

CONSENT CALENDAR May 9, 2023

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Lisa Warhuus, Director, Health, Housing, and Community Services

Subject: Contract No. 32300108 Amendment: Street Level Advisors, LLC for Housing

Consulting Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32300108 with Street Level Advisors, LLC increasing the contract by \$50,000 for consulting services in a total amount not to exceed \$99,500, with a contract end date of June 30, 2024.

FISCAL IMPACTS OF RECOMMENDATION

The total not-to-exceed amount of this contract will be \$99,500. Resources for the contract will be provided from General Fund, #011 allocated to the Department of Health, Housing, and Community Services' Housing and Community Services Division (HHCS/HCS), which is currently available in the Fiscal Year 2023 Budget.

CURRENT SITUATION AND ITS EFFECTS

The City has a contract with Street Level Advisors, LLC to provide project management, community engagement, and technical expertise to maximize the affordable housing potential of the proposed residential housing development of North Berkeley BART and Ashby BART stations. Each project will blend a mix of market rate housing with non-profit, deed restricted affordable housing supported by the City's Housing Trust Fund (HTF) program. This is a unique situation that requires additional work to ensure a fair contribution to affordable housing by the market rate developer as well as due diligence to maximize the affordable housing at each site. The services provided by Street Level Advisors, LLC include:

- Completing an Affordable Housing Framework to outline the affordable housing requirements and components for each project;
- Formalizing policy guidelines for the Minimum Developer Contribution to each project's affordable housing by the market rate developer;
- Working with City staff to coordinate community engagement;

- Work with Housing staff to develop a more complete process for the development subsidy application (including application materials, affordable housing compliance plan requirements, and review/award process);
- Supporting the review of pre-development funding applications; and
- Meeting regularly with City staff, the selected development team, and project partners as needed.

The City's engagement with the BART development projects is critical to the City's long-term affordable housing development goals. Delivering a high amount of affordable housing will require significant, long-term planning; including the development of an Affordable Housing Framework, Affordable Housing Compliance Plan, and technical assistance to complete subsidy applications that currently exceed the capacity of City staff and extend beyond the current timeline of the contract. Street Level Advisors, LLC brings a high level of housing affordability and engagement experience and can support and augment the current needs and expertise of City staff to complete these projects.

Supporting the development of affordable housing at North Berkeley and Ashby BART stations is a Strategic Plan Priority Project to advance our goal to create affordable housing and housing support services for our most vulnerable community members.

BACKGROUND

The Berkeley City Council committed \$53 million for the development of at least 35% affordable housing at the proposed residential housing development projects at Ashby and North Berkeley BART stations. City staff are working closely with BART and the selected development teams to maximize the affordability at each site and ensure a transparent and fair commitment to affordable housing. Street Level Advisors, LLC is providing critical support to advance a transparent and fair commitment to affordable housing through policy planning and pre-development review.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no environmental impacts related to amending the consultant contract.

RATIONALE FOR RECOMMENDATION

The development of affordable housing projects at the North Berkeley and Ashby BART stations will take between 11 to 17 years. These projects are complex and will provide a significant number of affordable housing units for the City. The complexity of project work now required exceeds HHCS/HCS' current capacity.

ALTERNATIVE ACTIONS CONSIDERED

The Council may choose not to extend the contract. If HHCS is unable to amend and extend the contract with Street Level Advisors, LLC, staff will not be able to adequately support the BART housing projects in the City's pipeline.

CONTACT PERSON

Mariela Herrick, Community Development Project Coordinator, HHCS, 510.981.5424

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 32300108 AMENDMENT: PERSONAL SERVICES CONTRACT WITH STREET LEVEL ADVISORS LLC

WHEREAS, the City Council established a Housing Trust Fund (HTF) program to assist in the development and expansion of housing affordable to low- and moderate-income persons who either work or reside within the City of Berkeley, and authorized the City Manager to implement the HTF program; and

WHEREAS, on October 15, 2022, the Health, Housing and Community Services Department entered into a contract with Street Level Advisors LLC (contract # 32300108) to provide project management and technical support to the City's affordable housing projects at the North Berkeley and Ashby BART stations; and

WHEREAS, Street Level Advisors, LLC continues to provide critical support to the development of affordable housing at North Berkeley and Ashby BART stations, which each have City funding reservations.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that City Manager is authorized to amend Contract No. 32300108 with Street Level Advisors LLC for personal services to add up to \$50,000 for a total not to exceed amount of up to \$99,500 with a contract end date of June 30, 2024.

BE IT FURTHER RESOLVED the City Manager, or her 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 City Clerk.