



Office of the Mayor

CONSENT CALENDAR  
May 2, 2017

To: Honorable Members of the City Council

From: Mayor Jesse Arreguín  
Councilmember Sophie Hahn  
Councilmember Ben Bartlett  
Councilmember Kate Harrison

Subject: Referral to the Budget Process: Funding for Anti-Displacement Programs

RECOMMENDATIONS

Refer to the Fiscal Year 2018/2019 budget process an allocation of \$\$1.07 million for the following programs:

- \$500,000 to ensure universal legal eviction defense for all Berkeley tenants at risk of eviction.
- \$470,000 increase to the current \$30,000 (for a total of \$500,000) to the Housing Retention Program, with a cap of \$5,000 per household (currently \$2,000 per household).
- \$100,000 to provide housing counseling and legal services for Berkeley's low-income, elderly or disabled distressed homeowners.

FINANCIAL IMPLICATIONS

\$1.07 million. Potential funding sources include Measure U1 tax receipts as well as the General Fund.

BACKGROUND

Like much of the San Francisco Bay Area, Berkeley is facing an unprecedented housing affordability crisis. Skyrocketing rents and housing prices have forced many working families, students and even middle-income residents out of their communities, while others are simply struggling to stay housed at all. The City of Berkeley recently made significant strides towards addressing homelessness through the creation of the Homeless Coordinated Entry System. Also known as The Hub, homeless services including emergency shelter, transitional housing and other homeless housing resources can now be accessed through one central coordinated system. However, The Hub focuses solely on assisting the chronically homeless. Currently there are no programs to aid those who are at risk of homelessness due to a temporary loss of income or other hardship.

While there now is a clear gap in services for residents on the verge of homelessness, this was not always the case. In 1993, the City of Berkeley began the Homeless Prevention Grants Program, which in 2008 became the Housing Retention Program (HRP). Through this program, anyone in Berkeley could apply to receive a one-time annual grant of up to \$1,500. Documentation was required to prove loss of income, medical or work related expenses, and need. With an initial budget of \$159,754 and an estimated reach of 100 households per year, the program funding was reduced in 2013 to \$63,573 with an estimated reach of 32 households per year. Funding was discontinued at the end of FY2015.

According to the East Bay Community Law Center, this was an essential tool to prevent homelessness, which is supported by data from the 2010-2015 Consolidated Plan for Housing and Community Development. In FY 2008-2009, the average grant size was \$1,388. Of the 79 households served 82% were people of color, 80% were women, and 70% were in poverty or extremely low income (30% of AMI). Thanks to this innovative program, 85% of these tenants who were at-risk of homelessness stayed housed. A low estimate of Berkeley Unlawful Detainers (UDs) annually is 375-400. However, current City funds provide for legal representation of only approximately 10-20% of Berkeley UD's. Research shows that the chances for tenant success defending against evictions increases by about 60% with legal representation. Current funding for these services is currently at \$290,000. An additional \$500,000 would provide 4 additional attorneys and support staff to the current 2 FTEs for the East Bay Community Law Center and Eviction Defense Center.

Census data from the Alameda County Public Health Department shows that Berkeley may have about 2,500 elderly homeowners at risk of displacement, many of whom are African American. Berkeley currently has few programs to assist these homeowners, outside of housing repairs. Providing \$100,000 for counseling and legal services for Berkeley's low-income, elderly, or disabled homeowners would provide assistance to about 300 households.

In this crisis, we need to pursue every possible solution. Reinstating the Housing Retention Program is a demonstrated way the City of Berkeley can fill a greatly needed gap in services and help our most vulnerable residents and families avoid homelessness. Administration of this program can now run through the infrastructure of The Hub. Funding will go towards staffing and small grants allocation up to \$5,000 annually per household, as originally intended.

CONTACT PERSON

Jesse Arreguin, Mayor      510-981-7100

Attachments:

1: Housing Retention Eligibility Requirements 2013

2: 2010-2015 Consolidated Plan for Housing and Community Development (pages 93-97)



## Housing Retention Program

The City of Berkeley's Housing Retention Program provides grant assistance to help pay back rent to prevent Berkeley residents from being evicted. Grants are available to households that meet the eligibility criteria below. Submitting an application does not guarantee financial assistance. The application will be reviewed closely and will only be approved if every requirement is met and supporting verifiable documentation is provided.

### Eligibility Requirements

- Berkeley residents who are at imminent risk of losing their permanent housing.
- Income must be verified by documentation from a third party.
- Rent cannot exceed 80% of applicant's (household's) income.
- Household requesting assistance must have a signed rental agreement. If not, lease holder must submit documentation verifying applicant's tenancy and monthly rent.
- Monthly income must support monthly expenses.
- Grant must prevent an eviction.
- Households that have received a Housing Retention Grant in the past are required to participate in case management with the participating referral agency, to include a budget management session.
- Meet one or more of the following requirements and provide supporting documentation verifying below criteria.
  - ❖ Decrease in income
  - ❖ Unexpected medical and/or disability expenses paid without credit.
  - ❖ Fleeing domestic violence
  - ❖ Work-related vehicle expense (vehicle is required for the job supporting documentation from employer may be required)

### Maximum Amount of Grant

- Approved households can receive up to \$1,500 as a one-time grant.
- No more than 6 months of arrears
- Amount requested must be supported by related decrease in income or unexpected verifiable expense.

### Documentation needed for Application

- Completed Application
- Picture ID or Social Security Card for all household members older than 18.
- Verification of Current Income for all income included in the budget sheet.
- A dated Notice of Eviction from landlord stating amount owed for back rent. A 3-day notice of eviction is recommended. The Notice of Eviction must be dated in the current month.
- Rental Agreement or Lease. If applicant is not on the lease, the lease holder must submit a signed dated letter indicating applicant's portion of the rent and rent due. If Section 8 Housing or Shelter Plus Care, copy of Housing Assistance Payments (HAP) Agreement.

- W-9 Form (Tax I.D.) signed by landlord
- Proof of Building Ownership is needed if not a BHA property
- Documentation showing decrease in income, unexpected medical/disability expense, fleeing domestic violence, or work-related vehicle expense.
- You may be asked to provide additional documentation to support your application for financial assistance.

### **Agency Referral Process**

If you are a client of one of the following agencies, please contact your case manager/advocate to receive additional information regarding the agency's rental assistance application process. See back side for additional referral sources and City of Berkeley contact information.

- ***City of Berkeley Public Health Nurses***
- ***LifeLong Medical Care - (Client for at least 3 months at Over 60 Health Center, Berkeley Primary Care Access Clinic, West Berkeley Family Practice, and Supportive Housing Sites)***
- ***Rubicon Employment Programs Inc.***
- ***Toolworks, Inc. (Tenants of Satellite Affordable Housing Associates Properties)***

If you've answered Yes to the eligibility questions, but are NOT a client at one of the above agencies, you may be eligible to apply at one of the below agencies if you meet the agency's additional eligibility criteria (see below). If you are eligible to get help at one of the below agencies, please contact them to get additional information about the application process.

#### ***Women's Daytime Drop In Center - Contact: 548-2884***

- Female head of household.

#### ***City of Berkeley – Family Youth and Children Services - Contact: 981-5280***

- Household with a child, age 0-24, who is experiencing significant emotional distress or has experienced mental health issues in the past.

#### ***City of Berkeley – Aging Services Division/Senior Centers - Contact: 981-5200***

- Adults 55 years of age and older.

If you meet the eligibility criteria above but don't meet any of the Agency criteria listed above, please contact:

***East Bay Community Law Center at 548-4040.***

### Homelessness Prevention: Housing Retention Program

EveryOne Home identified homelessness prevention as one of five critical strategies. After adopting the EveryOne Home Plan, the City moved to revamp the Homelessness Prevention Program that the City has funded in various forms since 1993. Specifically, changes were made to the program to link it more closely to supportive services, so that the homeless prevention intervention had a more robust result and wasn't just delaying homelessness for participants. Launched in February 2008, the program is operated in partnership with the City's Division on Aging, Berkeley Mental Health's Family Youth and Children Services Division, Public Health Nurses, and five community-based organizations, which both refer applicants and provide other services to promote housing retention. The Housing Retention Program provides up to \$2,000 in assistance with back rent for Berkeley residents experiencing a temporary financial setback in order to prevent homelessness.

Berkeley initiated its first Homelessness Prevention Program in 1993, funding the Berkeley Community Law Center at \$80,000 to provide tenant advocacy and emergency funds. After the contract ended in 1994, the Berkeley Community Law Center declined further funding, having found that dual roles of tenant advocate and emergency funder were too difficult to reconcile. After the adoption of the Berkeley Homeless Continuum of Care Plan, the Berkeley City Council approved a new Homeless Prevention Program in the FY 1998 budget. It was initially funded at \$110,000 (including \$99,000 for cash assistance and \$11,000 for administration).

The Eden Council for Hope and Opportunities, Inc. (ECHO) was awarded the contract in October 1998. The program included cash assistance for either payment of past rent for households in imminent danger of eviction, or for move-in costs (first and last month's rent and security deposit) for homeless households. ECHO operated the program through 2008. After the adoption of the EveryOne Home Plan, including its key strategy of homelessness prevention, City staff reviewed national research findings on effective prevention programs and met with community agency service providers regarding to re-evaluate the program model, which resulted in ending the contract with ECHO and launching the Housing Retention Program in February 2008.

The Housing Retention Program, Berkeley's revamped homelessness prevention program, provided 90 grants between its launch in February 2008 and February 2009. The Housing Retention Program is expected to serve 100 people per year in PY2010 and PY2011. **Tables 42, 43, and 44** present information on the clients served and the outcomes.

**Table 42:**  
**Housing Retention Program: Clients Served**  
**February 2008 – February 2009**

# of Households Served	79
# of Grants	90
Amount of Grants	\$109,635
Average Household Grant	\$1,388
Average Month	\$9,136
Grant Range:	\$107 to \$2,000
# of \$2,000 grants	16 (20%)
# of Households 1+ grant	7 (9%)

Source: City of Berkeley Housing and Community Services Department

**Table 43: Housing Retention Program:**  
**Housing Retention Outcomes**

<b>Goal:</b> 85% retained housing/ stayed housed after 6 months		
# of Tenants 6 months longer (as of 2/1/09)	37	
# Still Housed	31	84%
# Relocated/Housed	1	3%
# Evicted	1	3%
# No longer living at house	2	5%
Agency to follow up	2	5%

Source: City of Berkeley Housing and Community Services Department

**Table 44:**  
**Housing Retention Program: Clients Served**

<b>Demographics:</b>		
<b>Age of Applicant</b>	<b>Number</b>	<b>Percentage</b>
18-24	6	8%
25-44	37	47%
45-54	16	20%
55-61	9	11%
62+	9	11%
Unknown	9	11%
<b>Race</b>		
African American	62	78%
Caucasian	8	10%
Latino	2	3%
Asian	1	1%
Other	1	1%
Unknown	5	6%
<b>Gender &amp; other characteristics</b>		
Female	63	80%
Male	16	20%
Disabled	20	25%
Female Head of Household	42	53%
Single	28	35%
<b>Income Level:</b>		
Poverty	29	37%
Extremely Low (30% of AMI)	26	33%
Low (31-50% of AMI)	22	28%
Moderate (51-80% of AMI)	2	3%
Above Moderate (81%+ of AMI)	—	—

Source: City of Berkeley Housing and Community Services Department



Agency partners include:

- City of Berkeley Aging Services- Senior Centers
- City of Berkeley Family, Youth and Children
- City of Berkeley Public Health
- East Bay Community Law Center
- LifeLong Medical Services
- Rubicon
- Toolworks (Supportive Services at AHA sites)
- Woman's Daytime Drop-in Center

The former Homeless Prevention Program, operated by ECHO, was funded continuously from FY 1998 to FY 2008 to provide homelessness prevention and housing move-in assistance. The initial contract was for \$110,000 per year, was increased to \$166,000 by 2004, and stayed at that level until the program ended.

The program will be evaluated to assess performance after its first 18 months of operation. The Everyone Home Plan, the City's adopted homeless policy framework, establishes the need for homeless prevention services as one of 5 key strategies. The City's implementation of the American Recovery and Reinvestment Act's (ARRA) Homelessness Prevention and Rapid Rehousing Program (HPRP), which began operation in fall 2009, builds on the Housing Retention Program model to create a larger prevention system.

### **Resources for people who are chronically homeless**

All homeless housing and service programs in Berkeley may be serving people who are chronically homeless. The 2004 homeless count found that nearly two-thirds of people homeless in Berkeley met the chronically homeless definition. Although the 2009 count found that chronically homeless people were a much smaller proportion of the homeless population, most agencies have at least some experience serving people who are chronically homeless.

Berkeley has three City-operated programs serving primarily people who are chronically homeless:

- **The Shelter Plus Care COACH grant**, with 21 Shelter Plus Care certificates, targets people who are chronically homeless. The program combines the federal housing subsidy with services provided by Berkeley Mental Health and Lifelong Medical Care.
- **The Shelter Plus Care tenant-based rental assistance grant** in partnership with Alameda County prioritizes people who are chronically homeless, although it is not limited to serving the chronically homeless.

- **The Public Commons for Everyone Initiative Square One program**, which combines a locally funded housing subsidy with services provided by Berkeley Mental Health, Lifelong Medical Care, and the Homeless Action Center.

In addition, the City funds several programs operated by community based nonprofit organizations that, while not exclusive to the chronically homeless, serve substantial numbers and collect and report data on chronic homelessness under their City contracts. These programs include:

- Alameda County Network of Mental Health Clients (Berkeley Drop In Center);
- Berkeley Food and Housing Project (BFHP), Men's Overnight Shelter;
- BFHP, Women's Overnight Shelter;
- Building Opportunities for Self-Sufficiency (BOSS), Multi Agency Services Center;
- BOSS, Ursula Sherman Village Single Adult Shelter;
- Fred Finch Youth Center;
- Rubicon programs, Inc.;
- Toolworks/Lifelong Supportive Housing Services;
- Women's Daytime Drop In Center.

## **HOMELESS STRATEGIC PLAN (91.215 (c))**

The City of Berkeley adopted the EveryOne Home Plan in May 2006 with Resolution 63,301-NS, which directed the City Manager to use the Plan as a guide for allocating resources within programs assisting those who are homeless or living with a serious mental illness or HIV/AIDS. Specifically, Resolution 63,301 established the following goals:

1. To increase the amount and range of affordable housing opportunities in Berkeley for extremely low-income and disabled residents;
2. Strengthen the continuum of services the City provides to ensure that residents can be successful in their housing;
3. Inform relevant advisory commissions of Council's intent that the Plan be used to guide City policy; and
4. Broaden the City's approach to services and housing to allow for better outcomes among people with long-term homeless histories and severe disabling conditions.