



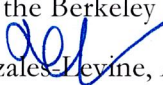
**Berkeley Housing Authority**

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*Office of the Executive Director*

Item 6A  
NEW BUSINESS  
April 7, 2022

To: Honorable Chairperson and  
Members of the Berkeley Housing Authority Board

From: Rachel Gonzales , Acting Executive Director

Subject: Extension of Requirement Deadline for Site Control: Bay Area Community Land Trust (BACLT), 1685 Solano Ave (Solano Apartments-Award of 3 Project-based Vouchers)

RECOMMENDATION

Extend the September 10, 2021 deadline for Site Control for Bay Area Community Land Trust's Project-based Voucher approval, to June 30, 2022

BACKGROUND

At the September 10, 2020 Board meeting, an award of 3 Project-based vouchers was made to the Bay Area Community Land Trust's Solano Apartments. However, BACLT did not yet have full site control of the property, and indicated in the application, that within six months, it will have successfully purchased the property. The RFP allowed for a six-month grace period to have full site control, by March 10, 2021.

As the March 10, 2021 deadline approached, BACLT indicated it was still working on obtaining site control and would not have the Purchase and Sale Agreement until after the City of Berkeley funded the Small Sites Program awards. The Board approved a 6-month extension to Sept. 10, 2021.

BACLT has since submitted another extension request for up to 6 additional months, which the Board approved in July 2021, to a new deadline of March 10, 2022. At the March Board meeting, staff presented a communication from BACLT indicating an imminent closing date for the property, as well as a PSA with the seller. The extension will allow for all of the financing requirements and milestones to be met.

CONTACT PERSON

Rachel Gonzales-Levine, Acting Executive Director, 981-5485

ATTACHMENTS:

1. Resolution extending the site control deadline to June 30, 2022 for the Bay Area Community Land Trust's (BACLT's) Solano Apartments project, 1685 Solano Ave
2. March 3, 2022 Email from BACLT Requesting extension

BERKELEY HOUSING AUTHORITY  
RESOLUTION NO. 22-\_\_\_\_\_

APPROVING AN EXTENSION TO THE BAY AREA COMMUNITY LAND TRUST (BACLT) FOR THE REQUIREMENT TO OBTAIN SITE CONTROL FOR THE AWARD OF 3 PROJECT-BASED VOUCHERS MADE ON SEPTEMBER 10, 2020, FOR 1685 SOLANO AVE (SOLANO APARTMENTS) FOR 3 UNITS (1-BEDROOMS, AND 2-BEDROOMS), WITH NEW DEADLINE FOR SITE CONTROL OF JUNE 30, 2022

WHEREAS, the BHA Board approved 3 Project-based Vouchers for the Solano Apartments Project in September 2020, provided that site control was obtained by March 10, 2021, 6 months after the award date; and

WHEREAS, BACLT indicated a need for additional time to obtain site control, with the BHA Board approving an additional six months, to September 10, 2021; and

WHEREAS, BACLT has submitted a second request for another 6-month extension, to March 10, 2022, which will provide a year and a half from the original PBV award, and sets a reasonable expectation that BACLT should be able to obtain site control by that time; and

WHEREAS, BACLT has submitted a third request for an extension to June 30, 2022, which will provide a year and nine months from the original PBV award, and sets a reasonable expectation that BACLT should be successful in obtaining site control by that time; and

WHEREAS, after site control, BHA will inspect the property and three units; if they substantially pass Housing Quality Standards (HQS), then it is possible this project can be processed in as an Existing project; and,

WHEREAS, rehabilitation, inspections of units must take place; signing of HAP contract, and, a BHA intake process of applicants must occur;

NOW THEREFORE, BE IT RESOLVED, that the BACLT has until June 30, 2022 to obtain site control, for 1685 Solano Ave. (Solano Apartments).

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on April 7, 2022 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: \_\_\_\_\_

Rachel Gonzales-Levine, Secretary

**From:** Miranda Strominger <[REDACTED]>  
**Sent:** Thursday, March 03, 2022 12:03 PM  
**To:** Gonzales-Levine, Rachel <[RGonzales-Levine@cityofberkeley.info](mailto:RGonzales-Levine@cityofberkeley.info)>  
**Cc:** Teresa Clarke <[REDACTED]>  
**Subject:** BACLT 1685 Solano PBV extension

Hi Rachel -- thanks for reaching out this week. Here is an update on the Solano project's progress toward closing.

BACLT has received loan approval for \$3,200,000 from the Enterprise Community Loan Fund's (ECLF) Bay Area Preservation Program (BAPP). This program in collaboration with MTC/ABAG is designed to fund affordable acquisition-preservation projects like this one. The participation of ECLF helps facilitate the deep affordability planned for this project.

BACLT has also received an award of \$3,900,000 from the City of Berkeley Small Sites Program. This permanent subsidy helps ensure the long-term health of the project and comes with immense support from City staff and electeds.

BACLT along with both lenders are targeting a closing date of 4/21 and are meeting weekly toward that end. BACLT has signed an amendment to its PSA with the seller, where the sellers have agreed to complete their portion of renovations at the site by 4/15. BACLT as buyer then has 21 days (until 5/6) to complete inspections of their completed work close of escrow. This means that BACLT has approval from the seller to close as late as 5/6, but we continue to target the earlier 4/21 date, should the sellers' construction and/or BACLT's inspections be completed more quickly.

We are requesting an extension from BHA of the deadline to obtain site control and retain the PBV award until June 30, 2022. The commitment of all necessary financing is an important milestone for this project, and we are confident we will be able to close in the timeline described here. However, although we have included in our contract penalties to discourage delays in progress by the seller, we are requesting an additional buffer of time to account for those potential delays outside of our control.

Thank you Rachel, and please relay our thanks to the BHA board, for considering this extension. We can't overstate the importance of this project to the Solano residents and to our Berkeley community. Please let me know if you have any questions.

With appreciation,  
Miranda