



**Berkeley Housing Authority**

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Item 8B  
NEW BUSINESS  
May 12, 2022

*Office of the Executive Director*

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

**Covid-19 Updates**

Since the last BHA Board meeting on April 14, there were no additional pandemic-related interim adjustments. 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 EHVs awarded, from the County Homeless Program.

- Of those 44 referrals, 39 have been processed by staff for intake, and have participated in a Briefing, and in receipt of their vouchers; 3 have been removed because the applicants passed away before being housed, or absorbed by another housing authority not administering EHV program.
- 13 formerly homeless clients are now leased up in Berkeley and in other jurisdiction via portability utilizing their EHV.
- The remaining 5 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 is still gathering documentation for the remaining 7 EHV referrals for BHA.

I met with SAHA and County staff, to cover an overview of the social and other supportive services provided for Emergency Housing Voucher participants, something SAHA sought to understand prior to an actual lease up of an EHV client in one of their buildings. We are engaging in conversation with SAHA about an MOU to memorialize the option for EHV holders to lease up at SAHA's scattered sites; currently there are 5 units available. At this time, we are awaiting confirmation that the City of Berkeley agrees to allow EHV holders to be prioritized.

Additionally, HUD has reached out to housing authorities to offer technical assistance. BHA has agreed to participate, as we are open to any and all suggestions to recruit landlords to the EHV program (as well as our broader Housing Choice Voucher program). The preliminary meeting will occur May 26, with additional follow up sessions, dates TBD. Here is an excerpt of the email from HUD:

*The TA we have to offer can help with the following tasks and outcomes:*

Tasks include:

- Improving and streamlining the referral process between PHAs and CoCs, which includes improving the collaboration between the agencies;
- Developing landlord outreach and retention strategies based on local market conditions;

- Create and conduct training for PHAs, CoCs, and other partners regarding housing search and leasing.

Outcomes include:

- Increased Leasing;
- Increased Eligible Referrals;
- Increased Success Rates/Reduced Leasing Times.

### **Mainstream Voucher Extraordinary Funding Application**

After receiving a HUD announcement about available funding for housing authorities that operate a Mainstream Voucher program, we applied for an allocation of these funds (amount to be determined). If awarded, funds can be utilized for expenses related to retention, recruitment, and support of participating owners in the Mainstream Voucher program. Options for use of these funds include security deposits, signing bonuses, vacancy payments, and damage mitigation. Staff is in conversation with our Mainstream Voucher housing advocacy partners to determine best use of these funds. Until we hear back from HUD regarding an award, we will not know how much and therefore planning for utilization is difficult in any specific discussions.

We are learning of lease up challenges in both the Mainstream and EHV program including mental health episodes where unit destruction has occurred, as well as physical threats to landlords and neighbors. In some cases, the clients cut off communication with their housing advocates, which has obvious impacts and raises the levels of challenges that must be overcome in order to both have safe and satisfactory tenancies, as well as landlords willing to work with BHA to house all of our voucher holders, whether coming out of homelessness or not. In one case, staff, landlord, and advocates receive several emails a day, including claims of being harassed by sonic vibrations from the downstairs neighbor. BHA covered the cost of mediation but no agreement was met, unfortunately.

### **Meeting with Region IX Staff – Voucher Shortfall**

On April 21, HUD scheduled a call with Rachel and Jesy to discuss our shortfall in voucher utilization. It was our opportunity to discuss the status of our current programs, and express our shared concern about leasing up, lack of units, as well as educate Region IX staff about our MTW and AHB plans. Our presentation (Attachment 1) was well received, with encouragement about our MTW endeavors.

During the conversation, the plans to close out the Low Income Public Housing (LIPH) came up, which was reported to the Board last month; however, Region IX staff encouraged BHA/AHB to consider keeping the LIPH program in “open” status, given the development plans that AHB has. There is a development option some PHAs are using called “Faircloth to RAD” conversion, whereby housing authorities have a certain number of units on a HUD centralized list which allows PHAs to produce up to that number of LIPH units (in BHA’s case that number is 61), and quickly turn those around to be PBV units. Therefore, the official closeout of BHA’s LIPH program is on hold until this option is fully vetted and analyzed as a development opportunity or not.

### **Jordan Court Grand Opening**

SAHA invited BHA to participate in the grand opening celebration of Jordan Court on May 5, and Chair Schildt agreed to represent BHA at the event. Attached is the program (Attachment 2). As a reminder, BHA allocated 24 PBVs to this project in May of 2019, to serve elderly including some exiting homelessness and with disabilities. Much work went into processing the RFP, AHAP/HAP/Lease up process on behalf of SAHA and BHA staff and we are grateful for this partnership, as well as excited about housing an additional 24 seniors in this project.

## Dashboard

		Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
A	Utilization (Leased/Total Units)	1483/1975	1490/1975	1477/1975	1483/1975	1480/1975
	In Units (%)	75.09%	75.44%	74.78%	75.09%	74.94%
	In Dollars (%)	94.40%	93.90%	93.50%	93.80%	93.30%
A.1	Tenant Based %	72.58%	72.58%	72.39%	72.15%	72.15%
	(Leased/Total Units)	1183/1630	1183/1630	1180/1630	1176/1630	1176/1630
	Voucher issued		3	5		8
	New Admissions	1			1	3
	Vouchers searching	13	16	21	20	25
A.2	Project Based%	88.20%	90.49%	86.56%	89.18%	88.52%
	(Units)	269/305	276/305	264/305	272/305	270/305
A.3	VASH (%)	77.50%	77.50%	82.50%	87.50%	85.00%
	(Leased/Total Units)	31/40	31/40	33/40	35/40	34/40
	Voucher issued				2	
	New Admissions	2	2			
	Vouchers searching	5	3	3	5	4
B	Mainstream (%)	68.13%	72.53%	76.92%	79.12%	79.12%
	(Leased/Total Units)	62/91	66/91	70/91	72/91	72/91
	Voucher issued	2	2	2	1	1
	New Admissions	6	4	1		
C	Vouchers searching	15	11	12	13	14
	EHV (%)	1.96%	5.88%	5.88%	9.80%	11.76%
	(Leased/Total Units)	1/51	3/51	3/51	5/51	6/51
	Voucher issued	9	7		7	6
	New Admissions	1	2	1	2	4
D	Vouchers searching	15	20	19	24	26
	Terminations	8	5	10	8	1
E	Success Rate	53%	56%	51%	48%	48%
F	New Landlords/Unit	5	3	3		3
G	Mod Rehab %	82.65%	82.65%	81.63%	81.63%	83.67%
	(Units)	81/98	81/98	80/98	80/98	82/98
H	Project Move Up	10/10	10/10	2/10	2/10	2/10
I	FSS	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	Port Ins (BHA Currently Absorbing)	2	2	2	3	3
	Port Outs (Managed by other PHAs)	3	1	2	1	1
K	Late/Missing Annual Recert	23	21	28	47	47
L	Late HQS	765	815	729	753	753

M	<i>Rent Increases - Received</i>	<b>30</b>	<b>8</b>	5	10	4
	<i>Rent Increases - Processed</i>	<b>30</b>	<b>8</b>	5	9	4
N	<i>Re-exams - Processed</i>	<b>159</b>	<b>173</b>	171	247	241
O	<i># of disabled in program</i>	<b>912</b>	<b>911</b>	910		901
	<i># of elderly in program</i>	<b>688</b>	<b>695</b>	695		699
	<i># of families in program</i>	<b>403</b>	<b>406</b>	403		400
	<i># of eman. yth in prog</i>	<b>15</b>	<b>15</b>	15		15
	<i># of HOPWA in program</i>	<b>10</b>	<b>10</b>	10		10
P	<i># of Families on WL</i>	<b>579</b>	<b>567</b>	567	567	562

**Attachments:**

1. April 21, 2022 Presentation Slides to HUD Region IX Office: BHA Utilization
2. May 5, 2022 Jordan Court Grand Opening Program

# Attachment 1

## **Berkeley Housing Authority Meeting with HUD Region IX Office**

### **HCV Utilization**

- Rachel Gonzales-Levine, Acting ED
- Jesy Yturalde, Finance Manager

April 21, 2022



Berkeley Housing Authority

## BHA HCV Utilization

- ✓ 1,975 housing choice vouchers in our ACC; currently **1,480 vouchers in use.**
- ✓ Total people served by BHA: **2,647**.
- ✓ According to recent TYT, BHA can support an additional **220 households** at this time.
- ✓ Staff is very focused on how to make that happen but it's a difficult challenge
- ✓ EHV's/Mainstream Program lease up challenges (more to follow)

# BHA PBV Program

*BHA has a very robust PBV program, will continue utilizing PBVs and increase our capacity through MTW flexibility. We recognize the critical value of the PBV program in a high cost area like Berkeley, where landlords who own units in the open market are fickle, as the economy fluctuates. PBVs are a huge housing stock safety net.*

- ✓ Maximum PBVs allowable under the 20% rule = **395**
- ✓ Maximum PBVs allowable under the HOTMA 10% additional rule = **592**
- ✓ BHA currently has **476 PBVs under contract or committed**
- ✓ **116 remaining** to issue until MTW flexibility is implemented
- ✓ Plans to continue issuing RFPs including to Affordable Housing Berkeley, Inc (AHB), BHA's new sister developer non-profit entity

# HCV Utilization Challenges

- 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.
- Berkeley has a **huge student population (approx. 40,000)**, who compete for rental units in Berkeley, along side our voucher holders.
- Berkeley's two BART stations and proximity to tech centers such as San Francisco, pose an additional competitive category for rental units: **working professionals**.
- **Two Opposing Priorities:** Mainstream/EHV tenancies which can be extremely difficult (issues of violence, harassment) & BHA's desire and need to lease up all voucher types we have in hand



## Plans to Increase Utilization

- ✓ Increased **PS to 120%** of FMR (eff. March 1 for new contracts) under Expedited Pandemic Waiver Request
- ✓ HCV **Waitlist Opening** in June
- ✓ **RFP for additional PBVs** in Aug/Sept
- ✓ BHA is focused on **attracting new and retaining landlords** in our Housing Choice Voucher Program:
  - **Berkeley Property Owners Association** recruitment events
  - **Landlord incentives** including Unit Turnover Program - \$150K City Council Allocation (see next page)
  - Applied and accepted to be an **MTW** agency in the Landlord Incentive Cohort
  - **Partner with any Councilmembers** interested in helping to recruit landlords
- ✓ Possible Interjurisdictional cooperative agreement with neighbor PHA's

# HCV Landlord Incentives

BHA continues to provide **financial incentives** for the following:

- Up to **\$1,500 in Unit Turnover Program** funds: to cover expenses to ready a vacant unit for lease up in our Housing Choice Voucher Program (funds come from a grant by the City of Berkeley)
- **\$1,750 Signing Bonus** for Emergency Housing Voucher Program
- **\$1,000 Signing Bonus** for Mainstream Voucher Program (funds come from the County of Alameda)

## **MTW Designation: LL Incentive Cohort**

- **The flexibilities we have been approved to implement include:**
  - Payment Standards to 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

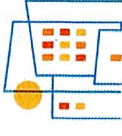
### **\*We are also considering:**

- Increasing Info. for Landlords on our website Landlord Landing Page
- Online Landlord Portal
- Convening a LL Advisory Committee
- Hiring a Landlord Liaison

# Affordable Housing Berkeley, Inc. (AHB)

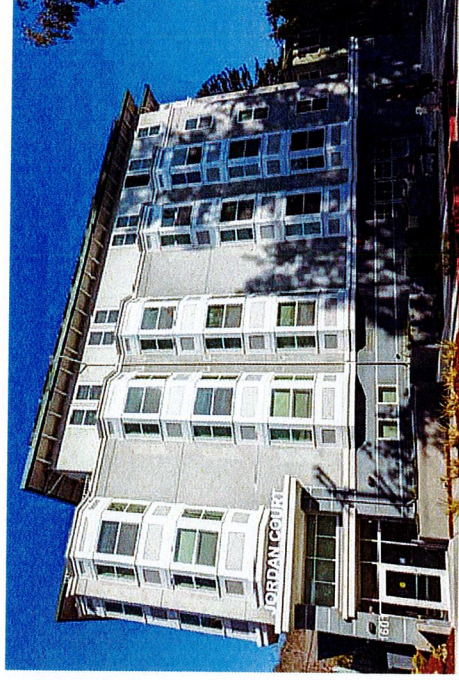
- ✓ BHA transitioned its **75 low income public housing units formerly owned** by the housing authority, to a PBV contract with Berkeley 75 (Related Cos.)
- ✓ **Proceeds** from the sale amounted to \$15.5 million, with \$5 million in the bank and \$10.5 million loaned back to the owner/developer at 3% 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 (\$1.5 million remaining)
- ✓ **AHB: 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

# ALL SOULS EPISCOPAL PARISH



**SAHA**  
SATELLITE  
AFFORDABLE  
HOUSING  
ASSOCIATES

## GRAND OPENING



**JORDAN COURT**  
1601 Oxford Street  
Berkeley, CA

Thursday, May 5th, 2022  
12 P.M.

*A partnership including 34 affordable homes for seniors and space for All Souls Episcopal Parish*



East Bay Housing Organizations

### About Jordan Court:

Jordan Court is a senior housing community (age 62+) located in the North Berkeley Hills developed by SAHA in partnership with All Souls Episcopal Parish (ASEP). This thoughtful and creative partnership leveraged an underutilized parcel owned by a local Episcopal congregation to create a stately new development in one of Berkeley's iconic hill neighborhoods. The project provides much needed housing for low income and formerly homeless seniors while delivering key program space for ASEP that will help ensure a sustainable future for the church. Jordan Court provides a total of 37 residential units, community amenity spaces, and a modest office suite for ASEP's pastor and staff. Thirty-four of the units are income restricted for low-income seniors ranging from 20% to 60% AMI. Twelve units are set-aside for seniors experiencing homelessness with a persistent mental illness. Two apartments (not income restricted) are set aside for the church to use as staff housing for their pastor and associate pastor. The project also includes one on-site manager unit. The Berkeley Housing Authority provides 24 project-based vouchers through Section 8 rental assistance programs, enabling SAHA to serve households with incomes even lower than the restricted incomes. Residents enjoy a robust selection of on-site services and activities to support wellness, independent living, and aging-in-place.

### About Satellite Affordable Housing Associates (SAHA):

SAHA provides quality affordable homes and services that empower people and strengthen communities. Based in Berkeley, SAHA draws on over 50 years of experience to operate over 75 communities for low-income seniors, families and people with special needs, and provides services to over 4,000 households. SAHA currently has 21 new projects in development. Our work is inspired by a belief that quality homes and empowering services should be in reach for all of the Bay Area's community members. With a commitment to high-quality design and thoughtful, ongoing supportive services, we empower our residents to build better lives and create healthier, safer communities. SAHA's innovative, high quality housing communities have received numerous awards from the American Institute of Architects, the Urban Land Institute, San Francisco Business Times, Affordable Housing Finance Magazine and others. Please visit [www.sahahomes.org](http://www.sahahomes.org) for more information.

### About All Souls Episcopal Parish:

All Souls is a faith community, and a parish of the Episcopal Diocese of California. Our motto: No matter who you are or where you are on your spiritual journey, you are welcome and honored here. Please visit! We welcome and expect visitors. See [www.allsoulsparish.org](http://www.allsoulsparish.org) for more information.

## DEVELOPMENT TEAM

**Owner, Developer, Property Manager, Lead Services Provider** Satellite Affordable Housing Associates

**Architect** HKIT Architects

**Design Client** All Souls Episcopal Parish

**General Contractor** James E. Roberts-Obayashi Corp.

**Supportive Services** Alameda County & Lifelong Medical Care

**Owner's Construction Representative** Gilbert Chan

**Legal** Gubb and Barshay

**Syndication Consultant** CHPC

**Civil Engineer** Luk and Associates

**Structural Engineer** KPFF Consulting Engineers

**Mechanical/Plumbing Engineer** Tommy Siu Associates

**Electrical Engineer** BWF Consulting Engineers

**Landscape Architect** Van Dorn Abed Landscape Architects Inc.

**Interior Design** HKIT Architects

**Joint Trench** Alpine Design

**Solar** Sun, Light & Power

**Title Company** Old Republic Title Company

**Live Music** Medicine Ball Duo

## FINANCING

California Tax Credit Allocation Committee

California Municipal Finance Authority

California Debt Limit Allocation Committee

City of Berkeley

County of Alameda

Federal Home Loan Bank of San Francisco

Housing Trust of Silicon Valley

Berkeley Housing Authority

U.S. Department of Housing and Urban Development

Silicon Valley Bank

National Equity Fund

California Department of Housing and Community Development

## PROGRAM 12:15 PM

**The Reverend Phil Brochard**  
Rector  
All Souls Episcopal Parish

**"Home"**  
Poem written by Ann Jordan  
Read by Margaret Sparks, All Souls Episcopal Parish

**Mayor Jesse Arreguin**  
Mayor  
City of Berkeley

**Vice Mayor Kate Harrison**  
Vice Mayor and District 4 Councilmember  
City of Berkeley

**Shashi Jivan**  
Board Member  
East Bay Housing Organizations (EBHO)

**Chris Schildt**  
Board Chair  
Berkeley Housing Authority

**Todd Fabian**  
VP Regional Manager, West  
National Equity Fund

**Fiona Hsu**  
Manager, Community Development Finance  
Silicon Valley Bank

**Fathia Macauley**  
Chief Lending Officer  
Housing Trust of Silicon Valley Bank

**Brenetta Fisher**  
Resident  
Jordan Court

**Susan Friedland**  
Chief Executive Officer  
Satellite Affordable Housing Associates