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Office of the City Manager

CONSENT CALENDAR
November 17, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Scott Gilman, Director, Health, Housing, and Community Services

Subject: Replacing the Project Co-Sponsor for the No Place Like Home Program – Supportive Housing in People's Park from Resources for Community Development to Satellite Affordable Housing Associates

RECOMMENDATION

Adopt a Resolution that:

1. Approves replacing the project Co-Sponsor for the No Place Like Home (NPLH) program – Supportive Housing in People's Park (SHIPP) from Resources for Community Development (RCD) to Satellite Affordable Housing Associates (SAHA) or their affiliate.

2. Authorizes the City Manager, or designee, to negotiate a side agreement with SAHA regarding mutual responsibilities.

3. Authorizes the City Manager, or designee, to execute in the name of Sponsor the NPLH Program Application Package and the NPLH Program Documents as required by the State Department of Housing and Community Development (HCD) for participation in the NPLH program.

FISCAL IMPACTS OF RECOMMENDATION

There are no new fiscal impacts to revising the resolutions and reauthorizing the City's participation in the NPLH program. On December 14, 2021, City Council authorized the submittal of the project's original NPLH application with Resolution No. 70,139-N.S. and Resolution No. 70,140-N.S. At that time, the City committed to providing mental health supportive services available to all residents of the 46 NPLH units for a twenty-year period, as required by the HCD program. Berkeley Mental Health (BMH) will provide direct support to those NPLH residents qualified for BMH services, and the City will fund services for the remaining NPLH residents through a contract with either SAHA or another community agency. The estimated cost to the City for the services contract is approximately $235,000 per year after the project is completed and occupied. A funding source for this future services contract is not yet identified, but could potentially be funded with the General Fund (Fund 011), Measure U1 (Fund 016), or the City's Permanent Local Housing Allocation (Fund 302). These services could also be funded

through the City's Four-Year Community Agency RFP process. It is estimated these services will begin in FY30.

In 2022, HCD awarded the project $13,926,261 in NPLH capital loan funding and $2,758,957 in grant funding for operating costs. HCD recently increased the operating funding by $3,314,782 for a total award of $20,000,000. The NPLH funds are expected to go to the project directly and not flow through the City.

CURRENT SITUATION AND ITS EFFECTS

HCD requires updated resolutions authorizing the City's participation in the NPLH program with SAHA for its Supportive Housing in People's Park project. The City and the original project sponsor – Resources for Community Development (RCD) – jointly applied for and were awarded $16,685,218 in NPLH funds in 2022.

Supportive Housing in People's Park is a proposed 110-unit project on land owned by the University of California, Berkeley. RCD exited the project after legal challenges caused delays. The University subsequently selected SAHA as the new project sponsor, and SAHA and the City worked with HCD to transfer the award and extend the award reservation for the project, which HCD approved in June 2026.

Since then, HCD announced that they will award the project an additional $3,314,782 in grant funding to support the increased costs and gap funding for the project, bringing the total NPLH award to $20,000,000. For the project to receive the additional State funds, the City is required to enter into the State's Standard Agreement and ancillary documents, and as an awardee, the City shares responsibility with SAHA for completing the affordable housing development.

Staff recommend that the City also enter into a side agreement with SAHA clarifying responsibilities under the NPLH program and mitigating risks to the City. The City entered into similar side agreements with developers for other state funding programs. The attached resolution will provide the City Manager with the authority to negotiate and execute a side agreement with SAHA. The attached resolution also designates SAHA as the Co-Sponsor for the NPLH award.

Supportive Housing in People's Park advances the Strategic Plan goal to create affordable housing and housing support service for our most vulnerable community members.

BACKGROUND

The proposed project, Supportive Housing in People's Park, includes 110 residential units that will be affordable to households earning between 20% - 50% of the area median income (AMI). At least 46 units will be permanent supportive housing, set aside for people who have experienced chronic homeless and/or have a mental illness, and 10 of which are set aside for veterans at risk of homelessness. The City awarded the project $14.4 million in development and operating funding through the 2021 Housing

Trust Fund Request for Proposals (HTF RFP) approved by Council on December 14, 2021, by Resolution No. 70,135-N.S. The City extended its funding reservation in February 2026 as authorized by Resolution No. 72,124-N.S. As a condition of the NPLH award, the City is required to provide tenancy sustaining services for residents in the 46 NPLH units for a period of 20 years. Tenants in NPLH units will be selected through the Countywide Coordinated Entry System (CES) which will prioritize people who are homeless and have a qualifying mental health disability and a Berkeley connection.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS
There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION
The University selected SAHA through a competitive RFP to replace RCD as the developer for the SHIPP project, and HCD approved the replacement of the NPLH project Co-Sponsor. This resolution aligns the City with the action of the University and HCD, and authorizes the City to enter into a side agreement with SAHA to protect the City's interests and mitigate risk to the City.

ALTERNATIVE ACTIONS CONSIDERED
No alternative actions were considered.

CONTACT PERSON
Kelly deWolfe, Community Development Project Coordinator, HHCS, (510) 981-5424

Attachments:
1: Resolution

RESOLUTION NO. XX,XXX-N.S.

REPLACING THE PROJECT CO-SPONSOR FOR THE NO PLACE LIKE HOME PROGRAM – SUPPORTIVE HOUSING IN PEOPLE'S PARK FROM RESOURCES FOR COMMUNITY DEVELOPMENT TO SATELLITE AFFORDABLE HOUSING ASSOCIATES

WHEREAS, on December 14, 2021, as authorized by Resolutions 70,135-N.S. and 72,124-N.S, the City of Berkeley (City) approved a request for predevelopment and development funding of $14,359,593 2021 Housing Trust Fund Request for Proposals (HTF RFP) for Resources for Community Development (RCD) related to the development of Supportive Housing in People's Park project, located at 2556 Haste; and

WHEREAS, in order to pursue funding through the NPLH program, RCD submitted a joint application with the City as authorized on December 14, 2021, with Resolutions 70,139-N.S. and 70,140-N.S.; and

WHEREAS, in 2022, HCD awarded the project $16,685,218 in NPLH grant and loan funds; and

WHEREAS, RCD subsequently exited the project and the University of California, Berkeley selected Satellite Affordable Housing Associates (SAHA) as the new project developer; and

WHEREAS, on February 10, 2026, the Council of the City of Berkeley authorized by Resolution 72,124-N.S. extended the funding reservation of $14,359,593 for Housing Trust Fund Projects; and

WHEREAS, approved the transfer of the NPLH award from RCD to SAHA in June 2026; and

WHEREAS, as project Sponsor, the City may be required to accept a portion of the project's liability as condition of the joint award, though the risk may be mitigated by a side agreement negotiated between the City and SAHA.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that it approves replacing the project Co-Sponsor for the No Place Like Home (NPLH) program for the Supportive Housing in People's Park (SHIPP) project from Resources for Community Development (RCD) to Satellite Affordable Housing Associates (SAHA) or their affiliate.

BE IT FURTHER RESOLVED that the City Manager is authorized to negotiate a side agreement with SAHA regarding mutual responsibilities.

BE IT FURTHER RESOLVED that the City Manager, or designee, is authorized to execute in the name of Sponsor the NPLH Program Application Package and the NPLH Program Documents as required by the Department for participation in the NPLH program;

BE IT FURTHER AND FINALLY RESOLVED that the City Manager, or designee, is hereby authorized to execute all original or amended documents or agreements to effectuate this action; a signed copy of said documents, agreements, and any amendments will be kept on file in the Office of the City Clerk.