



Office of the City Manager

PUBLIC HEARING  
December 14, 2021

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Lisa Warhuus, Director, Health, Housing & Community Services

Subject: Amending the PY2021 Annual Action Plan to accept HOME-ARP Funds and Amending the Permanent Local Housing Allocation Five-Year Plan to Support a Homekey Project

### RECOMMENDATION

Conduct a Public Hearing on:

1. The proposed HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP) Allocation Plan, which the City will submit to the U.S. Department of Housing and Urban Development (HUD) as a substantial amendment to the PY2021 (FY2022) Annual Action plan;
2. The proposed Permanent Local Housing Allocation (PLHA) Five-Year Plan Amendment, which the City is required to submit to the California Department of Housing and Community Development (HCD) since the proposed amendments will result in a change in funding for eligible activities that exceeds 10% of the annual allocation.

And upon conclusion, adopt two Resolutions authorizing the City Manager, or her designee, to:

1. Amend the PY2021 Annual Action Plan to accept \$2,735,696 in HUD's HOME-ARP funds. Allocate up to 15% (\$410,354) for administration and planning, up to 5% for operating expenses for a Community Housing Development Organizations (CHDO) or other nonprofit organizations, up to 5% for nonprofit capacity building, and the remainder (75-85%) (\$2,051,772 - \$2,325,342) to a proposed State of California Housing and Community Development (HCD) Homekey Program (Homekey) project. In the event that the HOME-ARP allocation is modified, the same formula will be used to allocate funds. If the funds are not used for a Homekey project the City will use HOME-ARP funds for another HOME-ARP approved project.
2. Amend the PLHA Five-Year Plan to allocate \$1,138,194 to a proposed HCD Homekey project.
3. Submit the approved PY2021 Annual Action Plan Substantial Amendment #1 to HUD, and accept any resulting agreements with HUD.
4. Submit the approved PLHA Five-Year Plan Amendment to HCD and accept any resulting agreements with HCD.

## SUMMARY

This report outlines the proposed substantial amendment to the City of Berkeley's PY2021 Annual Action Plan for HOME-ARP funds, as well as an amendment to the City's PLHA 5-year plan to allow use for a Homekey project.

HUD requires the City to submit an Annual Action Plan every year as a condition of receiving funds. Accepting the HOME-ARP funds requires a substantial amendment to the City's PY2021 Annual Action Plan, according to the City's Citizen Participation Plan. Changes to the plan discussed in this report include accepting the HOME-ARP funds and allocating the majority of them to a Homekey project.

PLHA is a non-competitive entitlement State fund that can support local affordable housing and homeless service initiatives. The City previously approved and submitted a plan which must be amended if there is a change exceeding 10% of the annual funding allocation. The attached amendment will revise the first two years of the adopted five-year plan to reallocate \$1,138,194 to a Homekey project. The final three years of the plan will remain the same, in which funding will be used to support new affordable housing units for homeless households as well as the Housing Trust Fund (HTF) program. PLHA funding for this program is collected from real estate transaction fees and, thus, will vary each year with the market.

These substantial amendments require a public hearing and City Council approval before they can be submitted to HUD and the State for approval. The Homekey program requires local matching funds, and using HOME-ARP and PLHA for this project help satisfy the match requirement.

## FISCAL IMPACTS OF RECOMMENDATION

On September 20, 2021, the City of Berkeley was awarded \$2,735,696 in HOME-ARP funds. These funds are in addition to the regular HOME funds that the City receives. Accepting these one-time funds will add \$2,735,696 to the City's budget, and be available for expenditure until September 2030. Staff recommend that the City allocate the majority of funds as matching funds for a Homekey project, with the allowable 15% to program administration and planning, up to 5% for operating expenses for a CHDO or other eligible nonprofit organization, and up to 5% for nonprofit capacity building.

The City of Berkeley received a PLHA allocation of \$1,293,584 in year-one (FY2021) and will receive an allocation of \$2,010,631 in year-two (FY2022). The City's PLHA allocation over the next five years is projected at \$7,761,504. However, initial projections for the transaction fees were created by the State prior to COVID-19. The actual amounts in years three through five may be lower and therefore result in different, possibly lower, disbursements.

### CURRENT SITUATION AND ITS EFFECTS

The State's Homekey program recently started accepting applications from localities to receive grant funds. This program offers the City the opportunity to partner with the State to offer interim or permanent supportive housing for people experiencing homelessness or who are also at risk of becoming homeless and who are impacted by the COVID-19 pandemic.

The Homekey program requires that the application to HCS include a match of local/private funds to the State funds. HOME-ARP and PLHA funds' allowable uses include uses compatible with Homekey and are eligible for match. Staff recommends that the City adopt use of the HOME-ARP and PLHA funding to support a future Homekey project. In a separate report, HHCS staff will request approval to submit a joint application for the Homekey program.

### **HOME-ARP**

On March 11, 2021, President Biden signed the American Rescue Plan (ARP) into law. To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion in ARP funds to be administered through the HOME Investment Partnerships Program (HOME) to perform activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations.

To receive the HOME-ARP funds, the City must submit an Allocation Plan (Plan) as a substantial amendment to the PY2021 Annual Action Plan. The Plan must include the details of consultation the City conducted with agencies and service providers whose clientele include the HOME-ARP qualifying populations. The purpose of the consultations was to identify unmet needs and gaps in housing or service delivery systems. It must also include public participation through a comment period and a public hearing. Today's hearing will serve as a public hearing for gathering feedback to the draft Plan. The draft Plan is attached to this report. It has been posted for public comment since November 12, 2021, adhering to the City's Citizen Participation Plan.

After this public hearing and review of public comments thereto, the City will submit the Plan to HUD for its review and acceptance. The Housing Advisory Commission (HAC) reviewed an earlier draft of the Plan on November 4th and approved it for review by the Council. Action: M/S/C (Simon-Weisberg/Potter) to recommend Council approve an amendment to the PY2021 (FY2022) Annual Action Plan to allow for a one-time allocation of \$2,735,696 of HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP) funds, and that said funds are prioritized for a State of California Housing and Community Development Homekey Program project. Vote: Ayes: Fain, Johnson, Lee-Egan, Potter, Sanidad, Sargent, Simon-Weisberg. Noes: None. Abstain: None. Absent: Mendonca (excused) and Rodriguez (unexcused).

*Proposed Uses of HOME-ARP Funds*

The draft HOME-ARP Plan recommends the City allocate up to 15% (\$410,354) for administration and planning, up to 5% for operating expenses for a Community Housing Development Organizations (CHDO) or other nonprofit organizations, up to 5% for nonprofit capacity building, and the remainder (75-85%) (\$2,051,772 - \$2,325,342) to a proposed State Homekey project. Staff will adhere to the HUD implementing notice CPD-21-10 released in September 2021, to ensure compliance with all appropriate regulations contained therein.

**PLHA**

The City is entitled to its share of PLHA funding provided that it submits an application consistent with the eligible activities identified by Notice of Funding Availability (NOFA). On July 14, 2020, the City Council adopted Resolution No. 69,499-NS approving the initial PLHA Five-Year Plan. Adjustments to the five-year funding plan for all eligible activities in the submitted plan by greater than 10% require City Council and State approval and must be submitted with the application.

Approving the PLHA amendment to fund the Homekey Program project advances the City's goal to create affordable housing and housing support services for our most vulnerable community members, which is a Priority Project of the City's Strategic Plan.

*Proposed Uses of PLHA Funds*

The adopted PLHA Five-Year Plan allocated year-one and year-two funding to sustaining homeless services. Staff are recommending that unspent funds from Year-one and 45% of funds from Year-two be allocated to a Homekey project. Years three-five will follow the original five-year plan and shift to supporting the Housing Trust Fund program and creating subsidies for new units affordable to homeless households. The projected budget and details of each activity are outlined below.

*Years 1-2: Homeless Services*

Staff recommend shifting \$228,905 of unspent year-one funds to the acquisition and rehabilitation of housing through a Homekey project. In year two, staff recommend allocating 45% of funds to a Homekey project and reducing the homeless services allocation from 95% to 50%. This reduction is possible due to the availability of a new permanent housing resource, Emergency Housing Vouchers, that will be used to move Project RoomKey participants to permanent housing instead of PLHA as originally planned.

**Years 1-2 Proposed Budget**

Year 1 Funds			Year 2 Funds		
\$1,293,584			\$2,010,631		
Activity	Percent Allocation	Amount	Activity	Percent Allocation	Projected Amount
Homeless Services	77%	\$1,000,000	Homeless Services	50%	\$1,000,000
Homekey project	18%	\$228,095	Homekey project	45%	\$910,099
Admin*	5%	\$64,679	Admin	5%	\$100,531

\*5% is the max amount allowable for administration

**Years 3-5: New Housing Units for Homeless Households and HTF Support**

The plan for years three to five will remain the same<sup>1</sup> as the previously adopted PLHA Five-Year Plan, which supports new construction initiatives via two avenues: 1) operating subsidies for homeless households; and 2) supplementing the Housing Trust Fund program.

**Projected Years 3-5 Budget**

Years 3-5 Annual Projected Funds*		
\$1,552,301		
Activity	Percent Allocation	Projected Amount
Housing Trust Fund	80%	\$1,241,841
Homeless Operating Subsidies	15%	\$232,845
Admin	5%	\$77,615

\*Funding is collected annually through real estate recording fees and will fluctuate. These estimates were provided by HCD.

The HOME-ARP and PLHA allocations to a Homekey project are contingent on the State accepting and approving the City's application for a project. If the City's Homekey project is not accepted, the City will request that Council authorize the City Manager, or her designee, to approve a second substantial amendment to HUD that allocates HOME-ARP funds to an alternate HOME-ARP eligible project as recommended and approved through a public hearing at the Housing Advisory Commission. The City will also likely seek approval for another amendment to the PLHA Five-Year Plan to respond to the change in circumstances.

<sup>1</sup> [https://www.cityofberkeley.info/Clerk/City\\_Council/2020/07\\_Jul/Documents/2020-07-14\\_Item\\_15\\_Permanent\\_Local\\_Housing\\_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2020/07_Jul/Documents/2020-07-14_Item_15_Permanent_Local_Housing_pdf.aspx)

## BACKGROUND

### **HOME-ARP**

The City of Berkeley is an entitlement jurisdiction which receives HUD funds according to a formula. The HOME-ARP is a one-time funding source from HUD, that is administered by the HOME Investment Partnerships Program.

The HOME-ARP program adheres to the qualifications standards defined in Notice: CPD-21-10, "Requirements for the Use of Funds in the HOME-American Rescue Plan Program". These standards define qualifying individuals or families as those that are (1) homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C.11302(a)) ("McKinney-Vento"); (2) at risk of homelessness, as defined in section 401 of McKinney-Vento; (3) fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member that meet the criteria in one of (1)-(4) above.

HOME-ARP funds can be used for four eligible activities:

- Production or Preservation of Affordable Housing
- Tenant-Based Rental Assistance (TBRA)
- Supportive Services, Homeless Prevention Services, and Housing Counseling
- Purchase and Development of Non-Congregate Shelter

HUD regulations require that the City of Berkeley follow a Citizen Participation Process in allocating federal funding, which requires that the city enlist input from the general public when developing the spending plan and when any major changes to the spending plan are proposed. Major changes to the spending plan require the submission of a "Substantial Amendment" to the Annual Action Plan. These changes must be accompanied by a public hearing.

### **PLHA**

The Permanent Local Housing Allocation was created by the [Building Homes and Jobs Act](#) (SB 2, 2017). This bill established a \$75 recording fee on certain real estate transaction documents to increase the supply of affordable homes in California. The PLHA is a noncompetitive application with funds allocated to cities based on the Community Development Block Grant (CDBG) distribution formula.

Eligible activities include:

- Predevelopment/Development/Acquisition/Rehab for specific projects (including operating subsidies)
- Housing Trust Fund matching funds

- Capitalized reserves for Permanent Supportive Housing services (preservation and new construction)
- Accessibility modifications
- Homeless housing/services (Rapid rehousing; Rental assistance; Navigation centers; Emergency shelters)

The City was required to submit a five-year plan to access funding through 2025. Staff recommend amending the plan to include funding for a Homekey project; in addition to funding the City's homeless services programs in the first two years and operating subsidies for homeless households and supplementing the Housing Trust Fund in years 3-5.

The City is required to hold a public hearing and submit a streamlined application, resolution, and five-year plan amendment by December 31, 2021.

Staff is interested in applying for State Homekey funds along with a qualified affordable housing developer. This is an opportunity for the City to make an immediate impact on creating long-term, permanent supportive housing or temporary housing for Berkeley by leveraging limited City funds with State and federal funds created specifically for this purpose. Per the Homekey requirements, residents will have extremely low incomes (ELI) (defined as up to 30% of the Area Median Income) and have experienced homelessness or be at risk of homelessness.

#### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable direct environmental sustainability impacts associated with the adoption of this recommendation. Certain HOME-ARP activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures). Funds for such activities may not be obligated or expended until HUD has approved the release of funds in writing. A request for release of funds (RROF) must be accompanied by an environmental certification, and until the RROF is approved and notification is received no HUD funds shall be committed.

#### RATIONALE FOR RECOMMENDATION

The HOME-ARP and PLHA funds allow the City the opportunity to leverage limited City funds, State, and Federal funds to apply for State Homekey Program funding that would allow the City to convert existing buildings into permanent supportive housing or temporary housing. By accepting and allocating this money to a Homekey project application, the City has the opportunity to further help people experiencing and at-risk of being homeless.

#### ALTERNATIVE ACTIONS CONSIDERED

The City could accept HOME-ARP funds and use them on a project that would help qualifying individuals obtain or keep housing without leveraging Homekey funds.

However, such a strategy would not maximize the usage of these funds to the same extent as the recommended action.

CONTACT PERSON

Rhianna Babka, Community Service Specialist III, HCS, (510) 981-5410.

Attachments:

1: HOME-ARP Resolution:

Exhibit A: PY2021 (FY2022) HOME allocations to include HOME-ARP funds

2: PLHA Resolution

3: City of Berkeley HOME-ARP Allocation Plan (serving as the PY2021 Annual Action Plan Amendment)

4: City of Berkeley PLHA Amended Five-Year Plan

5: HOME-ARP Public Hearing Notice

6: PLHA Public Hearing Notice



RESOLUTION NO. ##,###-N.S.

AMENDMENT TO THE PY2021 ANNUAL ACTION PLAN IN RESPONSE TO THE HOME INVESTMENT PARTNERSHIPS PROGRAM – AMERICAN RESCUE PLAN (HOME-ARP) FUNDING

WHEREAS, on March 11, 2021 the American Rescue Plan (ARP), became Public Law 117-2, and it provides \$5 billion in ARP funds to be administered through the HOME Investment Partnerships Program (HOME) and that these funds must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations.; and

WHEREAS, the City of Berkeley is an entitlement jurisdiction which receives HOME Investment Partnership Program (HOME) funds from the US Department of Housing and Urban Development (HUD); and

WHEREAS, the City of Berkeley has a Program Year 21 (FY2022) Annual Action Plan, that articulates how the City plans to spend HUD HOME allocations; and

WHEREAS, the City of Berkeley was awarded \$2,735,696 in HOME-ARP funds from HUD that requires a Substantial Amendment to the existing Annual Action Plan; and

WHEREAS, HUD has issued waivers to 1) per-unit cost limits (42 U.S.C. 12742(e)), 2) 24-month commitment deadline (42 U.S.C. 12748(g)), 3) matching requirements (42 U.S.C. 12750) 4) Community Housing Development Organization (CHDO) Set-Aside Requirement 5) administrative and planning set-aside, increased to 15%, and 6) public comment requirement, now allows for revisions to the Citizen Participation Plan that include a shorter public comment period; and

WHEREAS, under the ARP, HUD has issued flexibilities for HOME-ARP funds stating that they are not subject to the same consultation and citizen participation requirements that otherwise apply to the HOME funds, however, at minimum, grantees are required to hold at least one public hearing and solicit public comment for a minimum of 15 days; and

WHEREAS, the City's Citizen Participation Plan requires that the City conduct a public hearing when major changes constituting a Substantial Amendment to the spending plan are proposed; and

WHEREAS, the City has and will continue to incur substantial costs and loss of revenue due to COVID-19; and

WHEREAS, the City has established the following ERMA budget codes HOME-ARP expenses: 530-2075-000-444-Variou-; and revenues: 533-2028-000-000-431110-; and

WHEREAS, failure to authorize receipt of these funds would result in loss of potential funds for the City in response to the COVID-19 pandemic; and

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NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager, or her designee, is authorized to:

1. Amend the PY2021 Annual Action Plan to accept the HUD HOME-ARP funds to the City of Berkeley, totaling \$2,735,696 and allocate up to 15% (\$410,354) for administration and planning, up to 5% for operating expenses for a Community Housing Development Organizations (CHDO) or other nonprofit organizations, up to 5% for nonprofit capacity building, and the remainder (75-85%) (\$2,051,772 - \$2,325,342) to a proposed State of California Housing and Community Development Homekey Program project. If the HOME-ARP award amount is modified, the same formulas will be applied for allocating funds.
2. Submit the approved PY2021 Annual Action Plan Substantial Amendment to HUD, and accept any resulting agreements with HUD.

BE IT FURTHER RESOLVED by the Council of the City of Berkeley that should the City's Homekey project application not be awarded State Homekey funds, the City Manager, or her designee, is authorized to approve and submit a second substantial amendment to HUD that allocates HOME-ARP funds to an alternative HOME-ARP eligible project as recommended and approved through a public hearing at the Housing Advisory Commission.

A record signature copy of said agreements and any amendments shall be on file in the office of the City Clerk.

Exhibit A: PY2021 (FY2022) HOME allocations to include HOME-ARP funds

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**Exhibit A: PY2021 HUD HOME-ARP Allocations**

HOME Investment Partnership Program (HOME) Allocations			
REVENUES	HUD Adjusted Award FY21	Awarded FY22	HOME-ARP Award
HOME Award	\$ 778,203	\$ 754,813	\$ 2,735,696
Program Income (projected)	\$ 20,000	\$ 20,000	N/A
<b>SUBTOTAL HOME Funds Available</b>	<b>\$ 798,203</b>	<b>\$ 774,813</b>	<b>\$ 2,735,696</b>
EXPENDITURES	Amended and Adjusted Allocation FY21	Allocations FY22	Proposed Allocation*
Administration (10%)	\$ 199,551	\$ 77,481	\$ 410,354
CHDO Operating Funds (5%)	\$ 70,000	\$ 30,000	\$ 136,785
Nonprofit capacity (5%)	N/A	N/A	\$ 136,785
Available for HTF Projects	\$ 528,652	\$ 667,332	N/A
Available for Homekey Project	N/A	N/A	\$ 2,051,772
<b>Total</b>	<b>\$ 798,203</b>	<b>\$ 774,813</b>	<b>\$ 2,735,696</b>
<p>* HOME-ARP allows for up to 15% Administration. The proposed budget allows for up to 5% for both CHDO operating and nonprofit capacity. Should those not be utilized the remaining would go towards a Homekey Project (\$2,051,772 - \$2,325,342).</p>			

RESOLUTION NO. ##,### N.S.

ADOPTING THE PLHA FIVE-YEAR PLAN AMENDMENT FOR THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM

WHEREAS, the Department is authorized to provide up to \$304 million under the SB2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)).

WHEREAS, the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 5/3/2021 under the Permanent Local Housing Allocation (PLHA) Program;

WHEREAS, the City of Berkeley is an eligible Local government who has applied for program funds to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation.

WHEREAS, the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients

WHEREAS, the Plan submitted in response to the NOFA and approved by the Department was for a term of five years.

WHEREAS, local governments shall obtain approval of the Department for amendments made to the Plan in each succeeding year of the term of the Plan.

WHEREAS, reallocations of more than 10 percent of funds among Activities require amendment of the Plan, with approval granted by the governing body at a publicly noticed public meeting; and

NOW THEREFORE, BE IT RESOLVED that by the Council of the City of Berkeley that if the City of Berkeley receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts Applicant may have with the Department.

BE IT FURTHER RESOLVED that the City of Berkeley is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA (\$7,761,504) in accordance with all applicable rules and laws.

BE IT FURTHER RESOLVED that the City of Berkeley hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all

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Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the Applicant and the Department.

BE IT FURTHER RESOLVED that Pursuant to Section 302(c)(4) of the Guidelines, the City of Berkeley's PLHA Plan Amendment for the 2019-2023 Allocations is attached to this resolution, and Applicant hereby adopts this PLHA Plan Amendment and certifies compliance with all public notice, public comment, and public hearing requirements in accordance with the Guidelines.

BE IT FURTHER RESOLVED that the City of Berkeley certifies that it has or will subgrant some or all of its PLHA funds to another entity or entities. Pursuant to Guidelines Section 302(c)(3), "entity" means a housing developer or program operator, but does not mean an administering Local government to whom a Local government may delegate its PLHA allocation.

BE IT FURTHER RESOLVED that the City of Berkeley certifies that its selection process of these subgrantees was or will be accessible to the public and avoided or shall avoid any conflicts of interest.

BE IT FURTHER RESOLVED that the City of Berkeley certifies that, if funds are used for the development of an Affordable Rental Housing Development, the Local government shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

BE IT FURTHER RESOLVED that the City of Berkeley shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.

BE IT FURTHER RESOLVED that the City Manager and/or her designee is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

## City of Berkeley HOME-ARP Allocation Plan DRAFT

### Guidance

- To receive its HOME-ARP allocation, a Participating Jurisdiction (PJ) must:
  - Engage in consultation with at least the required organizations;
  - Provide for public participation including a 15-day public comment period and one public hearing, at a minimum; and,
  - Develop a plan that meets the requirements in the HOME-ARP Notice.
- To submit: a PJ must upload a Microsoft Word or PDF version of the plan into the Federal Integrated Disbursement Information System (IDIS) as an attachment next to the “HOME-ARP allocation plan” option on either the AD-26 screen (for PJs whose FY 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan).
- PJs must also submit an SF-424, SF-424B, and SF-424D, and the following certifications as an attachment on either the AD-26 or AD-25 screen, as applicable:
  - Affirmatively Further Fair Housing;
  - Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
  - Anti-Lobbying;
  - Authority of Jurisdiction;
  - Section 3; and,
  - HOME-ARP specific certification.

**Participating Jurisdiction:** City of Berkeley

**Date:** December 15, 2021

### Consultation

Before developing its plan, a PJ must consult with the Continuum of Care/s (CoC)/s serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

**Summarize the consultation process:**

To be completed.

**List the organizations consulted, and summarize the feedback received from these entities.**

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
<b>Housing Advisory Commission</b>	City Advisory Commission	Public Meeting	One public comment and general discussion from commissioners in support of HOME-ARP funds for a Homekey project.
<b>Homeless Commission</b>	City Advisory Commission	Public Meeting – CANCELLED Written feedback requested	One response was received and was in general support of a Homekey project with concerns that the allowable administrative costs seem high and that contractors should be selected in an equitable way.
<b>Berkeley City Council</b>	Local Government.	Public Hearing and Public Agenda.	TBD.
<b>All City Commissions</b>	City Advisory Commissions.	Electronic Communication.	TBD.
<b>Berkeley Housing Authority</b>	Public Housing Authority.	Electronic Communication.	TBD.
<b>Everyone HOME</b>	Alameda County Continuum of Care.	Electronic Communication.	TBD.
<b>Over 50 non-profit agencies</b>	Non-profit and faith-based Agencies serving low-income Berkeley residents.	Electronic Communication & Flyer distribution.	TBD.
<b>General Public</b>	General Public	<ul style="list-style-type: none"> <li>• Newspaper advertisement in Berkeley Voice on Nov. 12, 2021;</li> <li>• Electronic Communications, flyer distribution &amp; invitation to comment and attend Public Hearing;</li> </ul>	TBD.

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
		<ul style="list-style-type: none"> <li>Posting of Public Hearing on Berkeley's Community Calendar; Community Centers, Senior Centers, etc.</li> </ul>	
	Local Business	Electronic Communication & Flyer distribution.	TBD.
	Local Affordable Housing Developers	Electronic Communication & Flyer distribution.	TBD.
<b>Berkeley Housing Authority</b>	Low-income Berkeley residents	Mailing to residents.	TBD.

## Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for "reasonable notice and an opportunity to comment" for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- The amount of HOME-ARP the PJ will receive,
- The range of activities the PJ may undertake.

***Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:***

- ***Public comment period:*** start date – November 12, 2021. end date – December 14, 2021.
- ***Public hearing:*** December 14, 2021.



A Public Hearing on the PY21 Draft Annual Action Plan Amendment #1 will be held on December 14, 2021 before the Berkeley City Council. Additional information forthcoming.

***Describe any efforts to broaden public participation:***

Several efforts were made to broaden public participation. The draft Amendment was posted on the City's website, and a copy was presented at both the Housing Advisory Commission (HAC) November 4, 2021 and the Homeless Commission November 10, 2021 meetings. At its November meeting, the HAC approved the PY21 Draft Annual Action Plan Amendment #1. Outreach was accomplished via hard copy and electronic flyer mailings to interested parties, including Alameda County-wide Homeless Continuum of Care, community agencies serving low-income people, and public buildings such as recreation centers, senior centers, libraries and other government buildings.

**A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.**

***Summarize the comments and recommendations received through the public participation process:***

TBD.

***Summarize any comments or recommendations not accepted and state the reasons why:***

TBD.

**Needs Assessment and Gaps Analysis**

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

## Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victim s of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	50	12	221	221	12								
Transitional Housing	42	10	54	54	42								
Permanent Supportive Housing	98	25	341	341	0								
Other Permanent Housing						28	10	27	0				
Sheltered Homeless						51	295	21	87				
Unsheltered Homeless						0	813	60	203				
<b>Current Gap</b>										+111	+48	-502	-502

Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

## Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	29,822		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	1,455		
Rental Units Affordable to HH at 30% - 50% AMI (Other Populations)	640		
Total	2,095		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		6,275	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		3,205	
Total		9,480	
<b>Current Gaps</b>			-7,385

Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

***Describe the size and demographic composition of qualifying populations within the PJ's boundaries:***

**Homeless:**

The most recent (2019) point in time (PIT) count found 1,108 people who were homeless in Berkeley. Over 95% of whom were single adults and nearly three quarters (813) were unsheltered. The duration of the current episode of homelessness for all people who were homeless, was one year or more for 64%. About half (48%) of everyone in the count had been living in Alameda County (the County Berkeley is a part of) for ten years or more, and another 16% for five to nine years.

While 9% of Berkeleyans identify as Black/African American, the PIT count found that 57% of all people who were homeless residents of Berkeley were Black/African American. Conversely, 60% of the total population of Berkeley identifies as white, but 29% of the people found to be homeless in Berkeley were white. Similarly, 1% of the homeless population in the Berkeley identified as Asian, but 20% of all residents were Asian. People in the PIT count who identified as Latinx/Hispanic, Multi-Racial, American Indian or Alaskan Native and Native Hawaiian or Pacific Islander were largely proportionate in percentage terms, to the Berkeley total population.

Two-thirds of all people who were counted as homeless in the 2019 PIT count identified as male, 33% female, 1% transgender and 1% non-binary. Fourteen percent identified as LGBTQ+.

The majority of people in the PIT count (73%) were between the ages of 25 and 69 and 17% were 60 years of age or older. There was one unaccompanied youth counted as homeless and additional 81 people were young adults.

A little more than a third (35%) of people who were found to be homeless during the PIT count in 2019, were chronically homeless and nearly 6 in 10 were unsheltered. Forty-one percent of all people who were homeless reported a disabling condition.

Because “most homeless services experts agree that the HUD point in time count undercounts the number of people experiencing homelessness in a community,” to get a more accurate and detailed understanding of the homeless population in Berkeley, the City produced a report in 2019, the 1,000 Person Plan to Address Homelessness, that used 42,500 individual records from the homeless management information system (HMIS), between the years 2006 and 2017.

Analysis of this data, found that “over the course of a year in Berkeley, nearly 2000 people experience homelessness of some duration. This number has been steadily growing at an average rate of 10% every 2 years and is highly disproportionate in its racial disparity: since 2006, 65% of homeless service users in Berkeley identify as Black or African American, compared to a general population of less than 10%.”

**At Risk of Homelessness:**

To account for all persons at-risk of becoming homeless is difficult because this population does not always present themselves to the homelessness response system and there is not an alternative systematic way to collect this data.

However, we can analyze the most recent (2014-2018) Comprehensive Housing Affordability Strategy (CHAS) data. This data contains elements of households that go some way to meeting the definition of “at risk of homelessness” found in 24 CFR 91.5. Specifically, the CHAS data breaks down occupied housing units by HUD Area Median Family Income (HAMFI)<sup>1</sup>, including 30% and below of HAMFI and by their housing problems. This analysis uses severe housing problems<sup>2</sup> as a proxy for the non-income criteria found in definition, thus coming close to the precise definition of “at risk of homelessness”.

The CHAS data shows that about 16% of all households in housing units, in Berkeley, meet this proxy definition of “at risk of homelessness”. Five percent of all households in owner occupied units and 24% of all households in renter occupied units are “at risk of homelessness”. This data also provides estimates of the racial and ethnic makeup for the heads of households in these units. Households headed by people who identify as Asian and Black or African American, are overrepresented in this category, as compared to the total share of all housing units (see table below).

<b>Race of Head of Household</b>	<b>&lt;=30% HAMFI &amp; at least 1 Housing Problem</b>	<b>All Housing Units</b>
White alone, non-Hispanic	43%	62%
Black or African-American alone, non-Hispanic	13%	8%
Asian alone, non-Hispanic	28%	17%
American Indian or Alaska Native alone, non-Hispanic	1%	0.4%
Pacific Islander alone, non-Hispanic	1%	0.3%
Hispanic, any race	9%	8%

<sup>1</sup> HAMFI – HUD Area Median Family Income. This is the median family income calculated by HUD for each jurisdiction, in order to determine Fair Market Rents (FMRs) and income limits for HUD programs. HAMFI will not necessarily be the same as other calculations of median incomes (such as a simple Census number), due to a series of adjustments that are made (For full documentation of these adjustments, consult the HUD Income Limit Briefing Materials).

<sup>2</sup> The four housing problems are: incomplete kitchen facilities; incomplete plumbing facilities more than 1 person per room; and cost burden greater than 30%.

### **Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking:**

In the absence of comprehensive data, this report has consulted with the Berkeley Police Department (BPD) for available domestic violence data. While incomplete, given that not every victim has an accompanying case to record their victimization, examining criminal case data provides a reasonable approximation of the size and demographic makeup of this qualifying population.

In 2019, the BPD recorded 260 cases of domestic violence. In 2020, the number of cases increased to 241 and as of October 31<sup>st</sup>, there were 199 cases in 2021. Approximately, three quarters of the victims, during each time period, were female and a quarter were male. A disproportionately large number of victims have been Black or African American, compared to the total Berkeley population (~50% of victims each year vs. 6% of total population), and a disproportionately low number of victims identified as white or Asian. Fifty-four percent of the total Berkeley population identified as white, while the percent of victims who identify as white were 25, 31 and 24%, respectively. Similarly, 22% of the Berkeley population is Asian, while 7, 4, and 3% of victims identified as Asian, respectively.

Using BPD data of sexual assault cases, we find that there were 74 victims of this crime in 2019, 62 in 2020 and 47, as of October 31<sup>st</sup>, in 2021. The sex of the victims was largely female. In 2019, 85% were female, in 2020 the percentage was 95 and as of the end of October 87% of victims were female. The racial and ethnic disproportionality for sexual assault victims is different than it is from domestic violence victims. Sexual victims who identified as Black or African American made up 14% of all victims in 2019, 23% in 2020 and 23% in the most recent data from 2021 (up to October 31, 2021). These proportions are still disproportionate compared to the total population (6%), but less so than domestic violence victims. The proportion of sexual assault victims who identify as white (51 in 2019, 51 in 2020 and 36 as of October 31, 2021) is largely the same as the total population 54%.

The 2019 PIT count offers us a view of the size of the homeless population that had experience domestic violence. Five percent of the respondents in the Berkeley count reported currently experiencing domestic violence or abuse, compared to 6% of respondents in Alameda County. Twenty-five percent of the 2019 PIT count respondents in Berkeley reported a history of experiencing physical, emotional or sexual abuse by a relative or by a person with whom they have lived.

### **Other Populations:**

#### **(1) Other Families Requiring Services or Housing Assistance to Prevent Homelessness**

The City of Berkeley currently funds a Housing Retention Program (HRP) that provides emergency rental assistance to qualifying individuals. This program has provided

emergency rental assistance for 257 households during FY21, 223 of whom were formerly homeless.

Of those recipients of emergency rental assistance who were formerly homeless, 62% were households where the head of the household was Black or African American. This is in stark contrast to the 8% of all households in Berkeley headed by someone who identifies as Black or African American. Similarly, head of households who identify as Hispanic/Latinx make up 8% of the total households in Berkeley, but were 15% of all emergency rental assistance recipients.

Conversely, 16% of all recipient, head of households, who were formerly homeless identified as white, compared to 62% of all head of households in Berkeley, and 17% of all head of households in Berkeley identify as Asian, but only 4% of emergency rental assistance recipients identify as Asian.

The largest age demographic, when broken by ten-year age groups, for this cohort, were 60-69-year olds. A little over 1 in 5 of the recipient head of households were in this age group. Just under 1 in 5 recipient head of households were in the 30-39 and 40-49 age ranges, each.

Notably, 67% of all households receiving emergency assistance from the HRP, whose head of household was formerly homeless, had a child or adult with a disability in the household. Almost a quarter of the households were headed by single parent households.

The Rapid Rehousing programs within the City also have participants that meet the definition of this qualifying population. Participants of this program are formerly homeless individuals, notably it does not include families, who receive a temporary rental subsidy while they participate in supportive services that are meant to transition them to permanent housing. The most recent data (July 2020 to March 2021), from HMIS, shows that there were 153 people served in this program, 41% of whom were female, 58% male and 1% trans women. Sixty-nine percent of participants identified as Black or African American and 25% white. The plurality of participants (31%) were 55-64 years of age. Twenty-five to 34-year-olds made up the next largest share of participants, by age group, at 21%, and a similar share (19%) was made up of 45 to 54-year-olds.

## **(2) At Greatest Risk of Housing Instability**

**(i) has annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs)**

According to the most recent (2014-2018) CHAS data, there were an estimated 44,980 occupied housing units in Berkeley. Of these, an estimated 6,295 (14%) were comprised of a household with an annual income that was less than or equal to 30% of the area median income, as determined by HAMFI, and were experiencing severe

housing cost burden (i.e. paying more than 50% of monthly household income toward housing costs).

Broken down by tenancy type, this amounted to 4% of owner-occupied units and 22% of all renter occupied units. The largest proportion (49%) of the owner-occupied units were households categorized as non-family elderly. Whereas, the largest share (69%) of renter occupied units meeting this definition of qualifying population, were households described as non-elderly and non-family.

Almost all of the units meeting this definition, 100% of owner and 95% of renter occupied unit had complete plumbing and kitchen facilities.

While there is no readily available data that estimates the racial and ethnic breakdown of this qualifying population, CHAS data has been used to estimate the racial and ethnic breakdown for the population that meets the criteria of households that have a housing cost burden of 50% or greater. Using this proxy, we find that percentage of households headed by someone who identifies as Asian (26%), is disproportionately higher than it is for the total household population of Berkeley (17%). There is also an overrepresentation of housed Black or African American headed households, that fall under this categorization (11% of  $\geq 50\%$  housing cost burden vs. 8% of total housed households). Relatedly, white headed households are underrepresented in this category (49%), compared to the total population of occupied housing units (62%).

**(ii) has annual income that is less than or equal to 50% of the area median income, as determined by HUD, AND meets one of the seven conditions from paragraph (iii) of the “At risk of homelessness” definition established at 24 CFR 91.5.**

The most recent CHAS data can also be used to provide a limited understanding of individuals and families that meet the definition of this qualifying population. There are several ways in which an individual or family can meet the criteria for this qualifying population. One of these ways, households living in units with 1.5 or more people and a HAMFI less than or equal to 50%, is covered in the CHAS data. According to the 2014-2018 CHAS, an estimated 2% of all occupied housing units are made up of households that meet this criterion, all of which are renter occupied households. Of those households, 25% are families and 75% are non-family households.

In its 2020 Consolidated Plan the City of Berkeley defined the “At risk of homelessness” subpart, “(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved consolidated plan”; as the high cost burden of housing characteristic in Berkeley. Using the number of households with a housing cost burden of greater than 30% as a high cost burden, and a HAMFI of less than or equal to 50%, we can utilize CHAS data to further understand the size and demographics of this population.

In Berkeley, 30% of all households occupying a housing unit have an income that is 50% or less of HAMFI and pay 30% or more on their housing costs. Broken down by type of tenancy, 10% of owner occupied and 44% of renter occupied units carry this housing cost burden. Low-income renters have a greater housing cost burden.

We can further breakdown the households who meet this criterion by their type of household. According to the data using the 2014-2018 American Community Survey, the most recent version of CHAS, we find that 59% of households in this subcategory are defined as non-family and non-elderly. The next most prevalent household type is, elderly non-family making up 21% of the subpopulation, followed by small families<sup>3</sup> (15%) and elderly families<sup>4</sup> and large families<sup>5</sup> (2% each).

The closest approximation to a breakdown of households that meets the definition for this qualifying population, by race and ethnicity, is the breakdown by housing cost burden found in the current CHAS data tables (meeting subpart (G) of the “at risk” definition). For all households living in a housing unit with a housing cost burden greater than 30% (18,229 estimated) we find in this data series, that 54% are headed by someone who identifies as white, 11% as Black or African American, 20% as Asian, 1% as American Indian or Alaskan Native, 0.5% as Pacific Islander, 9% as Hispanic and 5% as multi-racial or a race not identified in the survey. These percentages largely mirror the share of occupied units throughout Berkeley by race and ethnicity (62% white, 8% Black or African American, 17% Asian, 0.4% American Indian or Alaskan Native, 0.3% Pacific Islander, 8% Hispanic and 4% multi-racial or a race not specified in the data).

**Veterans and Families that include a Veteran Family Member – that meet the criteria for one of the qualifying populations described above:**

The most recent PIT count found that 81 people (7%) who were homeless were Veterans. The large majority (74%) of Veterans counted were living in unsheltered conditions.

***Describe the unmet housing and service needs of qualifying populations, including but not limited to:***

- ***Sheltered and unsheltered homeless populations;***
- ***Those currently housed populations at risk of homelessness;***
- ***Other families requiring services or housing assistance or to prevent homelessness; and,***

<sup>3</sup> Small family is defined as: 2 persons, neither person 62 years or over, or 3 or 4 persons

<sup>4</sup> Elderly family is defined as: 2 persons, with either or both age 62 or over

<sup>5</sup> Large family is defined as: 5 or more persons



- ***Those at greatest risk of housing instability or in unstable housing situations:***

### **Homeless, At Risk of Homelessness & Other Populations at Greatest Risk of Housing Instability:**

Respondents to 2019 PIT count chose benefits/income (27%), employment assistance (27%), rent assistance (26%) and mental health services (21%) as the top four services that could have prevented their homelessness. We can safely assume that to some degree this means that these services were lacking in either in quantity, quality or accessibility.

Relatedly, the top six reasons cited for being homeless can be viewed as a barometer for the needs of people who were homeless. The PIT count respondents noted that, lost job (18%), eviction/foreclosure (17%), mental health issues (15%), substance abuse issues (12%), family/friends couldn't afford to let them stay (10%) and incarceration (10%), were the top causes of homelessness.

Participants in the 2019 PIT count, people who were homeless, also identified how they think money should be spent to alleviate homelessness. This serves as another proxy for the needs expressed by people who are experiencing homelessness. In the responses, the top suggestion was to spend money on affordable rental housing (58%). A little under half (43%) of people felt that employment training/job opportunities was how money should be spent. The next most popular response (29%), was permanent help with rent/subsidies, followed by substance abuse/mental health services (28%), housing with supportive services (22%) and 24/7 basic sanitation (19%).

Examining the findings from the aforementioned, 1,000 Person Plan to Address Homelessness (the Plan) also helps to ascertain unmet housing and service needs for people who are homeless, which overlaps with people who may qualify as: at risk of homelessness. The Plan found, using the 42,500 individual records from HMIS, between the years 2006 and 2017, that:

- “The likelihood of returning back to homelessness in Berkeley after previously exiting the system for a permanent housing bed is increasing over time, irrespective of personal characteristics or the type of service accessed. Importantly, among those who previously exited the system to permanent housing in the past but eventually returned, the largest percentage of those exits had been to unsubsidized rental units. None of this is surprising given the extreme increase in the East Bay’s rental housing costs over the past several years, and the volatility that creates for poor and formerly homeless people struggling to make rent.”

- “A comprehensive regression analysis found that having any disability (physical, developmental, substance-related, etc.) is by far the single largest reason a person is unlikely to exit homelessness to housing and subsequently not return back to homelessness. Unfortunately, the percentage of homeless Berkeleyans self-reporting a disability of any kind has increased greatly, from 40% in 2006 to 68% by 2017--meaning the population is increasingly comprised of those least likely to permanently end their homelessness with the services available.”
- “Per Federal mandate, all entities receiving HUD funding for homeless services are required to create a Coordinated Entry System (CES) that prioritizes limited housing resources for those who are most vulnerable. However, Berkeley’s Federal permanent supportive housing (PSH) budget, which supports housing for 260 homeless people, can place only about 25-30 new people every year. To help alleviate this lack of permanent housing subsidy, Berkeley experimented with prioritizing rapid rehousing for its highest-needs individuals at the Hub. We found that rapid rehousing can be used as a bridge to permanent housing subsidies, but, used alone, cannot prevent some of the highest needs people from returning to homelessness.”

The Plan concludes that “the system has not created sufficient permanently subsidized housing resources to appropriately service a Coordinated Entry System, and has instead relied on rapid rehousing to exit them from the system. Overreliance on rapid rehousing with high needs individuals in a tight housing market—all of which we found evidence for in these data--is a strategy that is tenuous in the long-run.”

### **Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking**

According to the previously referenced Berkeley Homeless Count and Survey, a history of domestic violence and partner abuse can be a primary cause of homelessness. Victims of domestic violence have a great risk of becoming homeless and experiencing poverty. According to the Family and Youth Services Bureau (<https://www.acf.hhs.gov/fysb/resource/dv-homelessness-stats-2016>), this is likely tied to a high need for services, including housing and financial support, and the lack of commensurate housing and financial resources available. The lack of affordable housing in the City likely makes it difficult for victims of domestic violence to leave their violent homes, so it is plausible that they are more likely to go unidentified, move to an overcrowded unit, or move into a homeless shelter than those not experiencing domestic violence.

After consulting with the Berkeley Police Department’s Domestic Violence and Sexual Assault Unit, three things became apparent:

- It is not uncommon for a victim of domestic violence to have to wait two or three days for a bed at a safe shelter, once they have requested it. This can lead to victims to stay with or return to their abuser while they wait for a bed to become available.
- When victims of domestic violence are housed in a safe shelter, they can be without essential household and hygiene items, and little to no financial resources to acquire these items. This may lead to the victim to return to the abuser for financial security.

**Other Populations:**

**(1) Other Families Requiring Services or Housing Assistance to Prevent Homelessness**

The City has had a rental assistance program for many years, but this program was prioritized during the COVID-19 pandemic and an additional \$3.7 million was added to provide rent relief and prevent evictions that may lead to homelessness. This program currently has a waitlist and is unable to fully meet the need in the community. The unmet needs for the recipients can be enumerated using some of the data collected from the heads of household. Loss of employment was cited as the primary reason for recipients seeking assistance. More than half (57%) listed their loss of employment and subsequent inability to find alternative employment as the reason for needing emergency rental assistance to remain housed. Increases in expenses, including child care and health care costs, accounted for a little more than a third (37%) of the recipient's primary reason for needing assistance.

**Veterans and Families that include a Veteran Family Member – that meet the criteria for one of the qualifying populations described above**

The 2019 PIT count helps us better understand the needs and extrapolate the unmet needs for the population of veterans that are homeless. In this report the top four reasons the veterans list for being homeless are: Loss of Job, Other Money Issues, Mental Health Issues and Physical Health Issues.

***Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:***

**Homeless:**

The City funds multiple agencies to provide 298 year around shelter beds, 30 seasonal shelter beds and 27 transitional housing beds. As part of the City's COVID-19 response, the census at these programs has been reduced by approximately 50% so staff and participants can maintain 6' social distancing. Additionally, funds have been provided to expand shelter operations to 24/7 and to provide three meals per day so participants don't have to leave during the day.

To offset the census reduction, while providing a safe space, the City implemented a non-congregate shelter program to house 18 households who meet the CDC's criteria for at-risk populations, 65+ or having an underlying medical condition requiring extra precautions against COVID-19. These shelter enhancements are expected to be in place until the City's Shelter In Place (SIP) order is lifted. Rapid re-housing resources are being offered to help people move into permanent housing.

Additionally, the City expanded the Berkeley Emergency Storm Shelter operations from an inclement weather shelter to supporting a 24/7 winter shelter operation through mid-April.

Additionally, while the Emergency Solutions Grant (ESG) regulations allow for federal funds to be provided to those categorized as "at-risk" but not necessarily at "imminent risk", Berkeley uses its ESG funds for rapidly rehousing people who are literally homeless.

Berkeley funds prevention assistance for people who meet "immediate risk" criteria defined as:

"An individual or family who will imminently lose their primary nighttime residence, provided that:

- the primary nighttime residences will be lost within 14 days of the day of application for homeless assistance;
- No subsequent residence has been identified; and,
- The individual or family lacks the resources of support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing."

Alameda County has mental health, foster youth, health care, and corrections discharge policies intended to prevent discharges of individuals from these systems into homelessness, described in detail in the Consolidated Plan.

During the coronavirus pandemic, the City expanded the housing retention program to assist households unable to pay rent due to a COVID-19 related loss of income. Households must provide a dated Notice of Eviction from landlord stating amount owed for back rent OR a letter of verification from landlord stating the amount owed for back rent, since there is currently an eviction moratorium.

The City is working with local hospitals to share information about the North County HRC and available homeless services in Berkeley to reduce discharges to local daytime drop-in centers and shelters that can't support the needs of medically fragile people with severe disabling conditions. The City will continue to participate in countywide and regional efforts to reduce discharges into homelessness.

The following is a list of services targeted to people who are homeless in Berkeley:  
Homelessness Prevention Services:

- Counseling/Advocacy
- Rental Assistance

Street Outreach Services:

- Law Enforcement
- Mobile Clinics
- Other Street Outreach Services

Supportive Services:

- Alcohol & Drug Abuse
- Employment and Employment Training
- Life Skills
- Mental Health Counseling
- Transportation

**At Risk of Homelessness & Other Populations at Greatest Risk of Housing Instability**

The City of Berkeley established the Housing Trust Fund (HTF) program in 1990, and since then the HTF program has funded the renovation or construction of approximately 1,400 units of affordable housing. The City's HTF portfolio includes units affordable to households at a variety of income levels, including units for formerly homeless households and Extremely Low-Income households. City funding is currently supporting projects that will create 559 new affordable housing units. Four City projects in the pipeline (including Berkeley Way, described below) received No Place Like Home funding from the state of California, which supports units for formerly homeless households with mental illnesses. The projects include supportive services and case management.

The City has committed more than \$27 million in local funding for the development of the City-owned Berkeley Way parking lot to address the needs identified in the plan. On September 9, 2014, after a Request for Qualifications process, the City Council approved the selection of a development team consisting of Bridge Housing, the Berkeley Food and Housing Project, and Leddy Maytum Stacy Architects (LMSA) as the preferred development team for the site. Since then the City has been working closely with the project team on a three-part project including homeless services and meal space, emergency shelter (44 beds), permanent supportive housing (53 units at 30% AMI), and affordable apartments (89 units at 50-80% AMI). The project is underway, with estimated construction completion in June 2022.

The City also offer flex funds. These funds are available for one-time costs like back payment of rent, security deposits, etc. They must generally must be used to obtaining or maintaining housing.

**Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking**

The following is a list of resources available to victims in Berkeley and the surrounding area:

Bay Area Women Against Rape (BAWAR) is Alameda County's community rape crisis center offering advocacy and counseling to folks in Alameda County who have experienced sexual violence. BAWAR has a 24/7 crisis line in both English and Spanish.

Family Violence Law Center (FVLC) provides survivor-centered legal advocacy and assistance for individuals who have experienced intimate partner violence or sexual assault. They have a 24/7 crisis line for people living in Alameda County.

Alameda County Family Justice Center provides access to 80 community agencies and programs that provide healing, support and resources to people impacted by domestic violence, sexual assault and exploitation, child abuse, elder and dependent adult abuse, and stalking.

- Domestic violence counseling
- Sexual assault counseling
- Restraining orders
- Case management
- Trauma recovery services
- Safety planning
- Children's counseling
- Parenting support
- Shelter/housing assistance
- Medi-CAL and CalFRESH application assistance
- Victims Compensation Program application assistance
- Safe at Home application assistance
- Self-sufficiency program: financial literacy, professional development, resume writing and interviewing skills.
- Criminal justice information and assistance
- Childcare while parent or guardian is receiving services onsite (KidZone)
- GED
- ESOL (ESL) ALCO
- Public Health Immunization Clinic
- Legal Advice Clinic
- Immigration Clinic

A Safe Place is an Oakland based domestic violence agency that provides an emergency domestic violence shelter for women with children, 24/7 crisis line, mental health services, and community outreach programs.

Deaf Hope is a center providing culturally specific services to deaf survivors of interpersonal violence and their children.

Narika is an agency providing multicultural services for people who have experienced intimate partner violence. Narika offers support groups, seed programs and a helpline particularly for immigrants from South Asian communities.

Ruby's Place is a free, multi-population program serving women, men, transgender people and accompanied minors who have experienced domestic violence, human trafficking or both. Shelter and 24/7 crisis line offered.

Shalom Bayit strives for social change and offers confidential peer counseling, support, information, referrals, and advocacy for women identified folk in the Jewish community. Healing support groups are offered in the East Bay, SF, Marin, and the Peninsula.

### **Other Populations**

#### **(1) Other Families Requiring Services or Housing Assistance to Prevent Homelessness**

The City of Berkeley currently funds a Housing Retention Program that provides emergency rental assistance to qualifying individuals. This program has provided emergency rental assistance for 257 households during FY21.

The County of Alameda also operates an Emergency Rental Assistance Program. It has received 777 applications for emergency rental assistance, and has approved 258 applications. This program cap also has a cap that affects the amount of assistance they can provide.

As mentioned earlier, there are also several Rapid Rehousing programs that serve formerly homeless individuals that operate within the City.

#### **Veterans and Families that include a Veteran Family Member – that meet the criteria for one of the qualifying populations described above**

The Roads Home Veteran Services program of Berkeley Food & Housing Project provides the following services:

- Housing location help
- Temporary financial assistance, and
- Wraparound case management for people who are experiencing or at risk of homelessness
- Outreach to people who are unsheltered
- Permanent Supportive Housing – Six-bedroom house for local Veterans
- Temporary housing (6-24 months) and intensive life skills training to 18 homeless male veterans in Berkeley.

- Health care specific case management to Veterans and their families, including help with:
  - Accessing eligible benefits,
  - Getting to appointments,
  - Filling prescriptions,
  - Establishing home aid, and
  - Referrals to other services.
- Employment Services
- Shallow subsidy that provides two years of rental assistance that will not decrease if the household increases their income.
- Assist Veterans in preparing and submitting applications for Housing & Urban Development/Veterans Affairs Supportive Housing (HUD-VASH) vouchers
- Works with local public housing authorities to understand their eligibility criteria, in helping with HUD-VASH

Additionally, Operation Dignity operates a duplex in Berkeley that provides transitional housing for seven male veterans at a time.

***Identify any gaps within the current shelter and housing inventory as well as the service delivery system:***

**Homeless Shelter, Housing Inventory and Service Gaps**

The 2019 City Council report, *1000 Person Plan to Address Homelessness*, states that “Berkeley has roughly 260 permanent supportive housing (PSH) vouchers for homeless people. In any given year, only about 10% of these vouchers turn over for new placements, meaning that only 25-30 homeless individuals can be permanently housed, with ongoing deep rental subsidy, in any given year.”

Meanwhile, according to the 2019 PIT count, 35% of Berkeley’s homeless population is chronically homeless—387 individuals on any given night. “To alleviate this supply/demand mismatch, the City implemented a policy of prioritizing high-needs people not just for PSH, but also for rapid rehousing (RRH), beginning in 2016. As a result, the percentage of RRH clients entering with disability had approached that of PSH by 2017.

Given what we now know about the statistical effect of disability on housing success, this has had the predictable effect of reducing the percentage of clients who are able to ultimately keep their housing after the subsidy and intervention ends, from a pre-CES average of 81% to a post-CES average of 57%. Compare this to PSH homeless return rates, which were less than 9% in 2017.”

It is becoming more common for City-funded affordable housing projects to restrict a portion of their total units to formerly homeless households. This responds to the significant need for homeless housing opportunities in Berkeley, but the challenge is



identifying and securing funding to support rental subsidies and the long-term operation of the projects. Some of the City's local funds are restricted to capital costs, and state funding programs often do not include operating subsidies. The City has some local funds that can be used for this purpose, but not enough to meet the demand.

**Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking Shelter, Housing Inventory and Shelter Gaps:**

Determining the gaps in service and delivery system for this population specifically is difficult given the level of data available. However, given that there is generally a lack of affordable housing in the City, additional affordable housing options would likely also benefit the population.

After consulting with the Berkeley Police Department's Domestic Violence and Sexual Assault Unit, three things became apparent:

- There is inadequate housing in the area that can effectively shelter victims of human trafficking in Berkeley. If victims of this crime are housed in the community into which they have been victimized, it is likely that they will be re-victimized. Because of the nature of the crime, the perpetrator is often able to coerce victims to leave the shelter and re-enter the abusive cycle. This becomes more likely when the shelter is nearby to where the victim lives and presumably, the perpetrator. Currently, there is not adequate housing that can place victims of this crime outside of the area, a safe distance away from their abuser, with sufficient supportive services, like counseling specialized to help victims of this crime.

**Other Populations**

**(1) Other Families Requiring Services or Housing Assistance to Prevent Homelessness**

According to data provided by the City's subrecipient distributing emergency rental assistance, 57% of all recipients who were formerly homeless, needed this assistance because they could not find employment, largely due to the economic effects of COVID-19. Forty-eight percent of formerly homeless recipients stated that their disability was a contributing factor to their need for assistance, 37% said increased costs, including child care and health care costs, contributed to their need and 20% were elderly.

This data suggests there is either a gap in services to people in this qualifying population or an unmet need, that, if properly filled and met, could alleviate their need for emergency rental assistance.

**Veterans and Families that include a Veteran Family Member – that meet the criteria for one of the qualifying populations described above**

Determining the gaps in service and delivery system for this population specifically is difficult given the level of data available. However, given the data presented in the PIT, ongoing supportive services may be beneficial.

***Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:***

In the City of Berkeley, the high cost burden is a housing characteristic strongly linked with instability and an increased risk of homelessness. According to the 2019 Out of Reach report, the hourly wage needed to afford a two-bedroom at FMR (\$2,790) in downtown Berkeley is \$53.65. According to the report, the same downtown zip code (94704) also has a poverty rate of 51.4 percent with a median household income of \$26,758 and an unemployment rate of just over nine percent (9.1%). The urbanized downtown area of Berkeley sits in stark contrast with the more suburban neighboring zip code (94705), which has an unemployment rate of just over five percent (5.3%), a 10.1 percent poverty rate, an \$116,250 median household income and where the hourly wage needed to afford a two-bedroom at FMR (\$2,370) is \$45.58. Proximity to social services and regional job centers via public transit makes Berkeley’s urban downtown appealing, but its higher housing prices make it difficult for low income, transit dependent residents (without cars) to retain housing.

While the lower income households within the downtown core of Berkeley is of particular note, the numbers also reflect the impact of the University of California at Berkeley’s (UC Berkeley) student population many of whom have little or no income. Students compete with nonstudent residents for housing, creating elevated pricing conditions for existing low-income households, especially in those geographic areas surrounding the UC Berkeley campus.

***Identify priority needs for qualifying populations:***

**Homeless, At Risk of Homelessness, Other Families Requiring Services or Housing Assistance to Prevent Homelessness & Other Populations at Greatest Risk of Housing Instability:**

As discussed throughout this report, using various sources of metrics, the lack of affordable housing in the Bay Area is the greatest need for these qualifying populations.

**Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking**

The inability of a victim of domestic violence to find immediate safe shelter, upon request, is the top need for this qualifying population.

***Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:***

The data represented here is a compilation of the most recent CHAS data, the 2019 PIT count, the 1000 Person Plan to Address Homelessness and the PY2020-2025 Consolidated Plan. All of the Plans had various methodologies and went through extensive public consultation process including multiple public hearings. We also used our consultation with various stakeholders to identify the needs and gaps in shelter, housing inventory and services.

**Proposed HOME-ARP Activities**

***Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:***

The City issued a Request for Qualifications (RFQ) in May 2021 to select developers qualified to develop and operate a potential Homekey project that would serve formerly homeless households. Through that RFQ, the City selected three development teams with experience acquiring, renovating, and operating affordable housing, including permanent supportive housing and temporary housing. The City then issued a Request for Proposals (RFP) in October 2021 in response to the state of California's Homekey NOFA and received one proposal. The City is currently reviewing the proposal and, if it meets the requirements and goal of providing housing for people experiencing or at risk of homelessness, the recommendation will be to move forward with the project.

***If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:***

Not applicable.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

**Use of HOME-ARP Funding: Hotel Conversion to Permanent Supportive Housing**

	<b>Proposed Funding Amount</b>	<b>Percent of the Grant</b>	<b>Statutory Limit</b>
Supportive Services	\$ 0		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 2,325,341.60		
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 410,354.40	15 %	15%
<b>Total HOME ARP Allocation</b>	<b>\$ 2,735,696</b>		

**Additional narrative, if applicable:**

A development team is proposing to use HOME-ARP and other local funds to acquire and renovate a hotel in Berkeley and convert the property to permanent supportive housing for qualifying populations. The table above shows the full amount of HOME-ARP (less the portion for administration) allocated to the Development of Affordable Rental Housing. If the full amount is not required for project feasibility, the City may consider providing Non-profit Operating or Non-Profit Capacity Building support, not to exceed 5% of the total HOME Allocation for each (up to \$136,784.80 for each, \$273,569.60 in total). Any operating or capacity building support would reduce the development funds by an equal amount.

**Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:**

The City continues to make a considerable effort to increase its inventory of affordable housing units. However, the demand for the available units far outstrips the supply as shown in the tables above. Based on the CHAS data, the City has a deficit of 7,385 rental units affordable to households earning up to 50% AMI.

Outside of the Census data, there are other local metrics demonstrating the need for more affordable housing. A 2020 market study for a new project in predevelopment indicated that the 63-unit project serving households earning up to 60% AMI would have a capture rate of only 1.8%, which means the pool of income-qualified renter households greatly exceeds the available units. Berkeley affordable housing projects receive hundreds of applications when units are available for rent, and maintain waitlists hundreds of applicants long.

New affordable housing developments typically take at least 3-6 years from ideation to occupancy. The state Homekey program requires project completion within 12 months

of the funding award, which results in affordable units on an expedited timeline. The HOME-ARP funds will support a Homekey project (with an estimated 44 units affordable to qualifying households earning up to 30% AMI) and allow the City to be more responsive to the current need for affordable housing, particularly for the most vulnerable populations.

## HOME-ARP Production Housing Goals

### ***Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:***

The proposed Homekey project would convert 44 hotel rooms into permanent supportive housing units (43 income-restricted, plus 1 manager's unit).

### ***Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:***

The City expects to use the HOME-ARP funds to support a Homekey project. Homekey is a state-funded program that provides funding to support the conversion of hotels and motels (and other buildings) to permanent supportive housing or temporary housing. The City plans to leverage its HOME-ARP allocation with the state funding, as well as other local sources.

The proposed Homekey project would convert 44 hotel rooms into permanent supportive housing units (43 income-restricted, plus 1 manager's unit). The units would be restricted as affordable to formerly homeless households (or other qualifying populations) earning up to 30% AMI. The restrictions would be in effect for 55 years, ensuring the project will continue to serve qualifying households well beyond the affordability period required by HOME-ARP. The Homekey project would make restricted units available on a much faster timeline than typical HOME-funded renovations and new construction.

## Preferences

### ***Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:***

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- PJs are not required to describe specific projects to which the preferences will apply.

The proposed Homekey project would serve individuals experiencing homelessness or who are at risk of homelessness, and who are inherently impacted by or at increased

risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases.

***If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis:***

As previously discussed in the section on unmet needs and gaps in services for people who were homeless, there is a high need for permanent supportive housing. This decision was largely based on the data analysis of the *1000 Person Plan to Address Homelessness*, which found that the biggest contributing factor to someone returning to homeless, after exiting to housing, was a disability and that the lack of permanent supportive housing vouchers was insufficient to meet this need.

***If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:***

All qualifying populations will be eligible for the proposed Homekey project.

### **HOME-ARP Refinancing Guidelines**

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***  
Not applicable.
- ***Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.***  
Not applicable.
- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***  
Not applicable.

- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***

Not applicable.

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***

Not applicable.

- ***Other requirements in the PJ's guidelines, if applicable:***

Not applicable.

DRAFT

## Permanent Local Housing Allocation (PLHA) Five Year Spending Plan

### Years 1-2: Homeless Services and Affordable Rental Housing

18 percent of funds in year one and 45 percent of funds in year two will be allocated to costs related to the acquisition, rehabilitation, and operation of housing through a Homekey project. The State Homekey Program provides government entities funding to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing. Under the Homekey Program, local entities partner with the State to offer this housing to serve people experiencing homelessness or who are also at risk of becoming homeless and who are impacted by the COVID-19 pandemic.

In years one and two to fund, the PLHA funds will be used to fund an existing Navigation Center for homeless households. 77.3 percent of funds in year one and 50 percent of funds in year two will be allocated to the Pathways STAIR Navigation Center. The Navigation Center provides transitional shelter, service providers and rapid rehousing services. It is currently operating but facing an operating deficit due to reduced revenue from the Covid-19 recession. The Navigation Center has capacity for 45 beds and can serve a projected 90 households annually, with additional social distancing for Covid-19, the reduced capacity can facilitate 22 beds and serve a projected 50 people per year.

### Years 1-2 Budget

Year 1 Funds			Year 2 Funds		
\$1,293,584			\$2,010,631		
Activity	Percent Allocation	Amount	Activity	Percent Allocation	Projected Amount
Homeless Services	77%	\$1,000,000	Homeless Services	50%	\$1,000,000
Homekey project	18%	\$228,095	Homekey project	45%	\$910,099
Admin*	5%	\$64,679	Admin	5%	\$100,531

\*5% is the maximum amount allowable for administration

Funding Allocation Year	2019	2020	2021	2022	2023
Type of Activity	Navigation Centers	Navigation Centers			
Percentage of Funds Allocated for each Activity	77.3%	50%			
Area Median Income Level Served	15%	15%			



<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity	Affordable Rental Housing	Affordable Rental Housing			
Percentage of Funds Allocated for each Activity	18%	45%			
Area Median Income Level Served	30%	30%			

### **Years 3-5: New Housing Units for Homeless Households and HTF Support**

In years three through five, 15 percent of funds will be allocated to project-based operating subsidies for 10 homeless households. Berkeley will issue an RFP and then negotiate one or more contracts with affordable housing provider(s) to subsidize apartments in project(s) in the City's HTF pipeline. This will allow projects to provide deeply affordable units to serve homeless households sustainably. The goal is to serve households with SSI-level income. These subsidies would be paid annually rather than capitalized in year 1 to increase total potential units and the City will commit to providing such subsidy for 15 to 17 years so that it can be layered with other affordable housing funding sources. Since the subsidy required will likely increase over time, the City will start with 10 units total to ensure that sufficient funds will be available for the length of the contract.

In years three through five, 80 percent of funds will be applied to the Housing Trust Fund program to preserve Berkeley's permanent affordable housing inventory through rehabilitation. Funds will be leveraged with other local, state and federal revenue sources as needed as part of the City's Housing Trust Fund program to support this work. Projected funding could support the rehabilitation of three to five new units, depending on construction costs.

### **Projected Years 3-5 Budget**

<b>Years 3-5 Annual Projected Funds*</b>		
\$1,552,301		
<b>Activity</b>	<b>Percent Allocation</b>	<b>Projected Amount</b>
Housing Trust Fund	80%	\$1,241,841
Homeless Operating Subsidies	15%	\$232,845
Admin	5%	\$77,615

\*Funding is collected annually through real estate recording fees and will fluctuate. These estimates were provided by HCD.

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity			Affordable Rental Housing	Affordable Rental Housing	Affordable Rental Housing
Percentage of Funds Allocated for each Activity			15%	15%	15%
Area Median Income Level Served			30%	30%	30%

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity			Rental	Rental	Rental
Percentage of Funds Allocated for each Activity			80%	80%	80%
Area Median Income Level Served			60%	60%	60%

**NOTICE OF PUBLIC HEARING  
CITY OF BERKELEY**

**REQUEST FOR COMMENTS ON ITS  
ANNUAL ACTION PLAN (2021) AMENDMENT #1 – HOME-ARP**

Starting on Friday, November 12, 2021, the City has opened a 30-day comment period during which the public is invited to review and comment on the City of Berkeley's **Annual Action Plan** Amendment #1 for Housing and Community Development that covers the period July 1, 2021 through June 30, 2022. The comment period will conclude at the December 14, 2021 Public Hearing in front of City Council.

The Annual Action Plan Amendment #1 is to allow the City of Berkeley to receive and administer \$2,735,696 in HOME Investment Partnerships Program (HOME) funding from the US Department of Housing and Urban Development (HUD) made available through the American Rescue Plan (ARP).

The City of Berkeley, and all jurisdictions receiving certain types of federal funds, are required to submit a Consolidated Plan, Annual Action Plans, and any amendments thereto to HUD. The Consolidated Plan covers five years and outlines the City's needs and goals in the areas of Housing, Homelessness, Community Development, and Non-Homeless Special Needs. It acts as a framework for the use of federal funds in these areas for the time frame. The City of Berkeley's Annual Action Plan, supports the Consolidated Plan, by presenting the City's plan for funding housing and community services each year.

The addition of HOME-ARP funds allows the City to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Eligible HOME-ARP activities include, but are not limited to (1) Development and support of affordable housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter units.

The draft PY21 Annual Action Plan Amendment #1 is available for public review on the web at <http://www.cityofberkeley.info/ContentDisplay.aspx?id=12160>.

**All written comments must be sent to both [rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info) AND [CPD\\_COVID-19WaiverSFO@hud.gov](mailto:CPD_COVID-19WaiverSFO@hud.gov) no later than December 14, 2021, at 5:00 p.m.**

For more information, contact Rhianna Babka (email: [rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info)) at the Health, Housing and Community Services Department 2180 Milvia Street, 2<sup>nd</sup> Floor, Berkeley, 94704.

The hearing will be held on December 14, 2021 at 4:00 pm during a Special Meeting of

City Council conducted via videoconference pursuant to Governor's Executive Order N-29-20.

A copy of the agenda material for this hearing will be available on the City Council agenda webpage at

[https://www.cityofberkeley.info/Clerk/City\\_Council/City\\_Council\\_Agenda\\_Index.aspx](https://www.cityofberkeley.info/Clerk/City_Council/City_Council_Agenda_Index.aspx) in advance of the meeting. **Once posted, the agenda for this meeting will include a link for public participation using Zoom video technology.**

**Published:** November 12, 2021 in the Berkeley Voice

### **Notice in Spanish:**

A partir del viernes, 12 de noviembre de 2021 y por 30 días la ciudadanía está invitada a revisar y dar comentarios sobre la Enmienda #1 para Vivienda y Desarrollo Comunitario del Plan de Acción Anual para la Ciudad de Berkeley. . Este Plan cubre el periodo de trabajo a partir del 1 de julio de 2021 hasta el 30 de junio de 2022. El periodo para presentar comentarios públicos concluirá el 14 de diciembre de 2021 durante la Audiencia Pública ante el Concejo Municipal.

La Enmienda #1 permitirá a la Ciudad de Berkeley recibir y administrar \$2,735,696 en fondos adicionales de la beca del Programa de Colaboraciones de Inversiones ("HOME"), de partedel Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos.

La Ciudad de Berkeley y todas las jurisdicciones que reciben ciertos tipos de fondos federales tienen como requisito presentar un Plan Consolidado y Planes de Acción Anual y enmiendas del mismo al departamento de Vivienda y Desarrollo Urbano (HUD). El Plan Consolidado cubre cinco años y enumera las necesidades y metas de la Ciudad en las áreas de vivienda, indigencia, desarrollo comunitario y necesidades especiales. Sirve como referencia para el uso de fondos federales en estas áreas para el periodo de tiempo mencionado. El Plan de Acción Anual de la Ciudad de Berkeley, apoya el Plan Consolidado, en cuanto presenta el plan de la Ciudad para financiar servicios comunitarios y de vivienda cada año.

La adición de fondos de "HOME-ARP" permitirá a la Ciudad a realizar cuatro actividades que deben principalmente beneficiar individuales y familias que califican que son sin hogar, a riesgo de perder su hogar, o parte de otros grupos vulnerables. Actividades elegibles de "HOME-ARP" incluyen, pero no son limitados a, (1) Desarrollo y apoyo de vivienda accesible, (2) asistencia de renta para inquilinos, (3) provisión de servicios comprensivos; y (4) adquisición y desarrollo de unidades de refugio.

El borrador de la Enmienda #1 del Plan Consolidado, estará disponible para revisión público en la página electrónica <http://www.cityofberkeley.info/ContentDisplay.aspx?id=12160>.

**Todos los comentarios escritos deben ser enviados a los correos electrónicos de la representante de la Ciudad [rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info) Y a la oficina del CPD [COVID-19WaiverSFO@hud.gov](mailto:COVID-19WaiverSFO@hud.gov). Los comentarios serán recibidos hasta el 14 de diciembre 2021 a las 5:00 pm.**

Para más información sobre este plan y su enmienda favor contactar a Rhianna Babka, (correo electrónico: [rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info)) en el Departamento de Salud, Vivienda y Servicios Comunitarios localizado en la dirección 2180 Calle Milvia, 2do piso, Berkeley, CA 94704.

La audiencia pública se llevará a cabo el 14 de diciembre del 2021 a las 4:00 pm durante una Reunión Especial del Concejo Municipal, conducido virtualmente conforme a la Orden Ejecutiva N-29-20 emitida por el Gobernador Newsom.

Copia de la agenda y los materiales que serán discutidos durante la audiencia estarán disponibles en la página electrónica de la ciudad [https://www.cityofberkeley.info/Clerk/City\\_Council/City\\_Council\\_Agenda\\_Index.aspx..](https://www.cityofberkeley.info/Clerk/City_Council/City_Council_Agenda_Index.aspx..) **Una vez que la agenda sea publicada, incluirá un enlace para conectarse a la videoconferencia usando la tecnología Zoom.**

伯克萊市  
公眾視訊聽證會通知  
及  
計劃評論徵求

關於市政府的年度行動計劃書（2021年）第1輪修正案 - 《HOME ARP法案》

由星期五, 2021年11月12日開始, 在30天期間, 伯克萊市政府將邀請公眾人士對伯克萊市政府的年度行動計劃書的第1輪修正案加以檢討及評論。本計劃書之修正案蓋括2021財政年度（由2021年7月1日至2022年6月30日）。評論期將於2021年12月14日在市議會前舉行的公開聽證會結束。

此修正案將允許伯克萊市接收和管理HOME投資夥伴計劃（HOME）經費-約兩百七十三萬五千六百九十六美元（\$2,735,696.00）。以上資金來自美國聯邦政府住房和城市發展部門（HUD）的美國救援計劃《ARP法案》。

伯克萊市和所有接受聯邦資金的司法管轄區都必須向 HUD 提交綜合計劃、年度行動計劃及其任何修訂。綜合計劃涵蓋五年, 概述了伯克萊市在住房、無家可歸、社區發展和非無家可歸者特殊需求領域的需求和目標。它作為在這些領域使用聯邦資金的時間框架的

框架。 伯克萊市的年度行動計劃通過提出城市每年的住房和社區服務資金計劃來支持綜合計劃。

《HOME ARP法案》的經費增額將會允許本市開展四項活動，這些活動主要是以無家可歸、有無家可歸風險、或其他弱勢群體的個人和家庭之受益作為前題。本計劃書之修正案符合以上條件的活動包括但不限於 (1) 經濟適用房的開發和支持， (2) 租戶租賃援助 (TBRA) ， (3) 提供其他類型的租戶支持服務； (4) 收購和發展非聚集庇護單位。

《年度行動計劃書第1輪修正案》草案可在互聯網上通過 <http://www.cityofberkeley.info/ContentDisplay.aspx?id=12160>進行公開審查。

所有書面意見請通過電子郵件同時郵寄於 [rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info) 和 [CPD\\_COVID-19WaiverSFO@hud.gov](mailto:CPD_COVID-19WaiverSFO@hud.gov)。 所有書面評論必須在2021年12月14日下午五時之前收到。

市民如有意諮詢， 請聯絡房屋及社區服務部 Rhianna Babka 小姐， 電郵地址：[rbabka@cityofberkeley.info](mailto:rbabka@cityofberkeley.info)。 伯克萊市房屋及社區服務部， 地址： 2180 Milvia St., 2<sup>nd</sup> Floor, Berkeley, CA 94704。

根据加州州長紐森 (Gavin Newsom) 于二零二零年三月十七日发布的N-29-20行政命令第三條程章， 本次市議會聽證會將仅通过视频會議將在2021年12月14日下午4:00舉行。

在會議之前, 該聽證會議程材料的副本可在市議會議程網頁上找到：[https://www.cityofberkeley.info/Clerk/City\\_Council/City\\_Council\\_Agenda\\_Index.aspx](https://www.cityofberkeley.info/Clerk/City_Council/City_Council_Agenda_Index.aspx)。 議程材料的副本發布後， 本次會議的議程將包括一個使用Zoom video技術的公眾參與鏈接。

**發佈時間： 2021年11月12日， 伯克利之聲**

## NOTICE OF PUBLIC HEARING BERKELEY CITY COUNCIL

### PERMANENT LOCAL HOUSING ALLOCATION FUNDING APPLICATION

The Department of Health, Housing, and Community Services is proposing amendments to a five-year funding plan, in response to the California Department of Housing and Community Development’s (“HCD”) Notice of Funding Availability under the Permanent Local Housing Allocation (“PLHA”) Program.

The hearing will be held on, DECEMBER 14, 2021 at 4:00 p.m. The hearing will be held via videoconference pursuant to Government Code Section 54953(e) and the state declared emergency.

A copy of the agenda material for this hearing will be available on the City’s website at [www.CityofBerkeley.info](http://www.CityofBerkeley.info) as of **December 9, 2021**. **Once posted, the agenda for this meeting will include a link for public participation using Zoom video technology.**

For further information, please contact Brittany Carnegie at (510) 981-5415 or [bcarnegie@cityofberkeley.info](mailto:bcarnegie@cityofberkeley.info).

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or emailed to [council@cityofberkeley.info](mailto:council@cityofberkeley.info) in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City’s electronic records, which are accessible through the City’s website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at (510) 981-6900 or [clerk@cityofberkeley.info](mailto:clerk@cityofberkeley.info) for further information.

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I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City’s website, on December 9, 2021.



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Mark Numainville, City Clerk