



# URGENT ITEM AGENDA MATERIAL

Government Code Section 54954.2(b)  
Rules of Procedure Chapter III.C.5

**THIS ITEM IS NOT YET AGENDIZED AND MAY OR MAY NOT BE ACCEPTED FOR THE AGENDA AS A LATE ITEM, SUBJECT TO THE CITY COUNCIL'S DISCRETION ACCORDING TO BROWN ACT RULES**

**Meeting Date: May 9, 2023**

**Item Description: Increase Funding to Housing Retention Program Contract**

This item is submitted pursuant to the provision checked below:

- Emergency Situation (54954.2(b)(1) - majority vote required)  
*Determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.*
- Immediate Action Required (54954.2(b)(2) - two-thirds vote required)  
*There is a need to take immediate action and the need for action came to the attention of the local agency subsequent to the agenda for this meeting being posted.*

Once the item is added to the agenda (Consent or Action) it must be passed by the standard required vote threshold (majority, two-thirds, or 7/9).

## **Facts supporting the addition of the item to the agenda under Section 54954.2(b) and Chapter III.C.5 of the Rules of Procedure:**

The Eviction Defense Center (EDC) has been contracted to administer the COVID-19 rental assistance grants, including the addition of CDBG COVID-19 funds, from client applications to the disbursement of checks since June 29, 2021.

In response to EDC finalizing the allocation of all remaining funds for FY 23, and to provide funding to a growing waitlist, on February 28<sup>th</sup>, the Council passed Resolution No. 70,700-N.S. to provide an additional \$300,000 in funding. Despite the new cash infusion, at the May 2<sup>nd</sup> meeting of the 4x4 Committee, it was announced that these funds have now been exhausted and there is currently demand for an additional \$200,000 for the remainder of this Fiscal Year. It is anticipated these numbers will continue to grow as eviction moratoriums ramp down with the pandemic moving into the endemic phase.

The requested allocation of \$200,000 is anticipated to cover costs through the end of this fiscal year, June 30, 2023.



Office of the Mayor

**URGENT**  
**ACTION CALENDAR**  
May 9, 2023

To: Honorable Members of the City Council  
From: Mayor Jesse Arreguín  
Subject: Increase Funding to Housing Retention Program Contract

**RECOMMENDATION**

Adopt a Resolution authorizing the City Manager or her designee to:

1. Allocate an additional \$200,000 to the Housing Retention Program from the Measure P General Fund balance;
2. Amend the current contract with the Eviction Defense Center (EDC) (No. 32100023) by \$200,000 for rent debt or other expenses that would enable applicants to retain housing; and
3. Amend Item #3 Amendment: FY2023 Annual Appropriations Ordinance on tonight's (May 9, 2023) Council agenda to increase the re-appropriation of committed FY 2022 funding totals by \$200,000 to reflect \$27,940,780 gross and \$29,658,924 net.

**BACKGROUND**

The Housing Retention Program (HRP) is a Strategic Plan Priority Project, advancing the City's goal to create affordable housing and housing support services for our most vulnerable community members.

The HRP has been funded by the City of Berkeley for more than 15 years. Between 2018 and the start of the COVID-19 pandemic, East Bay Community Law Center (EBCLC) was the sole administrator of the program. Subsequently, EBCLC and the Eviction Defense Center (EDC) collaborated to distribute additional rental assistance funding allocated by City Council through the Berkeley Relief Program.

Following Council action on June 29, 2021, EDC has been contracted to administer the COVID-19 rental assistance grants, including the addition of CDBG COVID-19 funds, from client applications to the disbursement of checks. EDC was also given the authority to broaden the use of these funds to assist applicants with other debts (utilities,) that could cause housing instability and lead to an eviction. EDC is able to manage all of these rental assistance funds to ensure that tenants meet eligibility criteria and that there is no duplication of benefits to applicants.

In response to EDC finalizing the allocation of all remaining funds for FY 23, and to provide funding to a growing waitlist, on February 28<sup>th</sup>, the Council passed Resolution No. 70,700-N.S. to provide an additional \$300,000 in funding. Despite the new cash infusion, at the May 2<sup>nd</sup> meeting of the 4x4 Committee, it was announced that these funds have now been exhausted and there is currently demand for an additional \$200,000 for the remainder of this Fiscal Year. It is anticipated these numbers will continue to grow as eviction moratoriums ramp down with the pandemic moving into the endemic phase. On May 1<sup>st</sup>, Berkeley's eviction moratorium entered its Transition Period, to last through August 31, 2023. During this time, evictions can proceed to ensure the health and safety of other residents, to perform an Owner Move-in for owners with only one residential property in Berkeley, and for on-payment of rent that came due May 1, 2023 through August 31, 2023, unless the tenant provides documentation of a COVID-related reason for non-payment.

The requested allocation of \$200,000 is anticipated to cover costs through the end of this fiscal year, June 30, 2023. On March 21, 2023, the City Council approved a recommendation to refer \$2 million to the FY 2024 budget process to continue funding the HRP.

The HRP has remained a key program in preventing homelessness during the pandemic, and will continue to provide essential support to tenants who continue to face financial hardship. In the 3<sup>rd</sup> quarter of FY 23, 175 households were served through the HRP. 45% of recipients live in subsidized housing, 87% percent were below 50% of the Area Median Income (AMI), and 35% living below the poverty line. 48% of grant recipients were formerly homeless. 70% have a disability, and 28% are seniors, many of whom are in their 70s and 80s. Over 30% are households that have children. African Americans made up the 67% of recipients.

#### FINANCIAL IMPLICATIONS

\$200,000 from Measure P General Funds.

#### ENVIRONMENTAL SUSTAINABILITY

There are no environmental impacts associated with the recommendations in this report.

#### CONTACT PERSON

Mayor Jesse Arreguín      510-981-7100

Attachments:  
1: Resolution

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

INCREASE FUNDING FOR THE 2023 HOUSING RETENTION PROGRAM  
AND AMEND CONTRACT NO. 32100023 WITH EVICTION DEFENSE CENTER

WHEREAS, on March 10, 2020, City Council approved \$250,000 of U1 funds (Budget Code 016-51-504-530-0000-000-444-636110-) for the Housing Retention Program (HRP) for both FY 2022 and FY 2023; and

WHEREAS, on June 29, 2021 City Council approved Resolution No. 69,945-N.S. to amend Contract No. 32100023 with Eviction Defense Center (EDC) to manage COVID-19-specific HRP grants; and

WHEREAS, after EDC informed the City that on February 3rd, EDC finalized the allocation of all remaining funds, the City Council passed Resolution No. 70,700-N.S. to provide an additional \$300,000 in funding; and

WHEREAS, over the last few months, the additional funds became exhausted, and at the May 2<sup>nd</sup> meeting of the 4x4 Committee, it was announced that there is currently demand for an additional \$200,000 for the remainder of this Fiscal Year; and

WHEREAS, it is anticipated these numbers will continue to grow as the statewide, county and City eviction moratoriums ramp down with the COVID-19 pandemic moving into the endemic phase; and

WHEREAS, on March 21, 2023, the City Council approved a recommendation to refer \$2 million to the FY 2024 budget process to continue funding the HRP; and

WHEREAS, the FY 2023 Annual Ordinance shall be further amended to add an additional \$200,000 resulting in an adjusted amount of \$27,940,780 (gross) and \$29,658,924 (net).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City of Berkeley allocate an additional \$200,000 to fund the HRP through June 30, 2023 and allocate such funds to the Eviction Defense Center.

BE IT FURTHER RESOLVED that the City Manager or her designee is authorized to amend the existing contract with Eviction Defense Center (No. 32100023) for a total not to exceed contract amount of \$5,044,683, utilizing Measure P General Funds, for rent or other expenses that would enable applicants to retain housing. A record copy of said agreement will be on file with the City Clerk.

BE IT FURTHER RESOLVED that a payment of \$200,000 will be advanced prior to contract amendment execution to cover rental assistance payments.