



CITY COUNCIL AGENDA REPORT

Meeting Date: May 6, 2021

From: John Swiecki, Community Development Director

Subject: Initiating a Request for Proposal to Develop a Citywide Affordable Housing Strategic Plan

Community Goal/Result

Community Building - Brisbane will honor the rich diversity of our city (residents, organizations, businesses) through community engagement and participation

Fiscally Prudent - Brisbane's fiscal vitality will reflect sound decisions which also speak to the values of the community

Purpose

Initiate the process to develop an affordable housing strategic plan for the City of Brisbane.

Recommendation

That the City Council authorize the City Manager to prepare and release a Request for Proposals (RFP) to qualified consultants to prepare an affordable housing strategic plan and authorize the City Council Housing Subcommittee to make a recommendation for consultant selection to the full City Council.

Background

After the dissolution of Redevelopment Agencies by the State of California, cities in California lost a key funding source for the development and administration of affordable housing and other housing assistance programs. The City's remaining affordable housing funds, now housed within the Brisbane Housing Authority (BHA), largely result from sales of property with no on-going funding sources. Simultaneously, the development of affordable housing has been prioritized by the State of California in the eight-year Regional Housing Needs Allocation (RHNA) process for cities to address at a policy level the production of affordable housing. In Brisbane, the anticipated build out of 1,800-2,200 housing units as part of the Baylands Specific Plan presents unique opportunities for the development of affordable housing at a scale not achievable in Central Brisbane.

The City has no proactive affordable housing funding programs or priorities to address these various housing-related obligations and opportunities. On April 1, 2021 the Housing subcommittee (Council Members Davis and Lentz) discussed the need for the City to comprehensively and proactively manage its affordable housing obligations and opportunities, and recommended the City seek out a qualified consultant to develop an affordable housing strategic plan for the City.

Discussion

Key components of the desired strategic plan I include:

1. Identifying short and long term city management responsibilities associated with the existing and future legally restricted affordable housing and exploring options for administering these duties.

While the current stock of deed restricted units is relatively low, it will increase dramatically when the housing component of the Baylands develops and it is critical that these units are managed over time to ensure affordability requirements continue to be met.

2. Identify/evaluate project/programmatic options for utilizing the City's approximately \$4M balance affordable housing funds.

There are numerous ways to utilize low/mod housing funds, and it is important for the community and Housing Authority to understand the range of options and establish priorities that best fit Brisbane's needs. Potential options to be evaluated in the forthcoming strategic plan should include but not be limited to: :

- **Subsidize Affordable Housing Projects:** Provide gap financing (loans or grants) for 100% affordable housing projects.
- **Homebuyer Assistance:** Provide down payment assistance (loans or grants) for low and moderate income households to buy market rate homes.
- **ADU Construction Grants:** Provide construction grants or loans for ADUs in return for affordability restrictions.
- **Renter Assistance:** Provide financial assistance for renters at risk of losing housing via an annual revolving fund.
- **At Risk Property Acquisition:** Acquisition of existing low/mod units to ensure they remain affordable and are not converted to market rate housing over time.

3. Develop affordable housing strategies for the Baylands

The Baylands offers a very different set of opportunities for establishing affordable housing than are present in the rest of Brisbane. It is critical that the City be proactive in developing an affordable housing strategy for the Baylands to ensure that it is well-defined in the specific plan and development agreement as appropriate.

4. Evaluate options to maintain a revenue stream for low/mod housing over time.

While the loss of redevelopment eliminated the primary on going source of local affordable housing funds, there are other potential sources which can be explored.

Next Steps

If authorized by the City Council, staff will work with the Council Housing Subcommittee to finalize the RFP. The Subcommittee would be involved in the consultant selection process and ultimately make a recommendation to the full City Council.

Fiscal Impact

To be determined upon receipt of responses to RFP. A portion of the cost would be reimbursable under the City’s existing reimbursement agreement with BDI for the Baylands Specific Plan and affordable housing funds can be used for the remainder.

Measure of Success

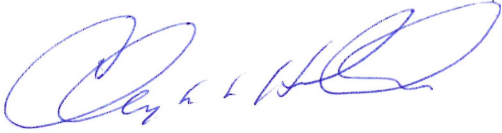
Development of a strategic plan for affordable housing plan that allows the City to identify on-going funding sources and prioritize investment in affordable housing programs that will have the highest benefit to the community.

Attachments

None.



John Swiecki, Community Development Director



Clay Holstine, City Manager