



Office of the City Manager

CONSENT CALENDAR
February 11, 2025

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: Contract No. 32300108 Third Amendment: Street Level Advisors, LLC for Housing Consulting Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or designee to execute a third amendment to Contract No. 32300108 with Street Level Advisors, LLC increasing the contract by \$180,000 for consulting services in a total amount not to exceed \$379,500, with a contract end date of June 30, 2026.

FISCAL IMPACTS OF RECOMMENDATION

The total not-to-exceed amount of this contract will be \$379,500. Up to \$120,000 of the new funds will come from the administrative set-aside portion of the Affordable Housing Mitigation Fee fund (Fund #120), which was made available for housing development consulting services through FY2025 Annual Appropriations Ordinance #1. The remaining \$60,000 will come from General Fund salary savings (Fund #011).

CURRENT SITUATION AND ITS EFFECTS

The City has a contract with Street Level Advisors, LLC (SLA) to provide project management, community engagement, and technical expertise for the affordable housing programs implemented by the Department of Health, Housing, and Community Services' Housing and Community Services Division (HHCS/HCS). The initial contract along with the amendments are focused on maximizing the affordable housing potential of the proposed residential developments at the North Berkeley BART and Ashby BART sites. The contract also provides support for HCS' ongoing policy and programmatic work to implement the Housing Trust Fund (HTF) and inclusionary housing programs.

The third amendment to the contract will enable SLA to develop and support the competitive process to select a development team for the City-owned Ashby BART east lot. SLA's scope of work will include establishing a framework for the developer selection process, soliciting input from City leadership on priorities for developing the site, drafting the Request for Proposals or Request for Qualifications, working with City representatives to select the developer team, and supporting HCS staff in ongoing project management. Similar to the North Berkeley BART project, the Ashby BART east

lot project is anticipated to blend a mix of market rate housing with nonprofit, deed restricted affordable housing supported by the City's Housing Trust Fund program. The Ashby BART east lot project will require work to ensure a fair contribution to affordable housing by the market rate developer(s) as well as due diligence to maximize the affordable housing onsite.

SLA will also continue its project management role for the affordable housing plans at North Berkeley BART and the Ashby BART west lot (the parcel owned by BART). The City's engagement with the BART development projects is critical to its 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 SLA contract.

SLA is also currently supporting other programmatic responsibilities, which include updating the Below Market Rate ownership regulations and administrative guidelines to be consistent with the inclusionary housing requirements adopted in 2023 (Berkeley Municipal Code Chapter 23.328). SLA 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.

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 North Berkeley and Ashby 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. SLA 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

Staff are continuing to work diligently with SLA to facilitate the affordable housing plans underway at Ashby BART west lot as well as the ongoing development for North Berkeley BART. The affordable housing plans for each site are unique and require complex financial and policy analysis. While BART managed the developer selection processes at the North Berkeley BART and Ashby BART west lot sites, the City will be responsible for setting priorities and selecting developers for the Ashby BART east lot site. The scale and complexity of the project work required exceeds HHCS/HCS' current capacity.

ALTERNATIVE ACTIONS CONSIDERED

The Council may choose not to extend the contract. Staff will not be able to adequately support the BART housing projects or complete programmatic work without additional support from Street Level Advisors, LLC.

CONTACT PERSON

Asavari Devadiga, Community Development Project Coordinator, HHCS, 510-981-5426

Attachments:

1: Resolution

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

CONTRACT NO. 32300108 THIRD 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, on May 9, 2023, the City Council authorized a contract amendment with Street Level Advisors, LLC to increase the contract by \$50,000 for a total not to exceed amount of \$99,500; and

WHEREAS, on May 7, 2024, the City Council authorized a contract amendment with Street Level Advisors, LLC to add up to \$100,000 for a total not to exceed amount of up to \$199,500 with a contract end date of June 30, 2025; and

WHEREAS, Street Level Advisors, LLC continues to support the implementation of the City's Housing Trust Fund and inclusionary housing programs; 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; and

WHEREAS, City staff identified a need for support related to the developer selection process for the City-owned, Ashby BART east lot site; and

WHEREAS, \$120,000 is available in the FY25 budget from Fund 120, and \$60,000 is available from fund 011 through salary savings.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that City Manager or designee is authorized to amend Contract No. 32300108 with Street Level Advisors, LLC for personal services to add up to \$180,000 for a total not to exceed amount of up to \$379,500 with a contract end date of June 30, 2026.

BE IT FURTHER 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 City Clerk.