



Berkeley Housing Authority

1947 Center St., 5th Floor, Berkeley, CA 94704
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Item 8B
NEW BUSINESS
December 6, 2022

Office of the Executive Director

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

From: James Williams, Executive Director

Subject: Approve an Amendment to the Project-Based Master HAP Contract Exhibit A with Strawberry Creek Lodge to update three units with project-based assistance from Units A106, B416 and C428 to Units A109, C340 and C440

RECOMMENDATION

Approve an Amendment of the Project-based Master HAP Contract Exhibit A with Strawberry Creek Lodge for 23 units by updating three units with project-based assistance from Units A106, B416 and C428 to Units A109, C340 and C440.

BACKGROUND

The Project-based Section 8 Program is designed to provide guaranteed housing options for households that qualify for the Section 8 Program, often with social services components available to the residents, and housing populations with special needs (homeless, seniors, disabled, youth emancipated from the foster care system, etc). With the Project-based Section 8 program, the subsidy is attached to a unit for a fixed period of time (up to 40 years in a Master HAP contract, consisting of two 20-year term options).

The Project-based program allows developers to leverage other financing options using the long term rent subsidy commitment from the housing authority. The financing is used to either build new construction housing, or to rehabilitate existing housing. Project-based housing also has the benefits of increasing housing supply, guaranteed earned administration fee, and easing fluctuations in low income affordable housing options during high rental markets, since the PBV units do not “compete” in the open market for tenants. In the Tenant-based program, the assistance is tied to the family, responsible for finding a unit of their choosing.

First awarded Project-based Vouchers in 2015, Strawberry Creek Lodge houses low-income seniors over the age of 62, in this 150-unit project (23 units are project-based). All units are either fully accessible for people with mobility challenges or easily adapted.

BHA received a letter from Strawberry Creek Lodge requesting that 3 of the units that are currently project-based units (units A106, B416 and C428) be replaced with units A109, C340 and C440.

STATUS

Staff supports an approval of an Amendment of the Project-based Master HAP Contract Exhibit A with Strawberry Creek Lodge for 23 units by updating the units with project-based assistance from Units A106, B416 and C428 to Units A109, C340 and C440.

FINANCIAL IMPLICATIONS OF ACTION

None.

CONTACT PERSON

James Williams, Executive Director, 981-5485

Attachments:

1. Resolution
2. Letter to BHA to Amend Exhibit A
3. Strawberry Creek Lodge Master HAP Updated October 2019

BERKELEY HOUSING AUTHORITY
RESOLUTION NO. 22-__

APPROVE AN AMENDMENT TO THE PROJECT-BASED MASTER HAP CONTRACT EXHIBIT A WITH STRAWBERRY CREEK LODGE TO UPDATE THREE UNITS WITH PROJECT-BASED ASSISTANCE FROM UNITS A106, B416 AND C428 TO UNITS A109, C340 AND C440

WHEREAS the original Master HAP contract with Strawberry Creek Lodge for 23 units was signed in 2015 for a 15-year term; and

WHEREAS the Project-based Section 8 Program is designed to provide guaranteed housing options for households that qualify for the Section 8 Program, often with social services components available to the residents, and housing populations with special needs (homeless, seniors, disabled, youth emancipated from the foster care system, etc). With the Project-based Section 8 program, the subsidy is attached to a unit for a fixed period of time (up to 40 years in a Master HAP contract, consisting of two 20-year term options); and

WHEREAS The Project-based program allows developers to leverage other financing options using the long term rent subsidy commitment from the housing authority. The financing is used to either build new construction housing, or to rehabilitate existing housing. Project-based housing also has the benefits of increasing housing supply, guaranteed earned administration fee, and easing fluctuations in low income affordable housing options during high rental markets, since the PBV units do not “compete” in the open market for tenants. In the Tenant-based program, the assistance is tied to the family, responsible for finding a unit of their choosing; and

WHEREAS BHA received a letter from Strawberry Creek Lodge requesting that three of the units that are currently project-based units (units A106, B416 and C428) be replaced with units A109, C340 and C440; and

WHEREAS Project-based housing is a critical and stable, long term housing option for the households that BHA serves (those at 0% - 50% of Area Median Income); and

WHEREAS Project-based housing is a stable, long term housing option protected against market fluctuations; and

NOW THEREFORE BE IT RESOLVED THAT an amendment to the Project-Based Master HAP Contract Exhibit A with Strawberry Creek Lodge be made to replace three of the units that are currently project-based units (units A106, B416 and C428) with units A109, C340 and C440

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on December 8, 2022 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: _____
James Williams, Secretary



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November 30, 2022

Rachel Levine- Gonzales
Berkeley Housing Authority
1947 Center Street, Fifth Street
Berkeley, CA 94704

Dear Ms. Levine- Gonzales,

I am writing to request an update to Exhibit A of the Master HAP Contract for Strawberry Creek Lodge. We would like to remove the units listed on the 'Project Based Units per 10/2019 Exhibit' column and replaced it with the 'NEW Project Based Units column.'

Project Based Units per 10/2019 Exhibit	NEW Project Based Units
A106	A109
B416	C340
C428	C440

Please let me know if the swap of the units are approved or if you need any additional information.

Sincerely,

Lena Ortiz
Lena Ortiz

Strawberry Creek Lodge - Exhibit A
PBV Units - Updated October 2019

	Unit	Unit Size	Name	Contract Rent
1	A101	0		\$1,142
2	A106	0		\$1,142
3	A108	0		\$1,142
4	A110	1		
	A202	0		
5	B120	0		\$1,142
6	B126	0		\$1,142
	B216	0		
7	B223	0		\$1,142
8	B321	0		\$1,142
9	B324	0		\$1,142
	B325	0		
10	A410	1		
11	B416	0		\$1,142
12	B417	0		\$1,142
13	B419	0		\$1,142
14	B425	0		\$1,142
	C134	0		
15	C229	0		\$1,142
16	C232	1		\$1,386
17	C235	0		\$1,142
18	C239	1		
19	C240	1		\$1,386
20	C428	0		\$1,142
21	C430	0		\$1,142
22	C432	1		\$1,142
23	C438	0		\$1,142

Total # of Units	23
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