

**Metropolitan Transportation Commission
Administration Committee**

May 11, 2022

Agenda Item 2f - 22-0665

Contract Amendment – BAHFA Business Plan: Forsyth Street Advisors LLC (\$500,000)

Subject:

Staff requests the Committee’s approval to amend the contract with Forsyth Street Advisors LLC in an amount not to exceed \$500,000 for the Bay Area Housing Finance Authority (BAHFA) Business Plan Project (Project), and extend the period of performance through December 31, 2023.

Background:

Following a procurement process that commenced in February 2021, in July 2021 the Administration Committee approved the selection of the BAHFA Business Plan consultant team comprised of Forsyth Street Advisors LLC (lead entity), Bonnewit Development Services, the Othering and Belonging Institute (UC Berkeley), the Turner Center for Housing Innovation, Sperry Capital, CFX (a consultant to public financing authorities nationally), Strategic Economics, Ernst & Young, Orrick, Herrington & Sutcliffe, and Renne Public Law Group (Business Plan Team; Team). The Team is multidisciplinary and highly experienced in affordable housing financing, production, and preservation, as well as the program approaches that will best create equity and racial justice in under-represented communities.

The Business Plan Team kicked off its work in earnest in early 2022 and expects to produce a Draft Equity Framework and draft presentation of Funding Program Concepts to the ABAG Housing and BAHFA Oversight Committees by the end of 2022. As part of the initial phase of work, staff reevaluated the contract pricing and confirmed the need to provide additional resources for the business planning process for the Team to conduct more extensive regional stakeholder engagement and also analyze potential near-term financing opportunities arising through unanticipated and potential state and federal funding availability. Relatedly, the updated project plan now anticipates completion of the Business Plan by December 31, 2023 – ten months beyond the initially anticipated completion date. Staff recommends increasing the contract value by \$500,000, for a total not to exceed amount of \$1,000,000 and extending the period of performance through December 31, 2023, accordingly.

Funding for the contract amendment comes from the \$20 million state grant to support the launch of BAHFA. The requisite funds have been set aside for this purpose during the adoption

of the inaugural BAHFA budget by the BAHFA Board on April 27, 2022. Since the original contract was executed by MTC, MTC will execute the amendment, subject to BAHFA approving payment of the invoices.

The consultants and their subcontractors' small business and disadvantaged enterprise status is shown in Attachment A.

Issues:

None identified.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to amend the contract with Forsyth Street Advisors LLC to extend it through December 31, 2023, and to increase the contract amount by \$500,000 for a total contract amount not to exceed \$1,000,000 for the BAHFA Business Plan Project, subject to BAHFA's approval of the payment of the invoices

Attachments:

- Attachment A: Small Business and Disadvantaged Business Enterprise Status
- Request for Committee Approval – Summary of Proposed Contract – Forsyth Street Advisors



Therese W. McMillan

Attachment A

Disadvantaged Business Enterprise and Small Business Enterprise Status

	Firm Name	DBE* Firm			SBE** Firm		
		Yes	If Yes, List #	No	Yes	Certifying Agency	No
Prime	Forsyth Street Advisors			X			X
Subcontractor	Bonnewit Development Services			X	X	Alameda SLEB Program	
Subcontractor	Strategic Economics	X	33062		X	DGS	
Subcontractor	Sperry Capital			X	X	DGS	
Subcontractor	Othering & Belonging Institute			X			X
Subcontractor	Terner Housing Innovation Labs			X			X
Subcontractor	cFx Incorporated			X			X
Subcontractor	Ernst & Young			X			X
Subcontractor	Renne Public Law Group			X			X
Subcontractor	Orrick			X			X

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.: 1620

Consultant: Forsyth Street Advisors, LLC, New York, NY

Work Project Title: BAHFA Business Plan Project

Purpose of Project: To address the Bay Area's housing crisis at scale and begin to deliver on bold regional housing outcomes.

Project Cost Not to Exceed: \$500,000 (this amendment)

Total authorized before this amendment: \$500,000

Total authorized after this amendment: \$1,000,000.

Funding Source: BAHFA funds

Fiscal Impact: \$500,000 is included in the FY 2021-22 BAHFA budget.

Motion by Committee: That the Executive Director or designee is authorized to negotiate and execute an amendment to the contract with Forsyth Street Advisors, LLC in an amount not to exceed \$500,000 for consultant services for delivering the BAHFA Business Plan Project as described above and in the Administration Committee Summary Sheet dated May 11, 2022.

Administration Committee:

Federal D. Glover, Chair

Approved: Date: May 11, 2022