

Metropolitan Transportation Commission Programming and Allocations Committee

July 11, 2007

Item Number 4a

HIP Program

Subject: HIP Program Status Update and Deadline Extension

Background: In 2001, the Commission created the Housing Incentive Program (HIP). This program provides incentives for the construction of housing near high quality transit service. Transportation for Livable Communities (TLC) grants are offered to jurisdictions based on the proposed housing project's density, the number of bedrooms, and level of affordability. Cities only realize the potential grant upon issuance of a building permit for the housing project, at which time the city is able to proceed with its TLC transportation project.

In June 2005, the Commission adopted the second round of HIP eligible housing projects (Res. 3710 attached). This list included \$30.1 worth of potential grants. The grants are awarded when a city presents MTC with a building permit (typically in the form of the foundation permit for construction) by June 22, 2007. This memo outlines current status of the program and recommends an extension of the program deadline.

Issues: By the June 2007 target deadline there were \$14 million in approved grants based on building permits delivered. Similar to the first HIP cycle awarded in 2001, projects are struggling to meet the original deadline due to the recent downturn in the residential development market as well as other local issues related to each project. Current information for each potential grant award is included in the attachment and is subject to change.

Staff plans to extend the permit submittal deadline to October 1st, 2007. This extension is based on the next TIP amendment cycle, which is set to close November 1st, 2007. Furthermore, given the design review requirements for the program, it would become extremely difficult for projects approved after November 1, 2007, to meeting the fund obligation requirements associated with Res. 3606 that are meant to ensure that no federal dollars are lost to the region.

This extension provides an opportunity for between \$3 million and \$7.5 million in additional HIP projects to secure their building permits and move into the TIP this fall. This could bring the total second cycle amount to roughly \$20 - 22 million. The attached table shows the latest status information available on HIP projects.

The cycle two HIP funding extends to the end of SAFETEA (FY 2009) and all of these \$30.1 million need to be obligated by March 2009. The first call on remaining cycle two HIP funds (\$8 million to \$10 million) will be the \$8.05 million TLC capital contingency list as outlined by Commission Res. 3723 adopted in September 2006. Staff will return in October with a detailed recommendation in the event not all of the HIP funds are programmed.

Recommendation: Information only.

Attachments: TLC Contingency List (Resolution 3723)
HIP Project List and Status (Resolution 3710)

TLC Contingency List: Resolution 3723

Sponsor	County	Project	Contingency TLC Funding (millions)
City of San Francisco	San Francisco	Leland Avenue Streetscape and Intersection Improvement Project at new 3 rd Street/Bayshore lightrail station	\$2.05
City of Martinez	Contra Costa	Downtown Marina Vista Streetscape and pedestrian improvement project near Amtrak Capitol Corridor station and proposed ferry terminal.	\$1.6
City of Sunnyvale	Santa Clara	Murphy Avenues Streetscape Revitalization Project at Sunnyvale Caltrain station	\$1.3
City of Richmond	Contra Costa	Richmond Downtown Revitalization and Transit Village: Bicycle and Pedestrian Linkages near Richmond BART	\$1.1
City of Oakland	Alameda	Fruitvale Alive: Fruitvale Corridor Pedestrian Safety and Streetscape Improvement Project	\$2.0
TOTAL CONTINGENCY LIST			\$8.05

Housing Incentive Program Potential Grant Awards (June, 2005) Resolution 3710

Project Sponsor	Housing Development	Max. HIP Grant*	Approved 6/07	Expected 10/07
City of Berkeley	Oxford Plaza/David Brower Center	\$543,700	\$543,700	
City of Dublin	Dublin Transit Center	\$7,330,000	\$3,000,000	
CITY OF DUBLIN TOTAL	<i>Adjusted Total</i>	\$3,000,000		
City of Emeryville	Adeline Place	\$180,000		\$180,000
City of Livermore	Groth Brothers Site	\$828,000		
City of Livermore	Lucky Shopping Center	\$1,254,000		\$627,000
City of Livermore	Old First Street Mixed Use	\$77,400		
CITY OF LIVERMORE TOTAL		\$2,159,400		\$ 627,000
City of Oakland Community and Economic Dev.	Coliseum Gardens Phase 3	\$264,000	\$264,000	
City of Oakland Community and Economic Dev.	Coliseum Gardens Phase 4	\$290,900	\$290,900	
City of Oakland Community and Economic Dev.	Fruitvale Gateway	\$3,522,500		
City of Oakland Community and Economic Dev.	100 Grand	\$815,000		
City of Oakland Redevelopment Agency	Uptown Oakland	\$2,445,100	\$2,445,100	
CITY OF OAKLAND TOTAL	<i>Adjusted Total</i>	\$3,000,000		
City of San Leandro	Gateway Apartments	\$405,000		
City of Union City Community Development Dept	Avalon Bay	\$1,954,700	\$1,954,700	
City of Concord	Enea Circle	\$1,056,000		
City of Concord	Esplanade	\$872,500		
City of Concord	Salvio Street Condominiums	\$58,000		
CONCORD TOTAL		\$1,986,500		
City of Hercules	Bayfront Transit Village	\$3,000,000		
City of Lafayette	Lafayette Town Center III	\$275,200		
Contra Costa County Redevelopment Agency	Pleasant Hill BART Transit Village	\$2,666,500		\$2,666,500
County of Marin Community Development Agency	#6 and #10 Toussin Avenue	\$25,300		

Housing Incentive Program Potential Grant Awards (June 2005) Resolution 3710 (cont.)

Project Sponsor	Housing Development	Max. HIP Grant*	Approved 6/07	Expected 10/07
City of Gilroy	Gilroy Cannery	\$730,000		\$730,000
City of San Jose Planning Department	Almaden Tower	\$1,285,000	\$1,285,000	
City of San Jose Planning Department	Hitachi	\$3,000,000		
City of San Jose Planning Department	Goble Lane	\$3,578,500		\$1,180,905
CITY OF SAN JOSE TOTAL	<i>Adjusted Total</i>	\$3,000,000		
San Francisco Dept. of Public Works	10th and Mission Family Housing	\$895,400	\$895,400	
San Francisco Dept. of Public Works	Mission Bay N4/N4a Homeownership	\$684,400	\$430,400	
San Francisco Dept. of Public Works	Bay Oaks Housing	\$64,800		
San Francisco Dept. of Public Works	9th and Jessie Senior Housing	\$319,300		
San Francisco Dept. of Public Works	Central Freeway Parcel A	\$312,500	\$312,500	
San Francisco Dept. of Public Works	Central Freeway Parcel C, Western Addition Redev. Project Area A-2	\$311,900		
San Francisco Dept. of Public Works	5600 Third Street Affordable Housing	\$1,361,700	\$1,361,700	
San Francisco Dept. of Public Works	Westbrook Plaza	\$292,500		
SAN FRANCISCO TOTAL	<i>Adjusted Total</i>	\$3,000,000		
San Mateo County Planning Department, Planning and	Colma Transit Village Apartments	\$1,078,800		\$970,920
City of Daly City	Landmark Plaza	\$486,200	\$486,200	
City of Daly City	Hillcrest Senior Housing	\$129,100	\$129,100	
City of Redwood City Redevelopment Agency	Villa Montgomery	\$387,900	\$387,900	
City of South San Francisco	Park Station Lofts	\$304,800	\$304,800	
Community Development Department, City of San Bruno	San Bruno Plaza	\$103,800		
City of Vallejo Community Development Dept, Econom	Downtown Waterfront	\$1,192,500		\$596,250

Housing Incentive Program Potential Grant Awards (June 2005) Resolution 3710 (cont.)

Project Sponsor	Housing Development	Max. HIP Grant*	Approved 6/07	Expected 10/07
City of Santa Rosa, Public Works Department	The Crossings at Santa Rosa	\$189,200	\$123,800	
City of Santa Rosa, Public Works Department	Terracina at Santa Rosa	\$310,200	\$310,200	

Gross Total **\$ 44,599,200**

Adjusted Total **\$ 30,108,800**

Project Sponsor	Housing Development	Max. HIP Grant*		Expected 10/07
	Total		\$14,525,400	\$7,578,575
	<i>Running Total</i>			\$22,103,975

Maximum grant \$3,000,000 per city