Ordinance related to no-fault evictions, proper eviction noticing, relocation assistance, right to return and mediation for potential tenant harassment. Additionally, the Housing Service Provider will provide an annual training about the City's ordinance and the just cause and rent cap provisions under AB1482.
- Continue to partner with a 3rd Party Legal Service Provider to provide legal services to tenants in need of eviction legal assistance.
- The City will evaluate emergency ordinances to address evictions, as emergency situations arise. In 2020, the City adopted an Eviction moratorium, in response to the COVID-19 pandemic to prevent property owners from evicting tenants during the COVID-19 state of emergency. In support of this effort, the City also created a Rental Repayment Ordinance that outlined the requirements tenants and landlords had to implement to restructure the repayment of missed rent during the COVID-19 State of Emergency and an Emergency Rental Assistance Program, that provide grants funds to support tenants with incomes less than 100 percent AMI that were unable to pay their rent. If another State or County-wide Emergency issue arises that impacts housing and/or low-income households, the City will evaluate the need to implement similar actions or support County-wide efforts to ensure residents are not displaced.
- Promote the practice of effective management in all rental housing projects in order to maintain and improve the quality of rental housing and the relationship between tenants and landlords. Provide online resources and training opportunities to assist BMR Property Managers (PM) in understanding the BMR rental restrictions and tips for how to troubleshoot common rental issues

In addition to the Housing Element Programs referenced above, in March 2024, the City Council referred potential policies on "Tenant's Right to Organize" and "Tenant's Right to Counsel" to the Budget and Governance Committee, which discussed these topics in December 2024. As both policies would entail amendment of the City's Tenant/Landlord Eviction and Harassment Ordinance, they will be addressed as part of other modifications to this ordinance and this work is included in the City's Fiscal Year 2025-2026 Strategic Plan.

Because of the alignment between the MTC's TOC Policy and the City's Housing Element Programs, the TOC grant funds provide an opportunity to leverage outside resources in completing the policy work outlined above.

FISCAL IMPACT

As noted above, the City was awarded \$250,000 in TOC Planning Grant funding. Additional funding for contract services may be required to supplement the funding for the Inclusionary Housing Feasibility Study, and if needed funding is available in the Fiscal Year 2025-2026 Operating Budget in the General Plan Maintenance Fund (Fund 225) line item for Professional Services. The TOC Planning Grant funds will be held in the Grant Fund (Fund 254).

STAFF COMMUNICATION WITH THE PUBLIC

There has been no communication with the public on this specific grant funding source, however, the policies noted above were discussed at length during the preparation of the 2023-2031 Housing Element and subsequently at Housing Committee meetings on specific topics after adoption of the Housing Element.

CONCLUSION

Staff recommends the City Council adopt the attached resolution authorizing the City Manager to accept the TOC Planning Grant in the amount of \$250,000.

PREPARED BY: Valerie F. Bernardo, Economic Development & Housing Manager

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



LaTanya Bellow, City Manager

ATTACHMENTS

- Draft Resolution