



Office of the City Manager

CONSENT CALENDAR
May 7, 2024

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Margot Ernst, Interim Deputy Director, Health, Housing, and Community Services
Subject: Contract No. 32300108 Second Amendment: Street Level Advisors, LLC for Housing Consulting Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a second amendment to Contract No. 32300108 with Street Level Advisors, LLC increasing the contract by \$100,000 for consulting services in a total amount not to exceed \$199,500, with a contract end date of June 30, 2025.

FISCAL IMPACTS OF RECOMMENDATION

The total not-to-exceed amount of this contract will be \$199,500. 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 2024 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 for the City's affordable housing programs. The initial contract and first amendment focused on maximizing the affordable housing potential of the proposed residential housing development of North Berkeley BART and Ashby BART stations. The contract also provided for supporting the HCS' ongoing policy and programmatic work to implement Housing Trust Fund (HTF) and inclusionary housing programs.

This will be the second amendment to the contract to continue the ongoing affordable housing planning at each station. Each project will blend a mix of market rate housing with nonprofit, deed restricted affordable housing supported by the City's Housing Trust Fund 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.

Street Level Advisors is expanding its project management role for the affordable housing plans at North Berkeley BART as HCS' addresses staffing vacancies. The consultant is also leading the planning and review of the affordable housing plans and market rate developer contributions for Ashby BART.

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.

The consultant is also supporting other programmatic responsibilities. This includes 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). The contract amendment will also support the alignment of the City's inclusionary requirements with affordable housing requirements under State law, including state Density Bonus Law, SB 330, SB35, among others.

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.

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

Staff are continuing to work diligently with Street Level Advisors to facilitate the affordable housing plan underway at North Berkeley BART as well as the future planning for Ashby BART. The affordable housing plans for each site are unique and require complex financial and policy analysis. The scale and complexity of the project work now required exceeds HHCS/HCS' current capacity.

The contract amendment will also support HCS' capacity to coordinate ongoing policy and programmatic duties related to the HTF and inclusionary housing programs, particularly as the Housing Development Unit navigates several key vacancies.

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

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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.

CONTACT PERSON

Mike Uberti, Senior Community Development Project Coordinator, HHCS, 510-981-5114

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, on May 9, 2023, the City Council authorized a contract amendment with Street Level Advisors to increase the contract by \$50,000 for a total not to exceed \$99,500; 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, Street Level Advisors, LLC continues to support the implementation of the City's Housing Trust Fund and inclusionary housing programs.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to amend Contract No. 32300108 with Street Level Advisors, LLC for personal services 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.

BE IT FURTHER RESOLVED that 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.