



Berkeley Housing Authority

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Item 7C
NEW BUSINESS
April 14, 2022

Office of the Executive Director

To: Honorable Chair and Members of the Berkeley Housing Authority Board
From: Rachel Gonzalez Levine, Acting Executive Director
Subject: Monthly Report

Covid-19 Updates

Again for April, there was only one additional pandemic-related interim adjustments since last year. The average increase for the 158 Covid-19 related adjustments that were processed has remained at \$569 per household per month.

Emergency Housing Vouchers (EHVs)

- As of the writing of this report, BHA now has received 44 referrals of the 51 EHV's awarded, from the County Homelessness Program.
- Of those 44 referrals, 35 have been processed by staff for intake, and have participated in a Briefing, also now in receipt of their vouchers; and 3 have been removed because the applicants passed away before being housed or absorbed by another housing authority not administering EHV program.
- 11 formerly homeless clients are now leased up in Berkeley and in other jurisdiction via portability utilizing their EHV.
- The remaining 7 referrals are in some stage of being reviewed by staff, and once paperwork is complete/background checks cleared, BHA will schedule these applicants for a Briefing.
- The County still is gathering documentation for the remaining 9 EHV referrals for BHA.

Staff invited SAHA to participate in one of the recent EHV partners meetings (which occur twice monthly), to share tips on leasing up SAHA units for EH Voucher holders. SAHA suggested that they will reach out to their funding sources, to seek approval for temporarily holding off on leasing some of their units from their waitlists, in order to prioritize EH Holders.

City of Berkeley's Housing Element Update

As shared previously with the Board, the City of Berkeley is updating its current State Housing Element (HE), which will span a period of eight years, starting in 2023. The HE purposes are to: outline housing needs of the community; describe barriers to providing housing and actions proposed to address; provide a description of how the housing needs will be addressed. There is a public component to the HE, which the Planning Dept. is handling.

BHA was approached by the Planning Dept. to provide input on BHA's programs and plans, and how they are able to address housing needs, barriers, and plans to address those barriers. A meeting occurred on March 31, with some City of Berkeley Board Commission Chairs/stakeholders to provide input on a draft of preliminary housing policies and implementation programs that are proposed for the upcoming Housing Element Update.

Some thoughts, shared by Chair Schildt, Vice Chair Levine, and Rachel include: programs like Mod Rehab SRO are more effective for addressing homelessness than vouchers alone; and BHA encourages the HE to include permanent supportive housing for homeless populations; BHA would like to explore both City and BHA partnerships with nonprofit developers to lease up vouchers for homeless populations, such as Mainstream, EHV, and Shelter Plus Care.

3 x 3 Committee Meeting

On March 14, the 3 x 3 Committee met via Zoom. The members of the 3 x 3 are, for BHA: Chair Schildt, Commissioner Kashani, Commissioner Thomas-Rodriguez; and for the City of Berkeley: Mayor Arreguin, Vice Mayor Harrison, and Councilmember Kesarwani. Staff present: Rachel, Jesy, HHCS Director Lisa Warhuus, and Deputy City Manager Paul Buddenhagen. Agenda items included: updates on BHA’s programs and MTW designation; Homeless voucher updates; AHB update; a request for \$300,000 loan forgiveness, and plans for 2022 including the waitlist opening; as well as encouraging the City of Berkeley to designate revenue measure funding to build affordable housing. The presentation slides are attached.

Meeting with Bay Area Legal Aid

BHA was approached by the Supervising Attorney at Bay Area Legal Aid (BALA) to meet, in order to update BALA staff about programs and plans, including: MTW designation; BHA’s waitlist opening; status of EHV lease ups; and scheduling a regular meeting. It was a fruitful meeting, and both parties agreed that our mutual clients benefit when we are working together to problem solve. BHA management team looks forward to future regular meetings with BALA attorneys and continuing to strengthen our partnership to ensure the rights of our clients and landlords are protected, ultimately, hopefully leading to increase in leaseups of our voucher holders.

Dashboard

		Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
A	Utilization (Leased/Total Units)	1521/1975	1488/1975	1483/1975	1490/1975	1477/1975	1483/1975
	In Units (%)	77.01%	75.34%	75.09%	75.44%	74.78%	75.09%
	In Dollars (%)	95.10%	94.80%	94.40%	93.90%	93.50%	93.80%
A.1	Tenant Based %	74.66%	73.19%	72.58%	72.58%	72.39%	72.15%
	(Leased/Total Units)	1217/1630	1193/1630	1183/1630	1183/1630	1180/1630	1176/1630
	Voucher issued		8		3	5	
	New Admissions	2	1	1			1
	Voucher expired prior to leasing						
	Voucher Ported prior to leasing						
	Vouchers searching	7	14	13	16	21	20
A.2	Project Based%	87.87%	87.54%	88.20%	90.49%	86.56%	89.18%
	(Units)	268/305	267/305	269/305	276/305	264/305	272/305
A.3	VASH (%)	65.00%	70.00%	77.50%	77.50%	82.50%	87.50%
	(Leased/Total Units)	29/40	28/40	31/40	31/40	33/40	35/40
	Voucher issued						2
	New Admissions	0	1	2	2		
	Voucher expired prior to leasing	0					
	Voucher Ported prior to leasing						
B	Vouchers searching	8	7	5	3	3	5
	Mainstream (%)	68.13%	62.64%	68.13%	72.53%	75.82%	79.12%

	<i>(Leased/Total Units)</i>	62/91	57/91	62/91	66/91	69/91	72/91
	<i>Voucher issued</i>		4	2	2	2	
	<i>New Admissions</i>	4	1	6	4	1	
	<i>Voucher expired prior to leasing</i>				2		
	<i>Voucher Ported prior to leasing</i>						
	<i>Vouchers searching</i>	16	19	15	11	12	12
C	<i>EHV (%)</i>	0.00%	0.00%	1.96%	5.88%	7.84%	7.84%
	<i>(Leased/Total Units)</i>	0/51	0/51	1/51	3/51	4/51	4/51
	<i>Voucher issued</i>		7	9	7		7
	<i>New Admissions</i>			1	2	1	2
	<i>Voucher expired prior to leasing</i>						
	<i>Voucher Ported prior to leasing</i>						
	<i>Vouchers searching</i>		7	15	20	19	24
D	<i>Terminations</i>	12	11	8	5	8	10
E	<i>Success Rate</i>	55%	53%	53%	56%	51%	48%
F	<i>New Landlords/Unit</i>	3	2	5	3	3	
G	<i>Mod Rehab %</i>	85.71%	83.67%	82.65%	82.65%	81.63%	
	<i>(Units)</i>	84/98	82/98	81/98	81/98	80/98	
H	<i>Project Move Up</i>	9/10	10/10	10/10	10/10	2/10	
I	<i>FSS</i>	37 (23 enrolled, 3 graduated, 11 pending)	37 (23 enrolled, 3 graduated, 11 pending)	37 (23 enrolled, 3 graduated, 11 pending)	37 (23 enrolled, 3 graduated, 11 pending)	37 (23 enrolled, 3 graduated, 11 pending)	37 (23 enrolled, 3 graduated, 11 pending)
J	<i>Port Ins (BHA Currently Absorbing)</i>	6	2	2	2	2	3
	<i>Port Outs (Managed by other PHAs)</i>	0	2	3	1	2	1
K	<i>Late/Missing Annual Recert</i>	28	28	23	21	28	47
L	<i>Late HQS</i>	711	711	765	815	729	753
M	<i>Rent Increases - Received</i>	7	8	30	8	5	10
	<i>Rent Increases - Processed</i>	7	8	30	8	5	9
N	<i>Re-exams - Processed</i>	180	216	159	173		247
O	<i># of disabled in program</i>	897	904	912	911	910	906
	<i># of elderly in program</i>	684	687	688	695	695	695
	<i># of families in program</i>	399	401	403	406	403	402
	<i># of eman. yth in prog</i>	14	14	15	15	15	15
	<i># of HOPWA in program</i>	10	10	10	10	10	10
P	<i># of Families on WL</i>	597	587	579	567	567	565

Attachment:

1. March 14, 2022 Presentation Slides to 3 x 3 Committee

Berkeley Housing Authority and Affordable Housing Berkeley, Inc. Presentation to the 3 x 3 Committee

Updates/Discussion on:

- BHA Housing Choice Voucher Program
- MTW Designation/Prioritizing Landlords
- Project-based Section 8 Program
- Homeless Programs
- HTF Loan Forgiveness
- BART Station Projects
- Affordable Housing Berkeley, Inc.
- Plans for 2022
- Revenue Measure

BHA Program Updates

- **Section 8: Housing Choice Vouchers**
 - ✓ 1,975 vouchers maximum allowable; number of vouchers in use depends on HUD funding; currently 1,486 vouchers in use.
 - ✓ Over **\$30 million in rental subsidy annually** supporting those households.
 - ✓ Total people served by BHA: **2,657**.
 - ✓ Program participants' income: **0 – 50% Area Median Income**, with majority under 30% AMI. Single adult: \$28,800; Family of 3: \$37,000.
 - ✓ **Demographics:** 69% African American, 22% White, 7 % Hispanic, 2% Asian-Pacific Islander-Native Alaskan.
 - ✓ Households served include 685 **elderly** households, 893 **disabled** households, 419 **families**; 20 **transition-aged youth**; over 200 **homeless**; 34 **veterans**; 20 people with **HIV/AIDS**.

Housing Choice Voucher Program (Cont.)

- ✓ Households pay **30% of their adjusted income towards rent**; BHA pays the remainder of rent as subsidy to their landlord.
- ✓ Average client rent portion paid to the landlord: **\$460**.
- ✓ Monthly Average Subsidy Paid on Behalf of our Households: **\$1,715**.
- ✓ **Subsidy increases/decreases with household income changes or job loss** – guaranteeing our families a home in Berkeley regardless of income at admissions and throughout participation in our programs as incomes may fluctuate or layoffs occur.

Prioritizing Landlords

- BHA is under-leased in the Housing Choice Voucher Program by 400 tenant-based units – however, due to funding we can support another **176 unit lease ups**.
- We have a very **difficult time competing in the open market** – when market rents increase, landlords tend to leave our program; when rents decrease, BHA is a more attractive option.
- The maximum rent we can pay is called the **Payment Standard** (based on HUD's 2022 Fair Market Rent system)
 - Studios: \$1,845; 1 BR: \$2,224; 2 BR \$2,728; 3 BR \$3,607
- BHA is focused on **attracting new and retaining landlords** in our Housing Choice Voucher Program:
 - **BPOA recruitment**
 - **Landlord incentives** including Unit Turnover Program - grateful for the \$150K allocation - **Thank you!**
 - Applied and accepted to be an **MTW** agency in the Landlord Incentive Cohort
 - Would be **happy to partner with any councilmembers** interested in helping to recruit landlords

MTW Designation

- HUD's Move To Work (MTW) program allows housing authorities programmatic and fiscal flexibilities including Regulatory Waivers to implement innovative strategies to house families.
- MTW Designation lasts for 20 years (takes up to 1 ½ years to implement – including public processes).
- Locally tailored policies adopted by current and future MTW agencies will be a part of solving the challenges faced by all housing authorities, by helping inform HUD about “what works” in housing.
- The flexibilities we have been approved to implement include:
 - Payment Standards –120% of the FMR.
 - Signing Bonus for new Landlords
 - Unit Cleaning Fee
 - Disabled Unit Modifications
 - Increase the amount of PBVs BHA can allocate
 - Acquisition of property without HUD approval

BHA Programs – PBVs

- **Project-based Section 8**

- ✓ HUD allows housing authorities to set aside **up to 30% of its voucher allocation** in low income housing developments where voucher assistance is **tied to the unit** with long term contracts (up to 40 years).
- ✓ BHA has 469 PBVs in use or committed in 25 properties throughout the City of Berkeley, with recent new allocations of PBVs to Blake Apts, Jordan Court (SAHA), 2012 Berkeley Way (BFHP & BRIDGE), Maudelle Miller Shirek Community and Peoples Park Supportive Housing (RCD).
- ✓ PBV property owners: non-profit affordable housing developers. PBVs **maintain low income housing stock during market fluctuations** – while landlords have a choice to leave S8 upon vacancy, PBVs remain in place due to long term nature of contracts with BHA.
- ✓ PBVs allow non-profit developers to **leverage other funding sources** due to the guaranteed funding generated by the long term contracts with BHA, and are seen as a critical piece of the complex affordable housing funding puzzle.
- ✓ BHA will issue an RFP in the Fall for a new allocation of PBVs.

BHA Programs (cont.): **Programs for Formerly Homeless**

- **SRO Moderate Rehab** – Homeless/Disabled (98 units)
 - ✓ BHA has Contracts with RCD for two properties on University Ave: UA Homes, Erna P. Harris
 - ✓ On site services
 - ✓ Not a voucher program
- **Special Voucher Programs:**
 - ✓ **VASH** – for Veterans (40), partnership with the VA and Berkeley Food & Housing Project
 - ✓ **Mainstream Vouchers** (91) – for homeless/disabled, partnership with the City and County Homeless Coordinated Entry System, Bay Area Community Services, Berkeley Mental Health, Women’s Daytime Drop in Center, East Bay Innovations
 - ✓ **Emergency Housing Vouchers** (51) – for homeless/at risk of homelessness; transitioned aged youth; VAWA survivors, also partnering with Coordinated Entry System
 - ✓ **Project Move-up** – for Shelter+Care; Mod. Rehab. “graduates” 5 year pilot, 10 vouchers/year, now in 4th year.
- **Supportive Services** available for Special Voucher Prog. (except Project Move up)

Loan Forgiveness Request

- **\$300,000 Housing Trust Fund Loan** from COB:
 - ✓ BHA respectfully asks that this loan to be forgiven
 - ✓ Originally provided to temporarily relocate the former tenants of the Low Income Housing units during property rehab.
 - ✓ Loan is due in February, 2023 – **seeking guidance** as to next steps.
 - ✓ Forgiving the loan will allow BHA one less year of dipping into disposition proceeds to cover operations, allowing us to serve more low income households.

Affordable Housing Berkeley, Inc. (AHB)

- ✓ BHA transitioned its **75 low income public housing units formerly owned** by the housing authority, to a long term Project-based S8 contract with Berkeley 75 (Related Cos.)
- ✓ **Proceeds** from the sale amounted to \$15.5 million, with \$5 million in the bank and \$10.5 million loaned back to the owner/developer at 3% over 55 years.
- ✓ Total estimated proceeds including interest over the life of the loan: **\$25 million.**
- ✓ Proceeds must be used for development of affordable housing, with **\$2.7 million** allowable, per HUD, for operations.
- ✓ **AHB is a newly formed non-profit development entity**, incorporated in 2020, established to both produce affordable housing stock in Berkeley, and to support BHA's operations
- ✓ The AHB Board (same as the BHA Board), has embarked on a **strategic planning process** to design a plan for development.
- ✓ Potential for City partnership on BART sites
- ✓ BHA supports City's Plans for Affordable Housing Revenue Measure

BHA & AHB in 2022:

- Return to Annual **Inspections** (January)
- Opening of the Tenant-based **Waitlist** (June)
- Continued emphasis on **Landlords**
 - **MTW Implementation** - Recruiting/retaining/incentivizing them to the Housing Choice Voucher Program
- Allocation of **Project-based Vouchers** (Fall)
- With AHB – future **development partnerships** and additional **affordable housing units** in Berkeley

Thank you!

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