



HOUSING & COMMUNITY SERVICES DEPARTMENT

City of Berkeley

Program Year 2008 Consolidated Annual Performance and Evaluation Report (CAPER)

for Housing and Community Development

September 30, 2009

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HOUSING & COMMUNITY SERVICES DEPARTMENT

**CITY OF BERKELEY
PROGRAM YEAR 2008
CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT
(JULY 1, 2008 THROUGH JUNE 30, 2009)**

Executive Summary

This report is the City of Berkeley's Program Year 2008 Consolidated Annual Performance and Evaluation Report (CAPER) covering the fourth year of Berkeley's *Consolidated Plan for Housing and Community Development*, completed in May 2005, and revised in July 2005.¹

It contains three main parts: First, a set of narrative statements that discuss the City of Berkeley's achievements during Program Year 2008 (July 1, 2008 through June 30, 2009) in housing and community development in relation to its Consolidated Plan for Housing and Community Development (ConPlan). The second part provides narratives that focus on the financial and programmatic performances of the City of Berkeley's entitlement-formula grants, the Community Development Block Grant Program (CDBG), the Emergency Shelter Grant Program (ESG), and HOME Partnerships for Investment Program (HOME); and of these performances in relation to the City's Annual Action Plan (AAP) for Program Year 2008. Other narratives in this part describe the abilities of the City and its community agencies to leverage additional resources for housing and supportive services activities. (The City of Berkeley is neither an entitlement grantee nor participating jurisdiction in the Housing Opportunities for People With AIDS Program [HOPWA].) A third part of this CAPER compiles attachments of supporting data for the narratives found in the first two parts.

Recurring Acronyms in this Report:

- ❑ **AAP** = Annual Action Plan for housing and community development
- ❑ **CAPER** = Consolidated Annual Performance and Evaluation Report
- ❑ **ConPlan** = Consolidated Plan for Housing and Community Development
- ❑ **CDBG** = Community Development Block Grant
- ❑ **CSBG** = Community Services Block Grant
- ❑ **ESG** = Emergency Shelter Grant
- ❑ **HOME** = HOME Partnership for Investment Program
- ❑ **HTF** = Housing Trust Fund, a City of Berkeley housing loan program.
- ❑ **CCU** = Centralized Contracting Unit, monitoring community agency contracts for the City of Berkeley
- ❑ **COACH** = A Shelter Plus Care grant targeting the chronically homeless.

¹ This plan may be viewed online at http://www.cityofberkeley.info/uploadedFiles/Housing/Level_3_-_General/Con_Plan_2005-2010_January_2008_revision.pdf.

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This CAPER covers the fifth year in which the City of Berkeley implemented its 5-year Consolidated Plan adopted in 2005 and shows how Berkeley meets national goals and objectives in the areas of:

- Housing;
- Homelessness Programs;
- Anti-Poverty Strategy; and
- Community Development.

The CAPER also describes:

- Cumulative housing efforts from July 1, 2008 through June 30, 2009;
- The City's low income housing and community development activities carried out during the period July 1, 2008, to June 30, 2009;
- Funds made available for those activities; and
- The number of low-income people and households assisted.

The CAPER further evaluates the City's overall progress in carrying out housing and community development priorities identified in the five-year Consolidated Plan. It also identifies issues and constraints faced in meeting Consolidated Plan goals.

The City's activities to meet its Program Year 2008 AAP goals were generally successful, especially in view of budgetary and agency capacity constraints faced. Despite another reduction in federal revenues, Berkeley committed to its housing, social services, and community development programs by allocating funding as it had done in the previous year. Berkeley had available \$15.3 million in PY 2008 (see *Table 24*, Chapter VI, below) from local, state, and federal sources (not including the Housing Authority's Section 8 Housing Choice Voucher [HCV] Program funds). Berkeley has become more strategic in its budget allocations; agency performances have come to the fore, a strategy Berkeley expects to take further in PY 2009 with the continued implementation of its Systems Change initiative for homeless services.

Berkeley met its spending targets for low and moderate income beneficiaries of its affordable housing and public services and facilities programs during PY 2008. Berkeley also stayed under mandated caps on public services spending and expenditures for planning and administrative functions (see *Table 22*, Chapter VI, below).

In addition to striving to maintain funding for its most consistently performing community agencies, the City again combined different funding sources in its Request for Proposal (RFP) processes for services, and significantly reduced the number and frequency of reports and invoices submitted to the City beginning in PY 2004. The City implemented outcome reporting for all community agency contracts, and integrated information about outcome reporting into its RFP process. The categories for outcome reporting include housing, employment, health, education, recreation, infrastructure, and community access.

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Berkeley had \$3.3 million available for housing activities (again, excluding Section 8. See *Table 25* for details). The City also had available about \$10.2 million for services to people with special needs and those who are homeless during PY 2008, a combination of \$5.7 million in federal funds and \$4.4 million in local funds (see *Table 26* for details). Resources supporting programs addressing civil rights—including counseling, referral, and legal services for fair housing, residential modifications for accessibility, SSI advocacy, and eviction regulation—totaled \$694,440 resources during PY 2008 (see *Table 27* for details).

The City of Berkeley Housing & Community Services Department acts as the City's Centralized Contracting Unit (CCU) to take advantage of economies of scale using staff skilled in routine contract processing for both City general funded programs as well as programs funded through federal formula grants. The CCU is responsible for contract creation, assembly, and processing of all required documentation, fiscal management of contracts, and processing of all contract amendments. In addition, CCU staff communicates with contractors, provide training, coordinate contracts and budgets, and collaborate with program monitors in other departments responsible for program implementation for each contract.

Berkeley's pattern of investments did not change significantly in PY 2008 in the aggregate Berkeley committed more funds to supportive services and housing in Berkeley in support of both EveryOne Home policies and Council adoption of the Mayor's Public Commons for Everyone Initiative (PCEI). At all times, the City of Berkeley and its advisory commissions (the Housing Advisory, Homeless, and Human Welfare and Community Action commissions) focused on assisting those who are homeless, low income, and have special needs in the midst of making difficult funding decisions. CDBG, ESG, HOME funds were combined with Housing Trust Funds, and General Funds, as well as funds from other sources, to help meet the City's top housing and community development priorities as contained in the Consolidated Plan and PY 2008 Annual Action Plan. The pattern of investment also emphasized coordination between agencies and leveraging of government funds with use of private resources and donations.

The City continued to encourage non-profits as well as partnerships between for-profit and non-profits for development of affordable housing. The City also used its regulatory power and state density bonus procedures to encourage development of affordable housing through its inclusionary zoning program, fee deferrals, and City staff technical assistance.

As a community and a municipality, Berkeley creates affordable housing, maintains and improves its housing stock, fights poverty and homelessness, and develops healthy and well-socialized children, youth, and communities by leveraging its federal grant funds from CDBG, HOME, and ESG; it does more to achieve these tasks than many other cities of comparable size. To accomplish these community-based

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commitments in PY 2008, Berkeley community service agencies continued collaborating with the City's Housing & Community Services Department and Mental Health Division staff to ensure continuing successes of the City's Shelter Plus Care Programs. Many of these same agencies now embark on the collaborative effort during PY 2009 that will implement the Housing & Community Services Department's new Systems Change Initiative. This initiative will assist participating agencies with making the shift from a homeless continuum of care model of service to a stronger and more effective model of service and housing provision that is premised on housing homeless people first. Shelter Plus Care is an important part of this initiative, having been for many years now the centerpiece for achieving first the City's Continuum of Care Plan goals and more recently its EveryOne Home Plan goals for homeless and special needs housing. Numerous other collaborative efforts described in this CAPER attest to Berkeley's efficient, culturally-sensitive, and effective service provision as hallmarks of Berkeley governance.

In PY 2008, the Housing & Community Services Department and Planning and Development Department continued interdepartmental coordinating meetings to address issues of permit streamlining, project prioritization and trouble-shooting, condominium conversion, technical assistance and training about housing programs, housing policy updating, inclusionary and density bonus procedures and policy, and code enforcement. Other interdepartmental coordination occurs between Housing staff and staff of Berkeley Mental Health Division regarding client support services, Mental Health Services Act planning and implementation, Shelter Plus Care Program service coordination, and other issues. The spirit of collaboration and coordination in the provision of government and social services, and the use of scarce public taxpayer funds is alive and well in Berkeley.

Despite challenges and cutbacks, Berkeley is a community successfully pursuing its housing, anti-poverty, anti-homelessness, and community development goals with a creative and varied fusion of financing sources; professional commitment, creativity, and insight; and active community support.

Highlights of PY 2008

Housing. The City of Berkeley saw the following achievements in the area of housing activities during PY 2008:

- HOME contributions to the Housing Trust Fund: \$1,071,784.
- CDBG rehabilitation funding available: \$1,638,974.
- HOME unit completions during PY 2008: 96 units.
- Total units under construction or completed during PY 2008 with Housing Trust Fund assistance: 137 units.
- CDBG Program housing beneficiaries: 542 households, including 412 owners, and 130 tenants.
- Inclusionary Housing Ordinance units completed or under construction: 11 units.

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- Converted condominium units approved: 6 units (calendar 2008).
- Units receiving rehabilitation and repairs: 389 units.

Homelessness: Highlights during PY 2008 included:

- Over \$2 million in Supportive Housing Program funds awarded to Berkeley-based homeless and supportive housing services and almost \$3.8 million in awards for other supportive services that benefit all homeless residents of Alameda County, including those in Berkeley.
- Shelter Plus Care grant programs continue in Berkeley, with a granting capacity of 182 units. These grants actually serve about 230 formerly homeless individuals with disabilities. The grants continue to perform with strong indications of success (Table 14), with high capacity rates, generally positive net new participants, and high rates of housing retention at one-year, an indicator of stability.

Anti-Poverty Programs: CDBG Public Services activities were allocated \$605,576 for PY 2008 efforts, and served some 2,200 low and moderate income people with a variety of services, including employment training, fair housing counseling and complaint investigation, drop-in services, and other social services. Berkeley continues to operate its YouthWorks and First Source programs, and Rubicon Workforce Services in Berkeley continues to serve very poor and homeless individuals with employment training and counseling, job placement, and job retention services.

Public and Community Facilities: Berkeley allocated \$389,838 in CDBG funds to rehabilitate community and public facilities in Berkeley, including funding for City staff to implement certain public facilities improvements. The City funded six projects (see *Table 20*) in PY 2008:

- Alzheimer's Services of the East Bay – (\$30,000 for renovations to their kitchen. Additional StopWaste funding was leveraged for this project and a donation of recycled countertop material (Vetrazzo) was donated by a local Berkeley business.
- Bay Area Hispano Institute for Advancement - \$11,000 for the installation of a new heating unit, fans and improvements to the HVAC system. Additional funding for this project was leveraged through the City's Energy Division for energy efficient windows and a new water heater.
- A Better Way – \$116,750 for exterior renovations to the building including a new roof, exterior stucco and trim replacement and repair and an enclosure to the corner of the building to help prevent loitering in that area.
- City of Berkeley Parks, Recreation and Waterfront Department - \$85,500 for improvements to two parks facilities, located in south and west Berkeley.
- LifeLong Medical Care - \$15,000 in additional funding to add to the PY 2007 CDBG allocation to pay for a green product to replace flooring in their dental clinic.
- Rebuilding Together's volunteer coordination effort to repair Community Facilities

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(\$22,000) including facilities occupied and operated by Berkeley Youth Living with Disabilities, Waterside Workshops, Berkeley Youth Alternatives, Alzheimer's Services of the East Bay, Lifelong Medical Care, and Fred Finch Youth Center.

Introduction

This report is the City of Berkeley's Program Year 2008 Consolidated Annual Performance and Evaluation Report (CAPER) covering the second year of Berkeley's Consolidated Plan for Housing and Community Development, completed in May 2005, and revised in July 2005.² This CAPER contains three basic parts: First, a set of narrative statements that discuss the City of Berkeley's achievements during Program Year 2008 (July 1, 2008 through June 30, 2009) in housing and community development in relation to its Consolidated Plan for Housing and Community Development (ConPlan). The second part provides narratives that focus on the financial and programmatic performances of the City of Berkeley's entitlement-formula grants, the Community Development Block Grant Program (CDBG), the Emergency Shelter Grant Program (ESG), and HOME Partnerships for Investment Program (HOME); and of these performances in relation to the City's Annual Action Plan (AAP) for Program Year 2008. Other narratives in this part describe the abilities of the City and its community agencies to leverage additional resources for housing and supportive services activities. (The City of Berkeley is neither an entitlement grantee nor participating jurisdiction in the Housing Opportunities for People With AIDS Program [HOPWA].) A third part of this CAPER compiles attachments of supporting data for the narratives found in the first two parts.

I. Goals and Objectives

The City of Berkeley's Consolidated Plan for Housing and Community Development, 2005-2010 (ConPlan) addresses the four strategic national objectives:

- Housing
- Homeless Priorities
- Anti-Poverty Strategy
- Community Development

These goals, objectives and priorities are summarized for each area in Chapter IV, below. Each discussion also summarizes the City of Berkeley's progress toward meeting its ConPlan goals and objectives in PY 2008.

In Chapter V, the CAPER describes the City's low income housing and community development activities carried out during the period July 1, 2008, to June 30, 2009, the funds made available for those activities, and the number of low income people and households assisted. The CAPER evaluates the City's overall progress in carrying out housing and community development priorities identified in the five-year Consolidated Plan and the Annual Action Plan, and identifies issues and constraints faced in

² This plan may be viewed online at <http://www.cityofberkeley.info/housing/publications/ConPlan2005-2010July2005revision.pdf>.

meeting the Consolidated Plan goals.

In its Program Year 2008 Annual Action Plan, Berkeley identifies housing and community development goals and priorities that are consistent with its new 5-year Consolidated Plan as well as with City Council goals for PY 2008 to:

- Promote affordable housing for low income people, people with special needs, and those who are homeless;
- Promote fair housing;
- Provide healthy youth alternatives;
- Increase business opportunities for low income residents (General Funds are used for the City's WorkSource Program);
- Reduce poverty;
- Promote neighborhood stability;
- Ensure public safety;
- Implement and coordinate needed public/private improvements;
- Provide solutions for the health disparities problem in our community; and
- Rehabilitate/upgrade the BHA's low-income public housing units.

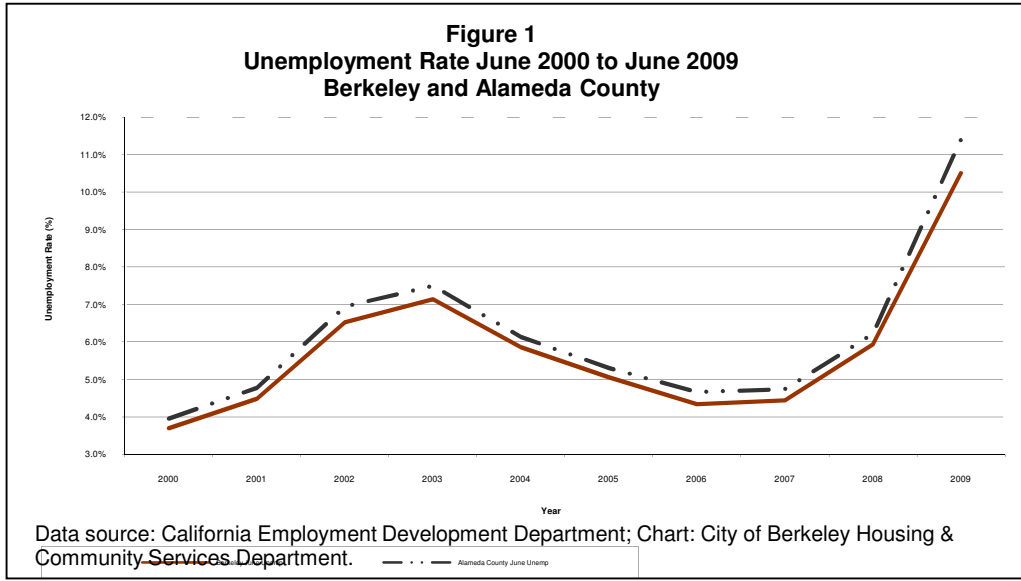
II. Background

Between July of 2008 and June of 2009, continued national, state, and local fiscal crises combined with rising construction costs meant that funds remained scarce to undertake housing, public services, and other community development activities, even as the social need for affordable housing and services increased.

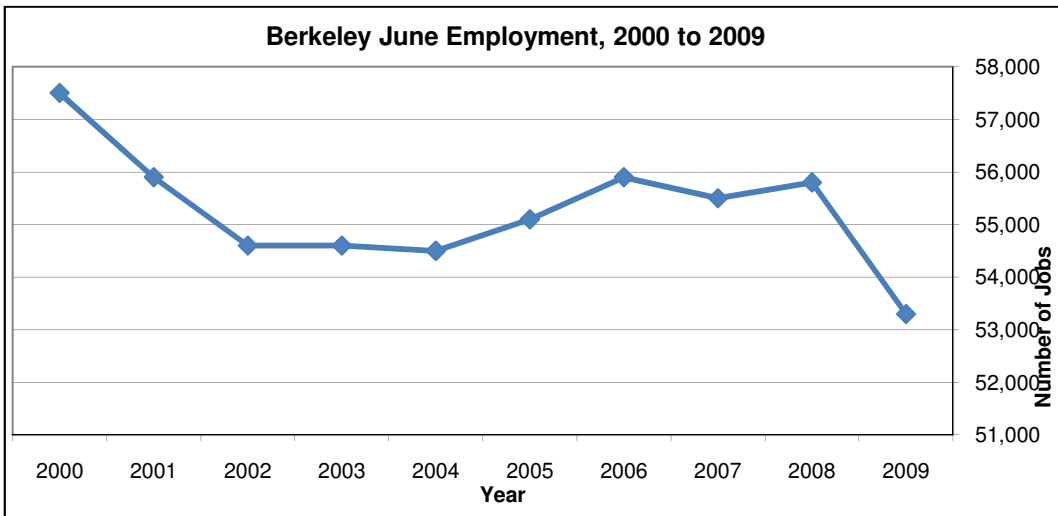
Unemployment, Poverty, and Household Income

According to California's Employment Development Department, unemployment rates in Berkeley continue to mirror Alameda County's. By the end of PY 2008 (June 2009), unemployment rates in Berkeley had spiked to 10.5% from 5.9% in June 2008 due to the impact of the global recession. Berkeley's unemployment rate was just slightly lower than California's, at 11.6%. These figures do not include those who are underemployed, working part-time, self-employed, or returning to school. They also do not record those who stopped seeking employment, since these individuals are neither counted as part of the labor force, nor do they receive unemployment benefits.

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Consistent with increase unemployment, the California Employment Development Department also reports decreased numbers of those employed, specifically a drop of nearly 3,000 jobs.



Berkeley is home to an economically diverse resident population and household base. The most recent poverty data available is from the American Community Survey 2005 – 2007. It indicates that Berkeley’s poverty rate for all people is 21.1%. The group with the highest poverty rate is “families with female householder, no husband present with related children under 5 years only” with a poverty rate of 53.6%. The group with the lowest poverty rate is “married couple families with related children under 5 years only” with a poverty rate of just 2.5%.

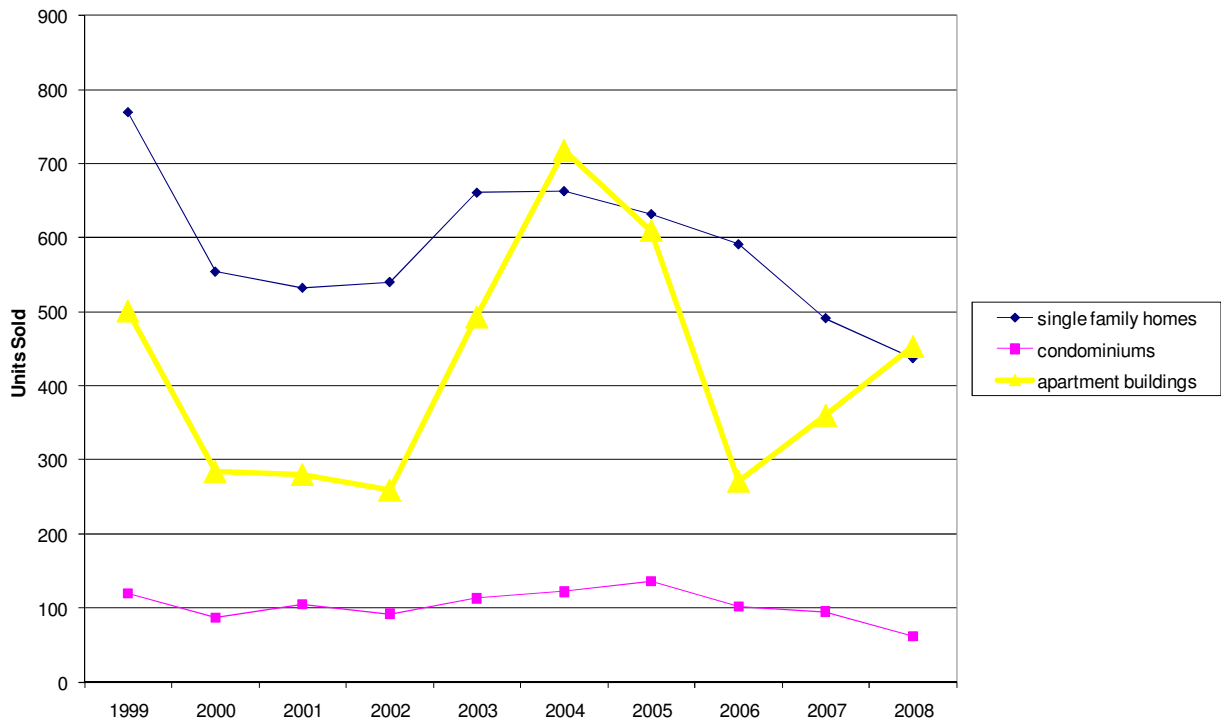
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The U.S. Department of Housing and Urban Development (HUD)'s new median family income guidelines increased the median household income for the Oakland-Fremont Metropolitan Statistical Area from \$86,100 in 2008 to \$89,300 in 2009.³

Single-Family and Condominium Sale Prices

The volume of sales of single family homes, condominiums, and commercial residential properties in Berkeley has been decreasing since a peak in 2004-05. The following chart shows sales volume by calendar year. The apartment building market appears more volatile due to the relatively small market; sales of large building can significantly influence the median.

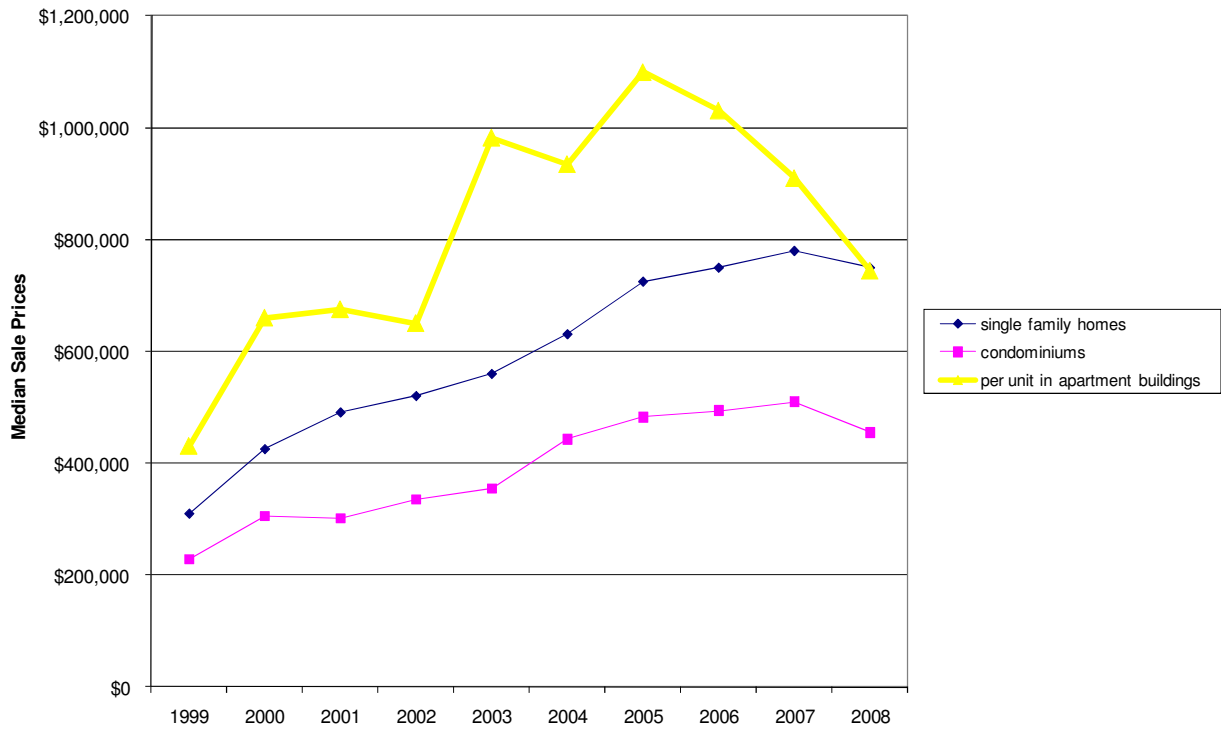
Sales volume has been decreasing since a 2004-05 peak



In the national collapse of the housing market, Berkeley housing sale prices have decreased from their peak, but still remain near mid-decade values. The median condominium price over more than \$400,000 remains out of reach for low- and moderate-income households in Berkeley.

³ http://www.huduser.org/datasets/il/index_il2009_mfi.html

Prices are down from 2007, but still near mid-decade values



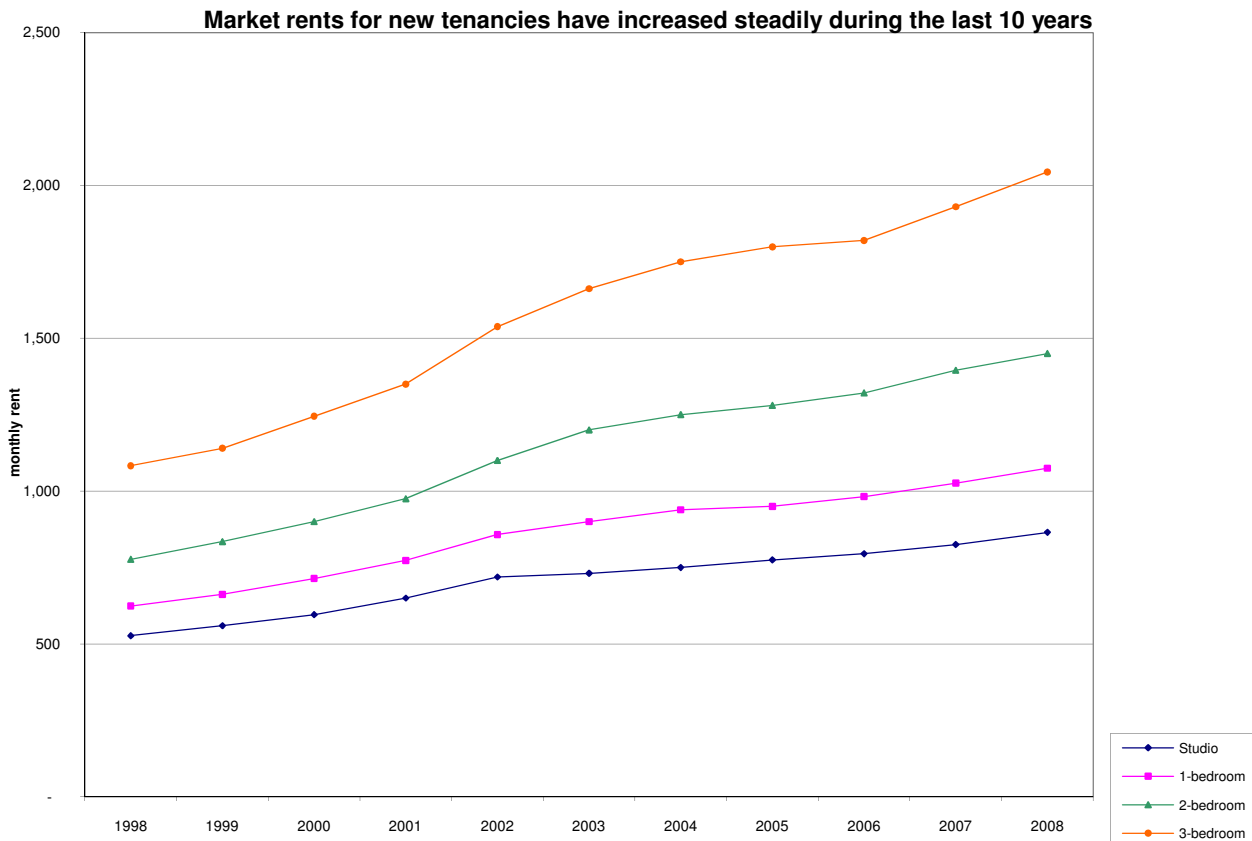
To address its shortage of affordable housing resources, the City revised its Condominium Conversion Ordinance and its Inclusionary Housing Requirements ordinance in recent years to generate locally based (and therefore more flexible) sources of funds for affordable housing development in Berkeley. Specifically:

- An Affordable Housing Mitigation Fee (AHMF) from the Condominium Conversion Ordinance addresses the nexus between property owners obtaining a right to convert and the (comparatively) affordable rental housing that is lost due to its conversion to another ownership form. The AHMF is collaboratively administered by the Housing and Planning Departments. This fee would generally be assessed at the time a condominium property transfers, typically at a rate of 8 percent of the sale price.
- An In-Lieu Fee (ILF) on new private-sector condominium developments in Berkeley was approved during 2006, to allow developers to contribute ILF revenue to the City's Housing Trust Fund rather than provide inclusionary housing units on-site in their new developments.

Increasing Rents

Berkeley adopted a rent stabilization ordinance in 1980. The Ordinance regulates most residential rents in Berkeley, provides tenants with increased protection against unwarranted evictions and is intended to maintain affordable housing and preserve community diversity. Since January 1, 1999, due to the Costa-Hawkins Rental Housing Act, owners may set a market rent for most tenancies beginning on or after January 1, 1999. The rent charged a new tenant becomes the new rent ceiling. Owners must register new rents with the Rent Board and may increase these rents for a sitting tenant only by an annual general adjustment or an individual rent adjustment granted through the Board's petition process. By 2009, about 80% of the rent-controlled units had turned over since 1999 and had the rent re-set.

For other units in Berkeley, median market rents for new tenancies have increased steadily during the last ten years, according to data provided by the Berkeley Rent Board. In calendar year 2008, rents increased again. The median for a studio apartment went from \$825 to \$865, and three-bedroom units, which have seen the greatest increase since 1999, went from \$1,930 to \$2,044 per month.



Source of data: Berkeley Rental Board, memo "Market Medians: January 1999 through December 2008", dated February 19, 2009.

III. Meeting Consolidated Plan Goals and Priorities

In PY 2008, the global recession affected all sectors of the economy and created many uncertainties. The City of Berkeley adopted a total budget for Fiscal Year 2009 (PY 2008) of more than \$349 million. The City Council, City Manager, and staff worked throughout the year to anticipate, identify, and plan for the consequences of the recession, including reductions in General Fund revenue, state budget cuts, and a climate of uncertainty created by California's contentious budgeting process.

The City's activities to meet its Program Year 2008 Action Plan and ConPlan goals were generally successful, especially in view of the budgetary constraints faced. Due to careful financial planning and management, the City has so far avoided the more severe consequences of the recession experienced by other cities. City employees have participated in achieving savings to protect programs by participating in Voluntary Time Off (VTO) days during the last four fiscal years, and this strategy has been extended through PY 2009.

In this context, the City of Berkeley continues its commitment to local affordable housing, social services, and community development programs by allocating funding to most Berkeley agencies previously receiving funds. In FY 2008 (FY 2007), Berkeley increased its community agencies budget to \$8.78 million, and in FY 2009 (PY 2008) the City of Berkeley added significant increases for a total funding amount of \$9,521,138, with most of the increase attributed to allocations to homeless programs as part of the Public Commons for Everyone Initiative.

This CAPER summarizes the City of Berkeley's Consolidated Plan for Housing and Community Development goals and objectives, and then describes what actions and programs the City used to address and meet these goals and objectives. The areas addressed include:

- Affordable housing
- Homelessness
- Anti-poverty strategies
- Community Development

Program Year 2008 has seen continued restructuring of City services and programs, particularly for the system of care addressing chronic homelessness and low-income households with special needs (including people with serious mental disabilities and those living with HIV/AIDS).

A. Housing

Berkeley's housing goals and priorities from its *Consolidated Plan for Housing and Community Development* (from July 2005) are summarized below in *Table 1*.

Table 1: Housing Goals and Priorities from Berkeley's Consolidated Plan	
<ul style="list-style-type: none">• Assist approximately 1,500 households with their housing needs in the next five years (excluding homeless and households served by programs not covered by HQS).• Maintain effort of existing successful programs.• Make available additional funding for affordable housing.• Use City's regulatory authority to increase affordability and help residents remain in their homes.• Meet needs of poor and very low income tenants (at or below 50% of AMI) and residents with special needs. Priorities by income category:<ul style="list-style-type: none">• Highest priority: Residents with very low incomes (at or below 50% of AMI) and special needs.• Next highest priority: Tenant households with incomes between 51% and 65% of AMI.• Low priority: Households with incomes between 66% and 80% of AMI.• Homeownership programs have low priority due to high cost of providing assistance.• Maintaining and improving housing stock, and eliminating blight.	

Meeting Housing Needs

As illustrated by the trends in both rents and home and condominium prices above, the City has much work to do to address the social need for affordable housing in Berkeley. Other housing needs include the need to promote preservation and conservation of housing stock, as well as overall housing accessibility, particularly for special needs populations including the homeless, seniors, and larger family households. Assistance to first-time homebuyers has not been a high priority because the level of subsidy needed to make such housing affordable is prohibitive given the range and magnitude of the City's other housing subsidy needs. However, the City of Berkeley, with leadership from the Housing Advisory Commission and Planning Commission, has revised its condominium conversion and inclusionary housing ordinances to encourage greater access to homeownership and affordable rental housing opportunities for low-income sitting tenants and residents of Berkeley.

In PY 2008, one affordable development, the Oxford Plaza on the 220 block of Fulton Street was completed, creating 96 new units of housing. One other project, 3132-38 Martin Luther King, Jr. Way (Prince Hall Arms, 41 affordable units) has not yet assembled all of its financing or started development at this time.

Table 2 summarizes housing developments and housing programs undertaken during PY 2008 to achieve Berkeley's Consolidated Plan housing goals.

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Table 2			
Summary of Housing Developments and Programs Undertaken to Achieve Consolidated Plan Housing Goals, PY 2008			
Programs	Affordable Units	Status	Beneficiary/priority/comment
Priority - Development of Affordable Housing through the HTF - All projects assisted with HOME funds and other Housing Trust Fund sources are affordable at 60% of AMI and the majority is affordable to households at 30% - 50% of median income or below and special needs housing affordable to those at the extremely low income category			
David Brower Center/Oxford Plaza at 2200 Block of Fulton Street Resources for Community Development and Equity Community Builders	96	Completed	One additional manager's unit; 97 total. Mixed use project on City-owned land comprising David Brower Center (office, restaurant, and conference space) and Oxford Plaza (affordable housing) atop a one-story retail and residential parking area and underground City-owned parking structure. Oxford Plaza will provide 96 units for low-income families and individuals with affordable downtown living, including units for individuals living with HIV/AIDS. Completed and fully occupied.
3132-38 Martin Luther King, Jr. Way Prince Hall Arms	41	On-Hold	Mixed-use project in south Berkeley. All 41 units are for low-income seniors; also one manager's unit as well. Project received City and federal funding in 1999, and demolished existing buildings. In PY 2008, the City worked with the sponsor and a potential nonprofit development partner in preparation for applying for low income housing tax credits. In the spring, the City and proposed partner learned of a lawsuit between the sponsoring organization and its Los Angeles-based parent corporation over the ownership of the development site.
Subtotal, HTF	137		
Priority: Affordable Housing Development through City's Inclusionary Housing Ordinance Program			
Inclusionary Units	11	Completed	Two developments with 11 units were completed during PY 2008.
Priority: Meet Special Housing Needs of Poor, Elderly, Disabled and Others with Special Needs			
David Brower Center/Oxford Plaza at 2200 Block of Fulton Street	10	Completed	10 units at Oxford Plaza are to be set aside to house low-income people disabled and living with HIV/AIDS (HOPWA funding through Alameda County). Number of units may be subject to change.

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Table 2
Summary of Housing Developments and Programs Undertaken to Achieve Consolidated Plan Housing Goals, PY 2008

Programs	Affordable Units	Status	Beneficiary/priority/comment
Low-Income Home Energy Assistance Program (LIHEAP)	1,125	Ongoing	Utility bill assistance program for low-income households, especially seniors on fixed incomes. Total is number assisted in calendar 2008. State funding for calendar 2009 was increased to \$690,717 from \$291,182 in 2008. In January through June 2009, 876 households were assisted.
Shelter Plus Care Program (Citywide, scattered site model) Permanent supportive housing for formerly homeless and disabled individuals. Tenant-based subsidies with case management and service provision for clients.	230	Ongoing	Very low income homeless adults and families. See also Shelter Plus Care program narrative.
Subtotal, Special Needs Housing	1,365		
Priority: Maintain and improve housing stock: Housing Rehabilitation/Repair (All rehab/repair programs targeted at 50% of median income or below, at least half benefit those who are extremely low income (30% of median or below))			
Programs	Affordable Units	Status	Beneficiary/priority/comment
Seniors and Disabled Rehab Loan Program	2	Completed	City operates loan program for rehabilitation for low-income senior or disabled homeowners, including project management services. Loans of up to \$70,000 per homeowner were matched with state and local funding.
Rebuilding Together (Citywide) Safe Home Project	18	Completed	Organizes volunteers to repair/renovate homes owned by low income elderly and disabled individuals. PY 2008 allocation was \$88,393. Assistance was provided to 18 units, serving 11 extremely low, 6 low-income, and 1 Moderate income households. In all, 18 people benefited from this activity, 11 of whom were African-Americans.
City of Berkeley Super-Weatherization Program	62	Completed	Services include window and door replacements, wall and other envelope repairs and other related home repairs. Services provided are free of charge to low-income Berkeley residents.
Home Safety and Repair Program	264	Completed	See Housing Activities report, Table 12, below.

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Table 2			
Summary of Housing Developments and Programs Undertaken to Achieve Consolidated Plan Housing Goals, PY 2008			
Programs	Affordable Units	Status	Beneficiary/priority/comment
Community Energy Services Corporation			
Section 108 Loan Repayment - Berkeley Housing Authority	75 units of public housing rehabbed through end of PY 2008	Nearly completed	Repayment of Section 108 loan to repair 75 units of public housing owned by the Berkeley Housing Authority. Payment is \$120,000 per year from CDBG to HUD.
Residential Access for the Disabled Program (CIL, ramps and interior retrofit) (Citywide)	53 units assisted in PY 2008	Completed	Construction of ramps, lift installations, and interior modifications to ensure safe accessibility to homes for low-income disabled people.
Source: City of Berkeley Housing & Community Services Department			

Table 3 indicates that no Housing Trust Funds were reserved for specific development projects during PY 2008. Funds available in PY 2008 were set-aside for the Housing Trust Fund round in PY 2009. More description of Housing Trust Fund activities is available in chapter V. Performance and Evaluation Report for Program Year 2008, Section B. Affordable Housing under *Berkeley Housing Trust Fund*.

Table 3: Berkeley Housing Trust Fund Reservations by Fund Source During the Consolidated Plan Period, Program Years 2005, 2006, 2007, and 2008					
Program Year	Local Funds	CDBG	HOME	State HTF and HELP Funds	Total Allocations
PY 2005 (as of June 2006)	\$185,000	\$0	\$0	\$200,000	\$385,000
PY 2006 (as of June 2007)	\$1,777,951	\$536,700	\$1,267,935	\$0	\$3,582,586
PY 2007 (as of June 2008)	\$1,054,730	\$0	\$1,046,854	\$0	\$2,101,584
PY 2008 (as of June 2009)	\$0	\$0	\$0	\$0	\$0
Total Reservations, by Source	\$3,017,681	\$536,700	\$2,314,789	\$200,000	\$6,069,170

Source: City of Berkeley Housing & Community Services Department.
 Notes: Local funds include General Funds, Housing Mitigation Funds, and Berkeley Redevelopment Agency Funds. HELP Funds were a State of California loan to the

Housing Trust Fund for making site acquisition loans.

Using the City's Regulatory Authority

The City of Berkeley continues to use its regulatory authority to enforce the California housing code, to regulate evictions under its Eviction Control Ordinance, to regulate rents under its Rent Stabilization Ordinance, and to regulate new housing developments to provide affordable housing units through its Inclusionary Housing Requirements, contained in the City's Zoning Ordinance (at Chapter 23C.12).

Rental Housing Safety. The City has continued to monitor and improve its Rental Housing Safety Program (RHSP) which was established in August 2001 in Ordinance No. 6,651-N.S. and has subsequently been revised a number of times .. These changes sought to promote community awareness and responsibility for improving safety in Berkeley rental units; and to make the program financially self-supporting. It includes a proactive inspection agenda that identifies rental housing code violations for correction before they become serious health or safety risks for tenants occupying them. Owners are obliged to inspect their units annually to certify that specific standards are met, and to have the local utility company or a licensed mechanical contractor inspect their units every five years to certify that gas-heating appliances are in proper working order. To offset costs for inspections, and for administering owner compliance with the gas-heating certification program, owners are charged an annual fee for each rental unit or room.

The City's Housing Code Enforcement Unit, which manages the Rental Housing Safety Program, also conducts HOME unit inspections, as required under HOME Program regulations. Results of these inspections are summarized in Section VI, *Table 30*.

Density Bonus Procedures and Zoning Ordinance Administration. Berkeley's most important regulatory program for housing development is its Zoning Ordinance. Most of Berkeley's zoning districts rely on performance standards with respect to height, setbacks, lot coverage, open space and parking requirements to determine building density. The State of California significantly revised its density bonus law in 2003, increasing the maximum available density bonus from 25% of a project's unit count to 35 percent. Along with reduction of affordability requirements and more complex sliding scale density bonus options for developers in the new state law, the challenge of implementing the new state density bonus requirements increased.

In 2005, the City Council appointed a Joint Subcommittee on Density Bonus Procedures, consisting of members of the Planning Commission, Housing Advisory Commission, and Zoning Adjustments Board, to make recommendations to the Council on possible changes to the City's existing Density Bonus procedures. The City's Inclusionary Housing Requirements (BMC Chapter 23C.12 of the Zoning Ordinance) trigger eligibility for a density bonus under State Density Bonus law (California Government Code Section 65915). Density bonus projects are typically

larger than projects allowed only under jurisdiction of the City's Zoning Ordinance. Neighbors often oppose these larger projects. Additionally, the State's affordable housing laws limit the Board's discretion over ultimate size and shape of these projects. From August 2005 through June 2006, the Joint Subcommittee worked on recommendations related to development standards, the City's inclusionary requirements, and density bonus law implementation.

Inclusionary Housing Ordinance. The City's Inclusionary Housing Ordinance requires that 20% of all new residential developments be made affordable to low and very low income households. During the early part of the decade, a number of new developments were proposed to meet the high demand for home ownership among a broad range of household incomes within the City. However, the number of inclusionary housing units produced during PY 2008 declined significantly as a result of the near collapse of the financial real estate lending sector. New construction lending for residential units all but disappeared in the first half of the year, resulting in the delay in construction starts for a number of properties. Only two of the twenty projects scheduled for development were completed in PY 2008. These two contributed an additional eleven inclusionary units to the City's inventory. Most of the residential developments approved for construction since 2004 were designed as condominiums to address the demand at that time for ownership housing throughout the San Francisco Bay Area. The decline in the homeownership market caused most of these units to be converted temporarily to rental developments

The City's Housing Advisory Commission has expressed a desire to begin reviewing the provisions of the Inclusionary Housing Ordinance to see if they should be updated to reflect changing market or affordability definitions and to address the issue of student demand for housing.

Condominium Conversion. The City's current condominium conversion ordinance (CCO) (BMC Section 21.28, et seq.) governs conversion of rental apartments and "tenancies in common" (TIC) buildings to condominiums, community apartments, and other types of mutual or cooperative housing. The CCO allows condominium conversion of TIC and rental units, while protecting the rights of sitting tenants and mitigating the loss of rental units through an affordable housing mitigation fee. 80% of this fee is put into the City of Berkeley Housing Trust Fund (HTF) to fund various affordable housing projects while 10% is used for HTF program delivery and the remainder is used for HTF program and project monitoring and enforcement.

From 1980 to 1992 the City of Berkeley did not permit conversion from rental housing units to condominiums. Conversion of rental units to condominiums removes rental units from the market and reduces affordability, both directly by increasing the monthly cost of converted units, and indirectly by increasing the cost of other rental units through reduced supply relative to demand. While conversion removes rental units from the housing market, it adds affordable owner-occupied units.

Despite the condominium ban, conversion to owner-occupancy continued through TICs, which allow people to use joint ownership of multi-unit buildings to become owner-occupants without actually subdividing the property. In TICs, people share ownership of a property with multiple units and agree among themselves on each part-owners' right to occupy one unit. Being part of a TIC is legally and financially different from owning a condominium. As part of a TIC, all owners are responsible if a part-owner defaults on their loan. As an owner of a condominium, individual owners are not responsible if someone in the same building defaults on their loan.

In 1992, the City simultaneously started to permit conversion from rental housing units to condominiums while prohibiting creation of new TICs in properties over three units. The ban came about due to the loss of 1,000 to 1,500 rental housing units to TIC conversions in the late 1980s and early 1990's and the legal and financial difficulties the TIC owners encountered.

In mid 2005, the prohibition against TICs was repealed in response to a 2004 California Court of Appeal decision, where a similar regulation in San Francisco was declared unconstitutional. At the same time, the City enacted regulations to encourage limited condominium conversion as an alternative to unregulated creation of TICs. The City concluded it would be a better alternative to enable conversion of up to 100 units per year to condominiums than allow unregulated creation of TICs and lose mitigation fees that fund affordable housing.

The revised CCO has been a work in progress to adapt to the changing conditions of Berkeley's housing market. The ordinance was amended several times between 2005 and 2007, and most recently amended in early 2009 following a two-year planning process that included over 20 public meetings with stakeholders, the Housing Advisory Commission, the Rent Stabilization Board, and the City Council. In 2008, the ordinance was amended to clarify the administration of the ordinance and inspection process while the 2009 amendment changed the affordable housing mitigation fee policies.

Under the current ordinance:

- A maximum of 100 rental units may convert to condominiums in a year to prevent a large loss of rental units within the city but to the extent the number of units approved for conversion in any given year is less than 100, the quota for the following year may be increased by an equivalent amount. It may be carried forward from year to year but shall not exceed a total of 200 rental units.
- All units count towards the 100 rental unit quota (previous ordinances allowed for exemptions to quota).
- A mitigation fee is required to offset the loss of affordable housing. The fee ranges from 4% to 8% of sale price depending on individual circumstances.

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- There are a set of conditions to protect tenants that discourage displacement and offer the exclusive right to purchase the rental unit for the period of one year after the owner is ready to sale the unit.
- A requirement for the property to correct all visible Health and Safety code violations is required.

Since the inception of the affordable housing mitigation fee in 1992, little revenue has been brought in to the HTF to create new units. In over 17 years, over 1,100 units have been approved for conversion but only three units to date have paid the mitigation fee for a total of \$47,072.33. The most recent amendments to the CCO include changes to the mitigation fee in response to the low amount of fees being collected. These amendments are expected to increase revenue for the HTF to be used to fund permanent affordable housing for Berkeley because they will require all units to pay a mitigation fee.

Table 4 summarizes by calendar year overall condominium conversions in Berkeley since 2001. Since 2005, there have only been 24 units approved for conversion. This low number is related to the City no longer regulating TICs.

Table 4:
Summary of Berkeley
Condominium Conversions
2001-2008

Year	Units Approved for Conversion
2001	71
2002	27
2003	21
2004	43
2005	3
2006	8
2007	7
2008	6
Total	186

Source: City of Berkeley Planning and Development Department. Data through August 18, 2009

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Beneficiaries: Poor and Low-Income Tenants and Residents with Special Needs

Berkeley programs funded by CDBG benefited 588 households and 2,539 individuals during PY 2008, as summarized in *Table 5*, below. Of these households, 55 percent had extremely low incomes, and another 30 percent had incomes that were low (between 30 and 50 percent of area median income). Nearly 93 percent of all individuals served in Berkeley during PY2008 had extremely low incomes.

Table 5 CDBG Beneficiaries by Income Category for Program Year 2008						
	Extremely Low, <=30% of AMI	Low, >30% and <=50%	Moderate, >50% and <=80%	Total, Low- Mod	Non Low- Mod	Total Beneficiaries
Housing Beneficiaries						
Total Households	297	163	78	538	4	542
Owners	199	141	68	408	4	412
Tenants	98	22	10	130	0	130
Non-Housing Beneficiaries						
Persons	2,361	151	15	2527	12	2,539
Households	49	23	7	79	1	80
Not Specified	0	0	0	0	0	0
Total Beneficiaries						
Persons	2,361	151	15	2,527	12	2,539
Households*	326	177	80	583	5	588
Not Specified	0	0	0	0	0	0

Source: IDIS, Report C04PR23; City of Berkeley Housing & Community Services Department.
 *This figure is reported directly out of IDIS and the reason for the discrepancy between housing and non-housing total households is unknown.

Table 6 summarizes Berkeley's CDBG beneficiaries by disclosed race and ethnic categories during Program Year 2008. This table reveals that about 22 percent of individual beneficiaries were White, 55 percent were African-American, about 3 percent were Asian, and 20 percent described themselves as from other multi-racial backgrounds. Among household beneficiaries, Whites accounted for 32 percent, while African-Americans accounted for 54 percent. Asian households accounted for 8 percent and other multi-racial households represented another 5 percent of the household beneficiaries.

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Table 6: Berkeley CDBG Beneficiaries by Disclosed Race and Ethnic Categories, Program Year 2008				
Disclosed Race of Beneficiary	People		Households	
	Total	Hispanic	Total	Hispanic
White	565	87	198	27
Black/African-American	1,398	21	338	0
Asian	74	0	55	1
American Indian/Alaska Native	64	50	0	0
Native Hawaiian/ Other Pacific Islanders	11	0	1	0
Other Multi-Racial	427	202	30	0
Total Beneficiaries	2,539	360	622	28

Sources: IDIS, Report C04PR23; City of Berkeley Housing & Community Services Department.

HOME Unit Completions. As summarized in *Table 7*, the City of Berkeley's investment of HOME entitlement funds resulted in 96 units completed during PY 2008. Oxford Plaza (96 low income units and one manager's unit) accounted for all of the units created. This data is not yet entered into IDIS because the project has not completely closed all financing. The data will be entered in PY2009.

Table 7 HOME Unit Completions by Percent of Area Median Income in Program Year 2008							
	Extremely Low, <=30% of AMI	Low, >30% and <=50%	Moderate , >50% and <=60%	>60% and <=80%	Total, 0% to 60%	Total 0% to 80%	Reporte d as vacant
Rentals	34	33	29	0	96	96	0
Tenant-Based Rental Assistance Families	0	0	0	0	0	0	0
First Time Homebuyers	0	0	0	0	0	0	0
Existing Homeowners	0	0	0	0	0	0	0
Total, Rentals and TBRA	34	33	29	0	96	96	0
Total, Homebuyers and Homeowners	0	0	0	0	0	0	0
Total Beneficiaries	34	33	29	0	96	96	0

Source: City of Berkeley Housing & Community Services Department.

Improving Housing Stock, Eliminating Blight, Weatherizing Homes

The City continues to address blight, seismic and personal safety, and energy efficiency issues through investment of CDBG funds into several housing rehabilitation programs that assist low-income disabled and senior residents with funds and active technical assistance in developing specifications for work, retaining contractors to address deteriorated conditions of their homes due to long-deferred maintenance, addressing structural deterioration, providing safety and security measures, and in some cases providing seismic strengthening measures. Much of Berkeley's private housing stock has been well-maintained over the last decade due in part to historically low mortgage rates, rising incomes, and availability of equity lines of credit (also at historically low interest rates) that enable many households to undertake repairs on their units, despite rising material costs, and home prices independent of government programs.

Rehabilitation Programs. The City of Berkeley continues to fund, and in some cases, operate six rehabilitation programs, some of which address both accessibility and energy conservation objectives:

- Residential Access for the Disabled Program (operated by the Center for Independent Living under contract with the City);
- Safe Homes Project (operated by Rebuilding Together, Inc., under contract with the City);
- Community Facilities Project (operated by Rebuilding Together, Inc., under contract with the City);
- Senior and Disabled Home Improvement Loan Program (operated by the City of Berkeley Housing & Community Services Department);
- Superweatherization Program (operated by the City of Berkeley Housing & Community Services Department); and
- Home Safety and Repair Program (operated by the Community Energy Services Corporation, under contract with the City).

Lead-based Paint Abatement. In PY 2008, the City of Berkeley's Health Department continued participating in State and County programs focused on lead poisoning prevention and lead hazard control. Activities include case management of lead-poisoned children and related environmental investigations, medical provider outreach, primary prevention education and events, and work on the development of an enforcement infrastructure. Services available to property owners included in-home consultations, HEPA vacuum cleaners available to loan, lead sampling test kits, and classes in lead-safe work practices.

B. Homeless Priorities

Table 8: Homeless Priorities of the Berkeley Consolidated Plan and the 1998 Berkeley Homeless Continuum of Care Plan

- 5-year goal to place an additional 250 households in transitional or permanent housing, 100 through Housing Trust Fund developments.
- Maintain effort of existing successful programs a high priority.
- Seek separation of Shelter Plus Care Program from Supportive Housing Program funding.
- Management Information Systems (MIS) use by homeless service providers
- Adopt and implement standards of service for emergency shelters.
- Provide winter shelter to homeless people through collaboration with the City of Oakland at the Oakland Army Base.

Consolidated Plan goals (shown in *Table 8*) for homelessness priorities were held over from the previous Consolidated Plan (May 2000). That Con Plan relied on Berkeley's *Homeless Continuum of Care Plan* (adopted September 1998). In light of new policy frameworks described in Chapter V, below, the City of Berkeley intends to revise its Consolidated Plan to reflect the policy changes that have been made. This PY 2008 CAPER, however, will report on the City's efforts to address its existing Con Plan homelessness priorities as stated above.

Place Homeless Households in Transitional and Permanent Housing

The City of Berkeley's strategies to assist homeless people get into and retain permanent housing include the operation of its Shelter Plus Care program and components of the Public Commons for Everyone program.

The City of Berkeley operates five Shelter Plus Care grants, providing approximately 230 units of supportive housing for people who are homeless and disabled due to HIV/AIDS, mental illness, and/or drug and alcohol dependence. During PY 2008, Berkeley's Shelter Plus Care Program (S+C) housed 31 new participants.

As noted in last year's report, the Collaborative Opportunities to Address Chronic Homelessness (COACH) Shelter Plus Care grant was transferred from Alameda County HCD to the City of Berkeley. The grant provides tenant-based assistance for a minimum of 21 chronically homeless individuals. Alameda County HCD initially subcontracted with the City of Berkeley Shelter Plus Care Program to provide tenant-based rental assistance to 11 chronically homeless adults. An "Assignment and Assumption Agreement" was executed by HUD on April 30, 2008. The transfer agreement resulted in expanding the City of Berkeley's capacity to serve at least an additional 10 chronically homeless adults with tenant-based rental assistance. By the end of PY 2008, 28 chronically homeless adults were being housed through the program. Program participants receive intensive case management, money management, and other

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supportive services from LifeLong Medical Care, Berkeley Mental Health, Berkeley Division on Aging, and the Berkeley Food and Housing Project, and Building Opportunities for Self-Sufficiency.

The Supportive Housing Network is a sponsor-based Shelter Plus Care grant that the City operates in partnership with Resources for Community Development (RCD), the project sponsor. The initial grant was funded in 2003 for six sponsor-based units for single adults who are homeless and mentally ill, and receive services through Berkeley Mental Health. The City successfully expanded the capacity of the grant through the renewal application submitted in 2007, doubling the number of sponsor-based units funded through the grant for the operating year that began May 28, 2008 and ended May 27, 2009. The units are located in two sites in Berkeley that are owned by RCD: single-room occupancy units in a 12-bedroom house, and one-bedroom units in a 35-unit complex known as Erna P. Harris Court.

During PY 2008, the Berkeley Housing Department partnered with the City's Division on Aging to apply for a new Shelter Plus Care grant to create 13 new tenant-based subsidies for chronically homeless older adults. The application was approved by EveryOne Home, the consortium that serves as the Continuum of Care Council for Alameda County, and submitted for funding available through the Samaritan Initiative in the 2008 HUD NOFA. Unfortunately, the Alameda County consolidated application did not receive a high enough score to qualify for the Samaritan Initiative funds, missing the mark by less than one point. Consequently, the City of Berkeley application was unsuccessful.

As referenced in last year's CAPER, the City also operates a program built on the successes of the Shelter Plus Care program and funded with City General Funds called Square One, a supportive housing program created in the Public Commons for Everyone Initiative (PCEI). PCEI is described in further detail later in this report. Launched in PY 2007, Square One combines a package of supportive services with a rental housing subsidy. The services include:

- Street outreach through Berkeley Mental Health,
- Case management services provided by LifeLong Medical Inc., and
- Benefits advocacy through HAC.

The program was designed to serve 10 to 15 chronically homeless adults living on the streets in Berkeley who have been difficult to serve through conventional programs, and whose behavior on the streets has generated frequent community complaints and police contacts. In addition to funding permanent rental housing subsidies, the City funds a 0.8 FTE outreach worker for the City's Homeless Outreach Team, 1.5 FTEs at LifeLong Medical Care to provide intensive case management and housing stabilization services, and dedicated access to benefits advocacy from the Homeless Action Center to assist participants to obtain SSI benefits and MediCal insurance.

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Program policies have been developed in coordination with City Manager's Office, the Berkeley Police Department, and Berkeley Mental Health, and approved by City Attorney's office. People to be targeted for the housing component are suggested by the Police Department criteria, based on numerous complaints of problematic street behavior. Berkeley Police prioritize people to be served, and work with outreach staff to identify and engage them in services and the housing component if appropriate.

By the end of PY 2008, 13 chronically homeless individuals living on the streets in Berkeley had been engaged in services and enrolled in the program. Of these, 12 have been housed through the program, and 6 obtained SSI and MediCal benefits with the legal assistance provided by the Homeless Action Center. One of the 12 individuals currently housed had been difficult to place because of his specific preferences (a furnished apartment within a few block radius of downtown Berkeley). After several months of housing search, he has been successfully placed in an SRO unit at UA Homes, which is subsidized with project-based Section 8 funds. This is an example of how the program's design, combining targeted street outreach and flexible services, yields outcomes for a population that can be difficult to serve in conventional programs.

Maintain Existing Successful Programs

The City of Berkeley continues to coordinate and collaborate with Alameda County's Department of Housing and Community Development, the City of Oakland, and numerous homeless service providers to prepare the annual application to HUD for Supportive Housing Program grants.

During PY 2008, this collaboration yielded more than \$20,181,000 to programs serving homeless people in Alameda County. These grants will sustain current programs countywide, including permanent and transitional housing and provide additional support services to more than 3,000 homeless families and individuals throughout the County.

Through its budget allocations, the City continued its goal of maintaining the efforts of successful programs serving homeless people in Berkeley. In June 2009, the City completed a competitive process for allocating funding to community based organizations for a wide range of programs. Past performance was one of the factors evaluated during the process. The City also continued to operate its revised homeless prevention program, called the Housing Retention Program, funded at \$166,123 for PY 2008.

The Berkeley Homeless Commission continues to meet with representatives from the City's Housing Advisory Commission and Human Welfare and Community Action Commission, to increase collaboration and provide input regarding the City's community agency allocation policies and procedures

Implement Management Information Systems for Homeless Services (HMIS)

In Program Year 2008 the City of Berkeley continued to provide \$6,700 in ESG funds as match for a HUD Supportive Housing Program (SHP) grant to Alameda County for the County-wide Homeless Management Information System (HMIS) called InHOUSE.

InHOUSE has been instrumental in streamlining data collection and creating consistency in data elements, particularly at intake, among twenty-four homeless housing and service providers throughout Alameda County, most of which receive HUD funding. Numerous other agencies or stand-alone programs utilize the trainings and standardized intake and exit forms and enter its data into InHOUSE. A mandatory Privacy and Security Certification helps to insure the protection and confidentiality of client information by the individual handler of data as well as by each agency. InHOUSE will begin to provide non-identifiable aggregate data that will be utilized to identify trends and inform homelessness resources and policy directions.

To date, at least 24 agencies and about 200 programs utilize HMIS. Currently, the following Berkeley agencies are entering data into the InHOUSE database:

- Building Opportunities for Self-Sufficiency,
- Berkeley Food and Housing Project,
- Women's Daytime Drop-In Center,
- LifeLong Medical Care,
- City of Berkeley Shelter Plus Care Program,
- Rubicon, and
- Bonita House.

Over 1,042 people have been certified in Privacy and Security Standards, and over 200 people countywide have software licenses for entering or retrieving data from InHOUSE. Both software and Privacy and Security Certification trainings occur monthly with a variety of supplemental trainings on a quarterly basis.

In addition to these ongoing data collection and entry activities, an additional software module was rolled out as a pilot in Berkeley. Homeless clients seeking shelter can call a central phone hotline to access a bed reservation into one of three shelters in Berkeley. This reservation system reserves the bed space by client name and eliminates lottery system entry, and funnels all bed reservation inquiries into a central staffing point to free up valuable staff time at the three participating shelters.

HMIS was also used in two large data initiatives this past year. Countywide HMIS data was produced to assist in local development of State of California Housing Elements. These local housing policy plans that are approved by the state required data about the homeless in each city from the HMIS. HMIS data demonstrated by three different variables the distribution of service users within the County. This first-ever data showed

that service users come from all parts of the county (every city and unincorporated area, in fact) proven by three different variables: city and state for birth, city and state of high school, and city and state of last permanent housing. Demographic information for adult service users was also produced for the Housing Element.

Lastly, HMIS data from shelters and transitional housing programs were used for a point-in-time on January 26, 2009 to generate the biennial Homeless Count and Sub-population data required by federal statute. HMIS data supplemented statistical survey sampling at food pantries, hot meal sites, drop in centers, and outreach programs to generate a comprehensive picture of the homeless and at risk populations. HMIS data showed a reduction of chronically homeless people in the City of Berkeley.

Adopt and Implement Standards of Service for Shelters

The City adopted standards for shelter services in December 2000. Shelter programs were comprehensively evaluated on these standards in 2001. The standards are still in place and were used in community agency contract monitoring in PY 2008.

Provide Winter Shelter in Collaboration with the City of Oakland

During winter months, the City of Berkeley operates a winter shelter and voucher program. The winter shelter at the Oakland Army Base adds 100 beds to the year-round emergency shelter beds available in Berkeley and Oakland. Of these, 50 beds are reserved for homeless individuals referred from Berkeley service agencies. The shelter is a joint program organized and funded by the cities of Berkeley and Oakland, together with Alameda County. The shelter is operated by Anka Behavioral Health, a non-profit agency, which provides staffing for the shelter, breakfast and supper every day, and shuttle transportation to and from BART stations and drop-in centers.

In PY 2008, the winter shelter operated from November 17, 2007 until April 17, 2008. Berkeley contributed \$61,000 for operating costs at the Oakland Army Base shelter. The City also purchased \$40,670 worth of BART tickets to dispense to homeless individuals for transportation to the winter shelter site, which is located near the West Oakland BART station.

The City also funded motel vouchers during the winter, using \$32,500 to provide emergency motel vouchers. The winter motel voucher program assists single adults who, due to medical conditions or special needs, cannot be referred to the Oakland Army Base shelter; and families with special needs that prevent them from being placed in one of the family shelters. The winter voucher program served 40 single adults and 16 families (45 total family household members) with vouchers for a total of 436 nights at lodgings in Berkeley.

The City of Berkeley also provided \$17,000 for an emergency overflow storm shelter run by Dorothy Day House (DDH) that operated only on particularly stormy nights and was located at St. Mark's Episcopal Church. DDH provided overflow shelter for a total of 37 dates during the winter storm season, serving 1,625 people total at an average of 44

people per date.

Public Commons For Everyone Initiative (PCEI)

In addition to the Consolidated Plan priorities identified above, the City adopted additional priorities through the Public Commons for Everyone Initiative in 2007. After several months of public comment and deliberation, the Berkeley City Council passed the Public Commons for Everyone Initiative (PCEI) on November 27, 2007. PCEI was a package of measures created to find solutions to problematic street and sidewalk behavior in Berkeley that respect the rights of all people—the rights of those hanging out on the streets, the rights of people visiting Berkeley’s diverse commercial areas, and the rights of merchants and businesses. PCEI’s goal is to make public areas of Berkeley—such as its parks, cultural venues, city sidewalks, and commercial districts—clean, safe, healthy, and welcoming environments for everyone who uses them.

In an effort to improve the quality of life for all people in Berkeley’s public commons, PCEI seeks to (1) address the underlying causes of problematic behaviors with essential services, and (2) regulate specific objectionable behaviors with amended ordinances.

The Berkeley City Council action authorized raising parking meter fees by 25 cents per hour to raise revenues to support the \$1 million budget for PCEI-related services and adopted the following PCEI program and policy components on November 27, 2007:

- Increased accessibility to public toilets;
- Expanded permanent supportive housing opportunities for 10-15 formerly homeless individuals;
- Additional Supplemental Security Income (SSI) advocacy support;
- New centralized homeless intake system;
- Additional homeless outreach worker;
- More public seating and trash receptacles;
- Pilot Berkeley Host program;
- Increased parking meter fees to support new services;
- Amended ordinances on lying and lodging on sidewalks;
- Expanded smoking prohibitions.

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By the end of PY 2008, the following PCEI program and policy components had been implemented:

- the Square One supportive housing program, which provides a rental subsidy in permanent housing and intensive services for 10 to 15 adults who have long histories of homelessness and serious, sometimes multiple, disabilities
- a Centralized Shelter Bed Reservation System, which through the participation of community based organizations, allows people seeking shelter to call just one phone number to find a shelter bed in Berkeley and allows shelters to fill beds after hours that might otherwise have gone unutilized for the night
- the HOST program, which provides staffing to public spaces
- Expanded hours of public toilets in three locations and installed additional portable toilets to increase accessibility to toilets
- Installed signage for public toilets to improve accessibility to toilets
- Purchased 46 benches to improve seating in public areas
- Implemented new ordinance that bans smoking in commercial zones, 50' from health centers, and 25' from public buildings to improve public health
- Implemented new lying and lodging ordinances to regulate objectionable behaviors
- Amended contract with Homeless Action Center to provide additional SSI benefits advocacy to underserved people
- Parking meter rate increase completed to fund increased services
- Hired additional homeless outreach worker and supportive housing administrator to contribute to implementation of programs

C. Anti-Poverty Strategy

Table 9: Berkeley's Consolidated Plan Anti-Poverty Strategy

- | |
|--|
| <ul style="list-style-type: none">• Funding and refinement of anti-poverty programs (YouthWorks and First Source/Local Hiring).• Strengthen partnerships and leverage resources with Workforce Investment Act programs.• Participate actively and effectively with CalWORKS programs (federal TANF).• Implement the City of Berkeley Living Wage Ordinance (LWO).• Foster regional coordination on economic development to direct benefits of Bay Area growth to low-income Berkeley residents including identifying and increasing gainful employment opportunities in "green" industries |
|--|

Anti-Poverty Programs

The City of Berkeley administers employment programs & policies that promote a continuum of workforce development for youth and adult at-risk populations. The First Source/local hiring ordinance, that serves as a tool to ensure that local residents have access to jobs created by local development, including those developments that utilize public funding, The Ordinance requires new development over 7,500 square feet, and new jobs created by the new development (both construction and long-term jobs), to enter into a First Source Agreement, which requires that Berkeley residents be given first opportunity to compete for jobs created by the new development. Additionally, any contractor receiving over \$100,000 in City funding is required to enter into a First Source agreement.

First Source was previously administered through the City of Berkeley Office of Economic Development, which also provides support and technical assistance to small businesses and micro-enterprises located in low-income neighborhoods. In FY 2010, all employment programs will be administered through the Department of Housing and Community Services. This re-structuring will not interfere with the continued collaboration between city departments, especially between First Source, the Office of Economic Development, and the Planning Department. This will continue to build upon efforts to strengthen the local hiring policy. The goal is to impact Berkeley's broader workforce development efforts utilizing an integrated approach that includes current and future efforts related to the East Bay Green Corridor Partnership, the Climate Action Plan, economic development (including job creation) and employment for younger and older youth. Additionally, City staff began aligning local hiring efforts with HUD Section 3 compliance by utilizing common language and documents for contractors, developers and permanent employers.

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Since community-based agencies that receive funding through the City of Berkeley are required to serve Berkeley residents, it is programmatically and fiscally practical to weave the First Source tools into a local continuum of workforce development services and programs. In the spring of 2009, all city-funded programs worked closely together to screen, prepare and place South & West Berkeley residents into new jobs created by a local business that expanded its' operations into west Berkeley.

Table 10 provides a detailed description of Youth employment activities for the PY 2008, reflecting the increase in funding, programs, job opportunities and community partnerships. The City's YouthWorks program provides subsidized employment to youth on a year-round basis. Youth receive paid work experience at community agencies and within city departments, earning \$8.00 per hour, for up to 30 hours per week) in the summer component. Older youth (18-25 years of age) have the opportunity to work on graffiti abatement throughout the year, supervised by the Public Works Clean City Program and the Department of Park, Recreation & Waterfront.

In May 2009, the City of Berkeley's YouthWorks program received federal stimulus (ARRA) funds to serve an additional 70 low-income youth from South and West Berkeley. Of the total 493 youth placed in jobs in PY 2008, 242 youth participated in Workplace Skills training at Berkeley City College, receiving 0.5 units of community college credit.

YouthWorks also collaborates with the University of California (UC) Berkeley for summer jobs, which are paid directly by UC. Each UC department that hires youth provides funding for the youth wages. Other youth employment opportunities currently occur in the Department of Parks, Recreation & Waterfront and the Department of Health and Human Services, which hires young people for peer education and outreach on a seasonal basis.

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Table 10: Performance of Berkeley YouthWorks Program	Summer 2009	Fall 2009
General Fund Jobs in COB department & local agencies (including AC Transit) (Primarily 14-17 year olds)	205	119
UC Berkeley (non-GF, 17 yrs old and up)	11	—
Graffiti abatement in partnership with Public Works (non- GF) (18 -25 years old)	11	—
General Fund Green Scholars w/ BUSD (high school students)	3	—
General Fund Community Builders (formerly Voices Against Violence -Recreation)	12	14
General Fund Biotech Partners Inc.	4	—
General Fund Youth in Law & Government	3	—
Community Arts Mural Project	6	—
WIA ARRA-funded Summer Youth Employment Program (including mural project with Youth Spirit Artworks)	70	—
Total YouthWorks Placement/Activities	325	113
Private Sector via YouthWorks UCB; City departments, Berkeley Bowl, etc.	26	—
Richmond Build trades training (slots for Berkeley residents funded thru December)	14	—
Total youth placed in jobs through YouthWorks	478	—
Hires for Recreation summer jobs	200	—

Regional Coordination: Workforce Investment Act, CalWORKS, CDBG

The One Stop Career Center for the North Cities area of Alameda County is operated by Rubicon Workforce Services, and the City of Berkeley maintains a strong collaborative partnership with the current operator, allowing cross-referrals and maximizing resources, including access to Workforce Investment Act (WIA) funds for Berkeley residents seeking intensive training services. Berkeley businesses may also access on-the-job training and customized training funds via the One Stop operator. Additionally, the City of Berkeley contracts with Rubicon's landscaping program to provide landscaping services to city properties. Rubicon's program trains and hires local residents with multiple barriers to employment to perform the landscaping duties.

Employment and training programs funded by the City of Berkeley, either through its General Fund or CDBG, are all required to partner with the local One Stop Operator in a manner which is mutually beneficial to each agency. Additionally, the City evaluates City-funded programs utilizing the four common performance measures, as set forth by the federal Office of Management and Budget and U. S. Department of Labor, intended to institute uniform definitions for performance.

The Mayors of the East Bay cities of Berkeley, Oakland, Richmond and Emeryville, in collaboration with the Chancellor of the University of California at Berkeley and the Director of the Lawrence Berkeley National Laboratory, formed the East Bay Green

Corridor Partnership (The Partnership) in December 2007. The Partnership continues to demonstrate their strong commitment to strengthening the regional economy through support for emerging green and sustainable industries, alternative energy research, and a healthy built environment. The key to achieving a strong green economy lies in the region's ability to implement, build upon, and manage workforce development programs that meet the workforce needs of the growing sectors.

The Partnership's Workforce Development Initiative has developed an integrated approach using a Career Pathways model, integrating existing and developing training programs as successful points of entry for jobseekers in the East Bay. This Pathways model provides a myriad of entry points in order to meet the diverse applicant pool, which may also include incumbent or displaced workers, historically under-served populations such as the formerly incarcerated, single heads of household, and disconnected youth.

High Minority Unemployment

In an effort to address high unemployment among older youth/young adults with multiple barriers to employment, the City works closely with community agencies and youth advocates to maximize existing youth-serving programs. The City of Berkeley contracts with Richmond Build to provide pre-apprenticeship services to older youth. The Richmond Build trades training program reflects the city's commitment to training in the high growth sector of green energy, the training includes a photovoltaic installation component.

Also, Berkeley's Neighborhood Services Program, through the Office of the City Manager, assisted South and West Berkeley merchants and residents with neighborhood clean-ups and abatement of blighted properties, with the goal of reducing property value impacts and creating a more welcoming environment to customers. Neighborhood Services works closely with all City departments to address overall quality of life issues in low-income neighborhoods.

The Office of Economic Development administers a city-funded façade improvement grant program for small businesses in South Berkeley, also in an effort to reduce neighborhood blight while assisting small businesses with minor capital improvements.

Berkeley Living Wage Ordinance Implementation

In 2000, the Berkeley City Council adopted a Living Wage Ordinance (Berkeley Municipal Code [BMC] Chapter 13.27 *et seq.*) with which all City vendors and contractors must comply. The Ordinance provides that the living wage be adjusted automatically commensurate with the change in the Consumer Price Index published in April of each year, and in July 2007, Council amended the Ordinance to create an administrative procedure by which City staff updates the wage rates annually. For PY 2008, wage rates were \$12.11 per hour (\$14.12 per hour if medical benefits are not provided by the employer) from \$11.77 per hour (\$13.73 per hour if medical benefits were not provided).

D. Community Development

Table 11: Berkeley's Consolidated Plan Goals and Priorities for Community Development
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- | |
|---|
| <ul style="list-style-type: none">• Continue commissions that facilitate grassroots identification of needs and policies• Implementation of neighborhood services coordination and problem-solving.• Continue use of non-profit community-based organizations to meet social services and affordable housing needs. |
|---|

Continue commissions that facilitate grassroots identification of needs and policies

The City of Berkeley Housing & Community Services Department continues to staff boards and commissions that provide input to the Department and the City Council regarding City needs and policies contained in the City's Consolidated Plan.

To inform decision-making on the Annual Action Plan for PY 2008, a public hearing on community needs was held on November 1, 2007, before the Housing Advisory Commission. The meeting was held at the South Berkeley Senior Center. The minutes for this meeting may be viewed at

<http://www.ci.berkeley.ca.us/Commissions/housing/2007housing/pdf/110107M23.pdf>

Implement neighborhood services coordination and problem-solving

Problem Property Team (PPT). PPT is a multi-departmental team composed of staff from Police, Fire, Codes, Building and Safety, City Manager's Office and Housing. Staff from other departments (Public Works, Planning etc) may rotate into the team periodically depending on the issues at hand with a particular property.

Problem properties come to the attention of the team through referrals from within the city itself, Council and Mayor, Neighborhood Associations, Neighborhood Watch groups, merchant and business groups or individual members of the public. Single issue properties are handled by individual departments whereas a property referred to PPT minimally has 2 or more issues involving more than one department, but typically properties referred to PPT need the attention of 4 or 5 of the major city departments.

PPT addresses a variety of different issues, including but not limited to drug houses, blighted properties, crime, unsafe and substandard properties, BMC code violations, rental housing safety program violations, zoning violations, at-risk children and the elderly, abandoned properties, homeless encampments at abandoned properties, environmental health violations including inoperable vehicles and rodent harborages, dangerous animals, animal care, unpermitted building activity and fire code violations.

Depending on the severity of problems at a particular property, the range of interventions at the disposal of the team includes everything from providing verbal or written warnings, Notices of Violation, Stop Work Orders, Notice and Orders, administrative and criminal citations, Red Tag Notices for Unfit for Human Occupation, and Drug House letters issued by the City Manager's Office.

The team conducts monthly inspections (1st Wednesday mornings of every month) in which 6-8 properties are visited by the team. This is followed with an action plan meeting in the afternoon of the same day. Seasonal fluctuations in the volume of problem properties necessitates periodic special inspections. Additionally, City Manager staff will call for a special inspection in the event that a particular property poses a significant threat to the public that cannot wait for the regular monthly cycle of inspections.

The team handles approximately 100 properties per year. The majority of problems are resolved within 2-3 months, while others require on-going and escalating levels of interventions, including fines. There are usually 10-12 properties per year that are abated to the extent that the team has used all the tools at its disposal, but the property is still a "problem" to the community. These primarily include properties in a state of "arrested decay" in which there are no overt code violations, are either vacant or occupied and periodically slip over a threshold into a state that requires PPT interventions. Properties that cycle up and down in this manner will need to be the subject of discussions with elected officials to determine if additional tools can be legislated (e.g. vacancy tax, environmental health policies on inoperable vehicles etc.)

City of Berkeley Alcohol and Other Drugs Five-Year Work Plan.

Implementation of the City's plan dealing with alcohol and other drugs continued during PY 2008. Recommendations in progress during PY 2008 are outlined below, along with the outcome goals and status.

Recommendation: Provide alcohol and other drugs prevention and treatment education for all Berkeley middle schools.

Outcome: By September 2009, funding will be secured to implement an alcohol and drug prevention program for middle schools in Berkeley.

Outcome: By January 2010, all middle schools in Berkeley will use the selected AOD prevention program.

Status: On Track

- Berkeley Unified School District (BUSD) will work with City partners to complete a comprehensive assessment of Alcohol, Tobacco, and Other Drug (ATOD) prevention and intervention program and resources as the first step to develop a City and District plan.
- Berkeley Unified School District's plan to close the "Achievement Gap" has a component in the plan to address ATOD.
- This recommendation is also being considered in the 2020 Vision Initiative, All City Equity Task Force process.

Recommendation: Train HHS Aging Services staff and other community programs in the area of substance abuse among older adults.

Outcome: By June 2008, staff will be trained to administer alcohol and other drug screening and assessment at Berkeley senior centers and other programs that serve older adults, in order to identify and appropriately refer for treatment.

Project Status: Completed

- From December 2008 to January 2009 staff from the Division on Aging attended monthly ATOD workshops and In-services.

Recommendation: Provide all City stakeholders information and education about alcohol and other drug use and abuse and the availability and benefits of treatment and prevention services.

Outcome: At least four AOD educational and/or community activities will be hosted annually.

Project Status: On Track

- In March of 2009, Berkeley Alcohol and Substance Abuse Providers (BASAP) held its' 4th biennial Conference with 270 participants.
- BASAP hosted its 6th Annual National Alcohol & Drug Addiction Recovery Month event in September of 2008. Clients and staff from CBO's enjoyed an A's Baseball Game at McAfee Stadium on September 18, 2008.
- The Berkeley Alcohol Awareness Month committee hosted its 6th Annual Citywide April is Alcohol Awareness Month event. Various alcohol-related events were scheduled throughout the month of April within the City.

Recommendation: Alameda County will develop a detoxification facility and sobering station.

Outcome: Work with Alameda County to develop a 24-hour-7-days a week detoxification facility and sobering station.

Outcome: By December 2007, a well-coordinated access and referral process for detoxification and sobering station services will be operational for Berkeley residents.

Project Status: Completed

- The Safe House Sobering Station was closed then reopened on August 9th with a new operator, Horizons Services Inc. Both Cherry Hill Detox and the Safe House Sobering Station facilities are operated by Horizon Services and now uses a blended model. All in-takes are done at the Sobering Station and clients are referred on for appropriate treatment at either facility.

Recommendation: Berkeley High School and the Department of Health and Human Services (HHS) will collaborate to train staff to address alcohol and other drug problems with students.

Outcome: By January 2008, BUSD and HHS will develop an integrated approach to address AOD problems at BHS.

Project Status: Progressing behind schedule

- In February 2009 Mental Health, BHS Health Center and BHS staff organized an AOD High School Integrated Services group. The group met several times prior to the end of the school term and will continue to meet monthly when school recommences.
- Berkeley Unified School District's plan to close the "Achievement Gap" has a component in the plan to address ATOD.
- This recommendation is also being considered in the 2020 Vision Initiative, All City Equity Task Force process.

Recommendation: Alta Bates Summit Medical Center and local clinics will screen all pregnant women for AOD disorders.

Outcome: By December 2008, AOD screening will be done routinely for all patients admitted into labor and delivery.

Project Status: Progressing behind schedule

- The AOD screening tool policy and procedure document is still under review by Alta Bates Summit Medical Center management, pending final approval.
- Coordinated meetings and discussions are occurring with Contra Costa and Alameda County in order to increase collaboration and support around this important matter and address it from a regional perspective.

Recommendation: To improve care for people with co-occurring disorders in the City of Berkeley.

Outcome: By January 2008, an integrated service delivery system for individuals with co-occurring mental health and substance abuse disorders will be developed (Integrated treatment is a unified treatment approach for substance abuse and mental health disorders of a client).

Outcome: City and CBO staff will be cross-trained and adopt the philosophy of "One Person One Plan" as defined by the California Departments of Mental Health and Alcohol and Drugs.

Project Status: Progressing behind schedule

- Berkeley Mental Health Co-Occurring Disorders Consultant has held numerous group meetings and produced a draft strategic plan with Berkeley Mental Health and CBO's in order to transform the service delivery for clients with co-occurring disorders in Berkeley.

Berkeley's Rent Stabilization Ordinance and its Enforcement

Berkeley's Rent Stabilization Board continues to contract with community agencies to provide direct services that intervene on behalf of tenants to prevent needless evictions and counsel tenants on their rights in housing matters. These agencies are the Eviction Defense Center and the East Bay Community Law Center.

Continue contracting and partnering with non-profit community-based organizations to meet social services and affordable housing needs

Community-based non-profit organizations continue to be the backbone of Berkeley's affordable housing, continuum of care and social service delivery system. Some of Berkeley's agencies provide more than one kind of community service (e.g., affordable housing, child care, food, homeless or support services). This inventory suggests that Berkeley remains well-served by community agencies providing services that address the City's Consolidated Plan and Annual Action Plan goals and priorities:

- 8 disabled services agencies
- 2 Community Housing Development Organizations and 2 other affordable housing providers
- 18 homeless service providers
- 4 agencies whose missions include activities to further fair and accessible housing
- 29 other social service agencies (including health, meal programs, life skills, , etc.); and
- 7 affordable child care providers.

IV. Performance and Evaluation Report for Program Year 2008

A. Affirmatively Furthering Fair and Accessible Housing

Impediments to Fair Housing continued to be similar to those in previous years. The high cost of rental and for-sale housing makes it increasingly difficult for low-income people, who are disproportionately part of the “protected classes” under anti-discrimination regulations, to live in Berkeley. One continuing area of concern is the disparate impact of the mortgage crisis. Although data for Berkeley are not available, national evidence indicates that people with low incomes and people of color are disproportionately affected by predatory lending practices, subprime mortgage lending, and refinancing scams. The impact of the mortgage crisis and efficacy of the state and federal response will probably not be entirely clear for years to come. A summary of the principal impediments identified and actions taken to address impediments follows.

Continuing discrimination based on race and other protected classes

Housing Rights, Inc. (HRI) serves both Berkeley and Oakland with services promoting fair access, providing housing dispute mediation, outreach and prevention activities, and investigating housing discrimination complaints. In PY 2008, HRI received 39 disability complaints, 16 requests for reasonable accommodation, 3 family status complaints, 3 race-related complaints, and 26 cases related to foreclosures.

The City of Berkeley Rent Stabilization Board continues to contract with the East Bay Community Law Center (EBCLC) to provide low- or no-cost legal services to Berkeley and Oakland’s low-income communities, and legal advocacy in the areas of housing, benefits access, and HIV-related issues. Berkeley no longer uses CDBG or other federal funds for this service.

Lack of housing affordability and the loss of low and moderate income housing

The City Council continues to fund the Housing Trust Fund (HTF) for creation of below market housing. Efforts addressing housing affordability through production and acquisition of permanently affordable units are described in Section IV, Affordable Housing, above. The City is revising its condominium conversion ordinance which can yield mitigation fee revenue for the Housing Trust Fund, although it has not yet proven to be a significant source of income.

During PY 2008, the City continued to operate its Housing Retention Program, which provides grants that allow individuals and families to pay overdue rent to maintain their housing. A collaborative of eight Berkeley based agencies, including three City programs administers the program. The collaborative includes City of Berkeley’s Aging Services Division; Family, Youth and Children Mental Health Services, and Public Nurse services as well as community-based agencies that provide medical, legal, employment, and health services. Agencies conduct intakes, assess eligibility and approve

applications based on eligibility criteria, which include having verifiable income showing ability to pay future rent and expenses and a notice of eviction. If approved, an agency contracted by the City to provide fiscal agent services issues a check in the amount of owed rent to the landlord within 3 business days. Participating community agencies include Women's Daytime Drop-in Center, LifeLong Medical Services, Toolworks, East Bay Community Law Center, and Rubicon Berkeley Services.

Lack of sufficient disabled accessible or adaptable housing

CIL works in tandem with HRI, Inc. to inform the public about anti-discrimination laws (including fair housing laws) protecting those who are disabled. CIL, Rebuilding Together, CESC, University Student Housing Co-op, and Bonita House were all funded by the City to undertake projects to increase housing accessibility.

The Center for Independent Living has also long been a leader in the Berkeley community promoting accessible housing. CIL contracts with the City of Berkeley to operate its Residential Access for the Disabled Program, which provided new ramps and lifts during Program Year 2008 at homes of disabled individuals in Berkeley using CDBG funds. CIL installed 8 ramps and lifts and completed 29 interior modifications.

High rent to income ratios

Supplemental Security Income (SSI) is an important source of income for people living with a disability. Because the application process is complex and lengthy, the City funds the Homeless Action Center to provide benefits advocacy for homeless people. In PY 2008, through PCEI, the City continued HAC's funding to provide this service. Unfortunately, even receiving SSI will not guarantee that a person with a disability can obtain housing in Berkeley, particularly since the California SSI payment standard decreased several times in 2009 as the State of California attempted to address its budget crisis. The median market rent in Berkeley had increased to \$865 per month by the end of 2008, while the total SSI monthly payment amount was reduced to \$870 per month in May 2009 (and went to \$850 per month in July 2009).

The City continues to implement its Living Wage Ordinance which assists low-income employees of organizations receiving City of Berkeley funding or renting space from the City. The City funds the Homeless Action Center to assist those eligible to get SSI or other benefits to which they are entitled. The Rent Board monitors to ensure that owners charge only legal rents.

Possible displacement from demolition of affordable housing

There was no City-assisted demolition of affordable units in PY 2008.

High unemployment among minority population

In an effort to address high unemployment among older youth/young adults with multiple barriers to employment, the City works closely with community agencies and youth advocates to maximize existing youth-serving programs. New Community Services Block Grant (CSBG) funding from the State of California through the American

Recovery and Reinvestment Act of 2009 enabled the City to create a new limited term employment training program focusing on residents of South and West Berkeley. A fuller description of the program is contained in the “Other Actions” section below. The City of Berkeley also contracts with Richmond Build to provide pre-apprenticeship services to older youth. The Richmond Build trades training program reflects the city’s commitment to training in the high growth sector of green energy, the training includes a photovoltaic installation component.

Also, Berkeley’s Neighborhood Services Program, through the Office of the City Manager, assisted South and West Berkeley merchants and residents with neighborhood clean-ups and abatement of blighted properties, with the goal of reducing property value impacts and creating a more welcoming environment to customers Neighborhood Services works closely with all City departments to address overall quality of life issues in low-income neighborhoods.

B. Affordable Housing

This section summarizes the City’s efforts to provide affordable housing through the following strategies:

- Housing action funded by CDBG in PY 2008
- Berkeley Housing Trust Fund
- Senior and disabled home rehabilitation loan program
- Berkeley Housing Authority performance in PY 2008
- Berkeley’s Rent Stabilization Ordinance and Its Enforcement

Housing Actions Funded by CDBG, Program Year 2008

Table 12 lists housing activities funded by CDBG in PY 2008 and the outcomes of those activities. The Housing & Community Services Department allocated about \$1.9 million to housing activities during PY 2008, of which 69 percent was allocated to the Berkeley Housing & Community Services Department for delivery of various housing rehabilitation programs, relocation services, and loan repayments (to and by the City).

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Table 12: City of Berkeley CDBG Housing Activities, Program Year 2008					
Agency	Description	PY 2008 Funding	Objective	Outcome	Performance
Center for Independent Living	Residential Access Program for the Disabled	\$142,675	Provide decent affordable housing	Availability/ Accessibility	CIL provided 29 interior/ exterior modifications to increase safety for people with disabilities, including seniors. Improvements included grab bars, flexible shower hoses and handrails. CIL also installed 8 wheelchair ramps and lifts.
Community Energy Services Corporation, Inc.	Home Safety & Repair Program	\$319,199	Provide decent affordable housing	Sustainability	CESC served 264 households with major and minor home repairs. \$18,171 remained unspent as of 6/30/2009. These funds will be recaptured.
Rebuilding Together	Safe Homes Project	\$88,393	Create suitable living environments	Sustainability	18 homes received repairs. Improvements included rebuilding unsafe stairways and railings, providing drainage repairs, and weatherization measures.
Resources for Community Development	Project Management of Erna P. Harris Court	\$57,784	Provide decent affordable housing	Availability/ Accessibility	Resources for Community Development staff continued work on the Rehab Management of Erna P. Harris Court.
City of Berkeley Housing & Community Services Department	Housing Development – Multifamily Rehab	\$107,387	Provide decent affordable housing	Affordability	Housing and Community Services Department staff continued work on various multi-family rehab projects.
	Housing Trust Fund	\$404,250	Provide decent affordable housing	Affordability	Allocation held over into PY2009 for the next Housing Trust Fund round.
	Single Family Housing Rehab (Seniors & Disabled)	\$243,882	Create suitable living environments	Sustainability	Rehabilitation of 2 senior/ disabled households completed
	Loan Servicing	\$108,238	Create suitable living environments	Sustainability	Staff provided loan servicing for 105 existing loans.

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Table 12: City of Berkeley CDBG Housing Activities, Program Year 2008					
Agency	Description	PY 2008 Funding	Objective	Outcome	Performance
	Relocation Services	\$96,620	Create suitable living environments	Availability/ Accessibility	Relocation staff provided relocation information to 74 tenants and 6 property owners, during PY 2008. An additional 3 tenants facing eviction or at risk were also served. Consultation was provided to Oregon Park Apartments, 60-units of senior housing. Coordination with the Fire Department continued for tenants (3) displaced by fires.
	Super Weatherization	\$289,816	Create suitable living environments	Sustainability	Performed minor home repairs for 62 low-income owner and renter households in Berkeley.
	Public Housing Improvements (on behalf of Berkeley Housing Authority)	\$120,000	Objective/ Outcome Not Necessary	Planning/ Admin Activity	Annual repayment of Section 108 loan guarantee to HUD.
Total Allocations, PY 2008		\$1,978,244			

Source: IDIS, Report C04PR03; City of Berkeley Housing & Community Services Department.

A summary of beneficiaries of CDBG program activities is provided in Section IV. A. above.

Berkeley Housing Trust Fund

No Housing Trust Funds were allocated in PY 2008. A major activity of the Housing Trust Fund staff in PY 2008 was revising the Housing Trust Fund guidelines in preparation for the release of a Request for Proposals. After more than five years of working with the current Guidelines, Housing Department staff identified a number of areas where the Guidelines were unclear. In addition, as the State's affordable housing financing program guidelines have changed over time, the City's HTF Guidelines are increasingly at odds with the requirements of other funders', who often participate at higher funding levels than the amount provided by the HTF loan.

The HAC's HTF Subcommittee, consisting of members of the Housing Advisory Commission, members of the City Manager's Advisory Task Force, and Paul Church, Secretary to the Commission on Disability and the City's Disability Services Specialist, met with Housing staff for a series of 11 study sessions between June and December 2008 to review the current Guidelines and to consider revisions.

Committee members received and reviewed papers on the following topics:

1. Incorporating Energy and Sustainable Development into HTF Guidelines
2. Capitalized Operating Reserve
3. Evaluation of the HTF Application Process
4. Predevelopment Loans
5. Developer Experience and Capacity
6. Restructuring Debt
7. Project Consideration/Funding Criteria

Although the joint committee proposed a number of format and editorial changes to the Guidelines in the interest of clarity, the major programmatic changes include the following:

- An increase in the maximum predevelopment loan amount from \$25,000 to \$50,000 per loan;
- A reduction in the interest rate from 6% to 3% for consistency with other current affordable housing development programs and practices;
- An extension of the standard development loan term from 30 to 55 years and the term of predevelopment loans to 5 years in order to make the Guidelines more consistent and compatible with current affordable housing programs and practices, and
- The inclusion of a requirement that applicants provide evidence of recent experience in the development and management of projects similar to the one for which they are requesting funding.

The City Council approved revised guidelines on April 21, 2009. A Request for Proposals was issued shortly thereafter, with applications due on May 22, 2009. Staff and commission reviews had begun by the end of PY 2008.

One previously funded project, 3132-38 Martin Luther King, Jr. Way (Prince Hall Arms, 41 affordable units) has not yet begun construction. In PY 2008, the City worked with the Prince Hall Arms developer/owner (PHAI) and a nonprofit affordable housing developer on development structure in preparation for submitting for the construction and permanent financing of the development and in preparation for an application to the California Tax Credit Allocation Committee for an award of low income housing tax credits. In the spring, the City and proposed nonprofit housing development partner became aware of a lawsuit between the Los Angeles-based PHAI parent corporation and the local PHAI group with whom the City was working. The nature of the lawsuit is a dispute over the ownership of the development site.

Seniors and Disabled Home Rehabilitation Loan Program (SDHRLP)

The City of Berkeley Housing & Community Services Department operates this program. The City provides loans to fund home rehabilitation to improve accessibility and health and safety, and a City staff person provides project management services to complete the rehabilitation. The Berkeley City Council adopted new guidelines for the program in October 2007 to increase the program's consistency across funding sources and minimize project delays.

The need for the SDHRLP is apparent as Berkeley's population continues to age. In order for many low-income seniors and disabled homeowners to age in place at home, their homes must be restored to meet Housing Code, upgraded, or modified as needed for continuing accessibility. Since homes are owned outright in many cases, allowing the owner to remain in the home provides them with ongoing affordable housing.

Berkeley Housing Authority Performance in PY 2008

Established on December 20, 1966, the Berkeley Housing Authority administers approximately 1,939 subsidized rental-housing units through the Section 8 Housing Choice Voucher program and the Moderate Rehabilitation SRO program. The Section 8 Voucher budget is about \$23.2 million. The Berkeley Housing Authority also owns and manages 75 units of public housing. The Housing Authority provides this assistance without regard to race, ethnicity, gender, sexual orientation, or disability status.

It is the mission of the Berkeley Housing Authority to:

- Enable our clients to become self-sufficient and economically independent through delivery of housing assistance and other related services.
- Enable elderly and disabled people to achieve economic independence and self-sufficiency, and to live independently within their economic resources.
- Encourage short-term reliance on housing assistance for able-bodied family members by promoting economic independence and self-sufficiency, participation in education, training or job development activities designed to lead to self-sufficiency in return for the housing assistance; and
- Require personal responsibility for the economic consequences of family decisions.

During PY 2008, the Berkeley Housing Authority:

- Processed more than 400 applications from the Section 8 Housing Choice Voucher Wait List.
- Completed initial leasing of Oxford Plaza, 39 units of newly constructed, affordable housing with project-based Section 8.
- Completed a Corrective Action Plan (CAP) addressing long-standing deficiencies in the Section 8 Program cited by HUD.

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- Implemented a customer information program, including periodic newsletters to all program participants, and outreach to all Berkeley landlords.
- Certified to Standard performer under HUD's Section Eight Management Assessment Program (SEMAP).
- Achieved and maintained 95% (or better) reporting under HUD's reporting system for the entire program year.
- Completed a Physical Needs Assessment of all 75 units of BHA owned rental units.
- Issued notice to property owners to apply for new awards of Section 8 Project Based Vouchers.

The Berkeley Housing Authority (BHA) was formerly operated as a division of the City's Housing Department. Since FY 2008, BHA has been a separate entity. The City has continued to fund BHA directly and provide in-kind services to assist BHA in its transition to an independent, high-functioning agency. The City contributed General Funds to the Berkeley Housing Authority in the amount of \$351,543 in FY 2008 (PY 2007), \$439,778 in FY 2009 (PY 2008), and \$300,000 for FY 2010 (PY 2009). In-kind services include payroll and human resources functions.

Berkeley's Rent Stabilization Ordinance and Its Enforcement

Berkeley's Rent Stabilization Board continues to contract with two community agencies to provide direct services that intervene on behalf of tenants to prevent needless evictions and counsel tenants on their rights in housing matters. These agencies include the Eviction Defense Center and the East Bay Community Law Center.

C. Berkeley's Homeless Continuum of Care

The Berkeley City Council continued its commitment to assisting people who are homeless during PY 2008. The proposed activities/goals to assist those who were homeless or to reduce homelessness were generally successfully met as was the City's participation in the implementation of the Everyone Home, the countywide plan to end homelessness. Many of these activities were carried out through the Berkeley Housing & Community Services Department's Homelessness Prevention and Services Planning activity.

Changing Homelessness Policy Frameworks

Everyone Home, the Alameda County Homeless and Special Needs Housing Plan. In May 2006, the Berkeley City Council approved Resolution No. 63,301-N.S., adopting Everyone Home, the Alameda County-wide Homeless and Special Needs Housing Plan and directing the City Manager to use it as a guide for allocation of available resources within programs assisting those who are homeless or living with serious mental illness and/or HIV/AIDS. In adopting the Plan, Berkeley committed to a specific related action plan with five major goals:

- End homelessness by avoiding it in the first place, by making appropriate services accessible when needed.
- Increase housing opportunities for targeted populations.
- Deliver flexible services to support stability and independence.
- Measure success and report outcomes.
- Develop long-term leadership and build political will.

Berkeley stands to benefit from implementation of Everyone Home because the needs of chronically homeless people, the majority of Berkeley's homeless population, are significantly prioritized in the Plan. The Plan's adoption will position Berkeley and Alameda County to garner additional resources for supportive housing and services not previously available in the years ahead. At the time of adoption, the City Council approved an Action Plan consisting of 13 related strategies to increase the financial and administrative resources necessary to implement Everyone Home and to target existing resources toward plan implementation. The City has made significant strides in implementing these initial strategies.

In addition to the Mental Health Services Act outlined elsewhere in this report, actions undertaken in the previous year to support Everyone Home goals include (by goal):

(1) Prevent Homelessness and Other Housing Crises

- Sustained previous funding increases for benefits advocacy services provided by the Homeless Action Center, and youth shelter provided by YEAH!
- City staff worked with project sponsors on a proposed permanent supportive housing project for transition age youth and participated in application for Alameda County Mental Health Services Act funding.
- Continued operation of the Housing Retention Program, launched in PY 2007.

(2) Increase Housing Opportunities for Targeted Population

- Fully leased the Shelter Plus Care COACH grant for chronically homeless adults.
- Continued operation of the PCEI Square One supportive housing program.

(3) Deliver Flexible Services to Support Stability and Independence

- Began implementation of the System Change initiative, designed to support community agencies in increasing the housing placement and retention outcomes of homeless services

(4) Measure Success and Report Outcomes

- The community agency funding allocation process for FY09-10, conducted during the program year, emphasized supportive housing outcomes in allocating funds, combined with an overall increase in funding.
- City staff, community based organizations, and volunteers participated in the countywide homeless count conducted on January 26, 2009.
- Reached an agreement with Alameda County Housing and Community Development, the City of Oakland, Alameda County Behavioral Health Care Services, and Alameda County Social Services Agency to collaborate on the component of the system change initiative addressing outcomes. With the participation of community based organizations and Everyone Home, selected consultants who will in PY 2009 develop a set of outcomes that participating funders will use in their contracts with community agencies for homeless services.

(5) Develop Long Term Leadership and Political Will

- City staff participate in the Everyone Home Leadership Group, an operations board, and in Everyone Home's working committees to support implementation of the plan.
- In PY 2007, Berkeley Mayor Tom Bates joined Everyone Home's Champions group, a newly formed, high level leadership group supporting implementation of the plan.

Systems Change Initiative

Implementing the Everyone Home Plan and ending homelessness in Alameda County will require re-focusing on housing placement and housing retention. Eventually this approach can result in a need for fewer emergency services, such as shelter and food, but these needs persist while agencies seek to change. Since resources remain relatively static, increasing with stimulus funding but decreasing in private donations, the changes are taking place without new funding. To support the implementation of Everyone Home, in late PY 2007 the City began its System Change Initiative. With \$50,000 in City General Funds, the initiative included four key components:

- A full-day retreat with community agency leadership to discuss and plan for system change
- Individual technical assistance for community agencies in shifting focus
- The development of a more uniform set of housing outcomes to be used in homeless program contracts
- Tools for use in the Request for Proposals to link outcomes with investments

During PY 2008, the City completed a Request for Proposals process to hire consultants to work on the System Change initiative. The proposal review panel

included City staff, community agency representation, and staff from Everyone Home. With consultant facilitation, the community based organizations met 4 times—for a full day retreat on October 24, 2009, and for follow up meetings on December 5, March 19, and June 4, 2009—to discuss the evolution of the system of care. Initially the retreat was the only system-wide meeting anticipated, but community agencies expressed a desire to meet together to discuss a variety of topics. At the June meeting on housing services, community agency representatives expressed an interest in further discussion of centralizing certain housing services functions. To allow for more facilitated discussion, the City expanded the consultant's contract by \$5,000 in General Funds. Taskforce meetings will continue through December 2009.

In addition to system-wide taskforce meetings, at least fourteen community agencies have also participated in individual organizational technical assistance. Topics for technical assistance include re-evaluating shelter rules with a goal of maximizing permanent housing outcomes, consumer engagement, housing assessment and case planning, and staffing housing services. Technical assistance will be completed and a report issued to the City by December 2009.

Counting the Homeless Population of Alameda County

The Everyone Home Plan and Berkeley's implementation have been substantially informed by the results of the Alameda countywide homeless count conducted in 2003. That count confirmed for the first time what had only been suspected—that Berkeley's homeless population was disproportionately composed of single adults, mainly men, who had been homeless for a long time and had one or more disabilities (the chronically homeless). Specifically, the survey found:

- Berkeley had 836 homeless people in any given week—13% of the County's overall homeless population, although Berkeley has 9% of the County's overall population (2000).
- 64% (529 people) of homeless people in Berkeley met HUD's definition of chronically homeless—a single adult with a disability, homeless for one year consecutively or 4 or more times in 3 years.
- Berkeley's homeless were mostly single adults (86%), compared to 50% in mid-, south- and east-County, or 57% in Oakland.
- Berkeley's homeless were mainly male (80%), compared to 50% in other parts of the county.
- 50% of Berkeley's homeless were between the ages of 35 and 44. Just 6% were children and 12% seniors aged 55 and older.
- Berkeley's homeless service participants were twice as likely to suffer from mental illness as homeless service users in other parts of the County.

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Subsequently, the City has implemented a number of measures targeted toward permanently ending homelessness for chronically homeless adults. These strategies are described through this CAPER, and including, in summary:

- Creating new supportive housing opportunities for chronically homeless adults by combining the resources of Public Commons for Everyone Initiative's Square One Program; new Shelter Plus Care funding for permanent housing subsidies, awarded to the City through a competitive process; and new California Mental Health Services Act funding for permanent housing subsidies combined with intensive mental health services.
- Re-orienting supportive services, emergency shelter, and transitional housing programs to emphasize a move to permanent housing through agencies such as Building Opportunities for Self Sufficiency and The Berkeley Food and Housing Project, as well as the City's own mental health and aging services. This includes priorities adopted for the competitive funding process, monitoring activities, and the System Change Initiative described elsewhere in this report.
- Increasing funding for programs that help people access income and benefits. For example, since Everyone Home was adopted, City funding more than tripled for services at the Homeless Action Center that help disabled adults access *Supplemental Security Income (SSI)* for housing support and medical and mental health treatment.
- Investing in community agency programs that help chronically homeless adults stay housed, such as services delivered in supportive housing.

On January 27, 2009, City of Berkeley staff members, community based organization staff, and volunteers participated in Homeless Count activities as part of the Alameda County-wide homeless count. Staff was stationed throughout the day at various program sites in Berkeley, including meal programs, drop-in centers and locations where homeless people, particularly transition aged youth, congregate.

At this point, only preliminary data from the 2009 count has been released. However, based on the data available, it appears that the focus on reducing homelessness in chronically homeless adults has yielded significant results, even though the recession is driving up other types of homelessness, specifically homelessness in families and hidden homelessness. Single adults remain the largest portion of Berkeley's homeless population. Specific changes from the 2003 to 2009 homeless counts are:

- The number of chronically homeless people decreased dramatically from 529 in 2003 to 276 in 2009, or by 253 adults. Berkeley's share of the countywide chronically homeless population has decreased from 41% in 2003 to 27% in 2009.
- People who are residing on the streets, places not meant for human habitation, in shelters or in transitional housing programs (the "literally homeless") decreased by 17% since 2003, from 821 to 680. (The chronically homeless are a subset of

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the literally homeless population.) The decrease was mainly among adults with no dependents, by 28% from 727 to 526, while individuals in families increased from 94 to 125, or one-third.

- Since 2003, the number of Berkeley's hidden homeless (living temporarily with a friend or relative, in a motel, or facing eviction within seven days) has increased from 14 to 144 people (equal to 10 times). In Berkeley, the hidden homeless constitute a much smaller proportion of all homeless (17%) than countywide (41%).

The survey found that Berkeley has 824 homeless people homeless in any given week. This includes 680 literally homeless people (People who are residing on the streets, places not meant for human habitation, in shelters or in transitional housing programs) and 144 hidden homeless people (living temporarily with a friend or relative, in a motel, or facing eviction within seven days).

The preliminary data show:

- Berkeley's total homeless population represents 11% of the County's homeless population, while Berkeley has 9% of the County's overall population (2000). Berkeley has a greater share of chronically homeless adults (27%) and literally homeless people (16%) and a lower share of the hidden homeless (5%) than averages would predict.
- Berkeley's homeless are mostly adults in households with no children (79%), while adults with no children make up only 51% of the homeless population countywide.
- 33% (276 people) of homeless people in Berkeley met HUD's definition of chronically homeless—a single adult with a disability, homeless for one year consecutively or 4 or more times in 3 years.
- 38% of Berkeley's homeless have a serious mental illness, compared to 17% countywide.
- 38% of Berkeley's homeless have chronic substance abuse, compared to 27% of Alameda County's homeless population.
- 18% of Berkeley's homeless population are veterans, compared to 12% countywide.

Statistical consultants are still working with the data, and a detailed report is expected in fall 2009. Additional data will address housing, disability, age, income, family status, race and gender. When that information is available, the City will conduct a more detailed comparison and analysis of changes since the last homeless count with city-level data (2003). The City will continue to use data to inform and adapt its priorities to address the needs of the community.

Mental Health Services Act Planning and Implementation. In November 2004, California voters passed Proposition 63, the Mental Health Services Act (MHSA), which aimed to transform California's mental health system to a "wellness and recovery model," which is based on the idea that people living with a mental illness can recover, experience measurable improvements in their quality of life, and participate positively in their family and community. Throughout California, counties are responsible for the provision of mental health services. Berkeley is one of just two California cities that is authorized as a mental health jurisdiction. Berkeley Mental Health conducted an extensive community-based planning process, starting in the last quarter of PY 2004, to develop its Community Services and Supports (CSS) Plan. The state approved Berkeley's CSS Plan in June 2006, funding it at over \$1 million annually for the first three years.

A centerpiece of all MHSA CSS programs are "Full Service Partnerships" (FSPs), intensive services programs linked to housing resources and targeted to specific unserved and underserved populations with serious mental illness or serious emotional disturbance. Both Berkeley's and Alameda County's MHSA plans targeted their FSPs to serve individuals who are also homeless or at risk of homelessness. BMH's CSS Plan created a new FSP for 18 homeless adults, including targeted numbers of adults, older adults, and transition age youth (16-25). BMH began enrolling FSP participants in spring 2007. The FSP includes funding to support housing for participants. In PY 2007, MHSA housing resources were used primarily for short-term hotel stays as well as residential alcohol and other drug treatment programs. Berkeley's MHSA plan also included contracting with a community agency for more services for transition age youth, adding an employment specialist, hiring peer counselors, and increasing capacity for culturally competent services to Asian, Latino, and African-American communities. All of these activities were well underway in PY 2008.

BMH also contracted to provide an FSP targeting 20 transition age youth under Alameda County's MHSA program. This program is called the Transition Age Youth Transition to Independence Process, or TAY TIP. Transition age youth were identified as a seriously underserved population in both Berkeley and Alameda County's MHSA planning processes, as well as in the Alameda Countywide Homeless and Special Needs Housing Plan, and providing the needed support services and housing to this age group will be an important strategy in ending homelessness. Some funding for housing subsidies is also available in this contract.

In PY 2006, BMH established a Housing Trust Fund using \$300,000 of MHSA funds and in PY 2007 identified another \$200,000 in MHSA funds that could potentially be used for housing development, subject to applicable approvals. At the end of PY 2007, the City issued a Request for Proposals for this funding to be used in developing affordable housing for people with serious mental illness. Due to activities in PY 2008, City Council approved a funding recommendation in July 2009 for \$500,000 for Affordable Housing Associates' Harmon Gardens development.

In PY 2006, BMH also received notice that the state MHPA Housing Program includes a set-aside of nearly \$1.3 million for new housing development projects linked with BMH services, for applications submitted to the California Housing Finance Agency (CalHFA) between July 2007 and December 2009. Alameda County Behavioral Health Care Services (BHCS) has access to a set-aside of about \$14 million in this program. As a result of the priority placed on countywide coordination in Everyone Home, the Alameda countywide plan to end homelessness, BMH and BHCS in 2007 established a joint committee, with membership representing people with serious mental illness and their family members as well as mental health service providers countywide, to comment on proposals prior to submission to CalHFA. Due to activities in PY 2008, in August 2009, CalHFA made a conditional commitment of funds for the first project application submitted by the City of Berkeley, for Harmon Gardens.

BMH will continue to plan for and implement use of MHPA funds in categories established by the state, including education and training, capital facilities and technology, and prevention and early intervention.

Continuum of Care Council Collaboration. In 2007, the Alameda County Continuum of Care dissolved itself to allow Everyone Home to take over many of its functions. This was the result of an organizational analysis and strategic planning process with the goal of identifying the best option to support implementation of Everyone Home, the Alameda countywide plan to end homelessness. As described above, Berkeley staff provides ongoing leadership to and participation in Everyone Home, in participating in the Leadership Board and on its committees. In addition to staff time, the City contributes \$15,545 to help staff related activities on a countywide basis.

Through the coordination of Everyone Home, the City of Berkeley and many of its community agencies successfully applied for the federal Supportive Housing Program (SHP) and received \$22 million to support 59 housing and services programs in Alameda County, many of them in Berkeley (see below). These funds leverage additional funds for homeless services, and are discussed below in the section on Leveraging Resources.

Everyone Home's Continuum of Care priority activities in PY 2008 included:

- Coordination of the countywide Homeless Count in January 2009
- Coordinating countywide approach to Neighborhood Stabilization Program (NSP) funds, particularly for use with supportive housing
- Coordinating planning for the use of American Reinvestment and Recovery Act (ARRA) Homeless Prevention and Rapid Rehousing Program (HPRP) funds between multiple jurisdictions in Alameda County
- Continued implementation of a Homeless Management Information System

(HMIS). The City of Berkeley's Shelter Plus Care Program and six community agencies are now entering data into the system. Our goal in the next few years is to increase our ability to use HMIS to increase programmatic coordination and to provide reliable data about individuals and families who use our services and housing.

- Continued evolution of a community-appropriate response to the Federal Government's increased focus on the chronic homeless population.

Supportive Housing Activities

Shelter Plus Care. *Table 13* presents the five Shelter Plus Care Program grants the City of Berkeley has received and operates, amounting to more than \$2.6 million in annual housing subsidy payments for program participants. Clients are formerly homeless individuals with one or more disabilities who also receive linked supportive services through community based organizations. Program grants were planned to cover 182 units' worth of subsidies.

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Table 13:
City of Berkeley Shelter Plus Care Grant History

Grant	Begin Date	End Date	Award	Grant Units
Tenant-Based Rental Assistance	7/1/1995	5/23/2002	\$5,069,880	129
	5/24/2002	5/23/2003	\$1,372,000	129
	5/24/2003	5/23/2004	\$1,745,160	129
	5/24/2004	5/23/2005	\$1,909,116	129
	5/24/2005	5/23/2006	\$1,909,116	129
	5/24/2006	5/23/2007	\$1,954,452	129
	5/24/2007	5/23/2008	\$1,985,736	129
	5/24/2008	5/23/2009	\$1,936,656	129
	5/24/2009	5/23/2010	\$1,814,400	129
Sponsor-Based Rental Assistance Bonita House Pathways Project	6/20/2000	5/31/2006	\$308,280	7
	6/1/2006	5/31/2007	\$115,068	11
	6/1/2007	5/31/2008	\$112,908	11
	6/1/2008	5/31/2009	\$116,244	11
	6/1/2009	5/31/2010	\$114,468	11
Sponsor-Based Rental Assistance Resources for Community Development	5/28/2003	5/27/2008	\$312,840	6
	5/28/2008	5/27/2009	\$119,628	12
	5/27/2009	5/28/2010	\$117,648	12
Tenant-Based Rental Assistance, COACH	12/14/2005	12/13/2010	\$1,426,320	21
Tenant-Based Rental Assistance Subcontract with Alameda County Alameda County Collaborative	2/1/2004	1/31/2005	\$218,088	15
	2/1/2005	1/31/2006	\$218,652	15
	2/1/2006	2/28/2007	\$218,652	15
	3/1/2007	2/29/2008	\$216,394	15
	3/1/2008	2/28/2009	\$216,894	15
	3/1/2009	2/28/2010	\$225,932	15

Note: Shelter Plus Care grant funds are initially awarded in a 5-year contract, and subsequently renewed on an annual basis.

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During PY 2008, the Shelter Plus Care Program provided housing for a total of 261 households (219 single adults and 42 families). Housing outcomes are available for the 28 households who exited the program during this period.

- Of the total 28 households who exited the program, 24 or 86% retained their housing for at least one year; 19 or 68% retained their housing for at least 2 years.
- Of the 28 households exiting the program: 14 (50%) exited to other stable housing; 4 died; 3 were in a psychiatric hospital; 1 entered residential drug and alcohol treatment; 1 entered in nursing home; 1 was in jail; 2 were homelessness, and 2 disappeared and their whereabouts unknown.

Table 14 provides more information on Shelter Plus Care grant capacity and outcomes, by grant.

Table 14: Shelter Plus Care Program Indicators of Participation, Capacity, and Housing Retention After One Year, PY 2008					
Indicators	City of Berkeley TBRA #1	AIDS Collaborative	Pathways - Bonita House	Supportive Housing Network - RCD	COACH
New Participants					
Single Adults	14	1	7	1	3
Families	5	0	N/A	N/A	N/A
Program Capacity					
Total Households Served	175	19	25	13	29
Capacity Rate	120%	120%	136%	108%	124%
Program Outcomes					
Total Number Households Exiting Program	16	1	5	2	4
Of Exits, Number Who Moved Into Other Permanent Housing	7 (43%)	1 (100%)	3 (100%)	2 (100%)	1 (25%)
Of Exits, Number Retained Housing > 1 Year	13 (81%)	1 (100%)	5 (100%)	2 (100%)	3 (75%)
Of Exits, Number Retained Housing > 2 Years	11 (69%)	1 (100%)	3 (60%)	2 (100%)	2 (50%)
Source: City of Berkeley Housing Department, Shelter Plus Care Program Annual Progress Reports.					

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Supportive Housing Program Grant Awards, PY 2008. Berkeley agencies continue to compete successfully for Supportive Housing Program Grants from the U.S. Department of Housing and Urban Development (HUD) in PY 2008. *Table 15* lists supportive housing and support services programs that received more than \$5.8 million in funding from HUD in the most recent funding cycle, in addition to the \$2.6 million in Shelter Plus Care grant funds received through the Continuum of Care process, as described above. Berkeley-based programs received more than \$2 million in direct funding. HUD also awarded \$3.7 million to programs that benefit people who are homeless in Berkeley as well as in other parts of Alameda County (particularly Oakland).

Berkeley's supportive services and housing programs obtain in-kind and money matches that leverage HUD's grant awards through SHP. *Table 15* lists Supportive Housing Program awards.

Table 15: Supportive Housing Program Awards to the City of Berkeley and Berkeley Community Agencies, Program Year 2008	
Program	Funding
Bonita House - Channing Way Apartments	\$33,080
BFHP - Russell Street Residence	253,627
AHA - Peter Babcock House	36,665
RCD - Regent House	75,528
BFHP - Transitional House	242,217
BFHP - North County Women's Center	141,019
BOSS - McKinley Family Transitional House	74,500
RCD - Ashby House	55,392
BOSS - Harrison House Family Services	114,997
Rubicon Berkeley Services	1,018,766
Total	\$2,045,791
Other Awards that serve Berkeley and other communities:	
Program	Funding
InHOUSE (HMIS) - County-wide	\$384,582
BOSS - Self-Sufficiency Project	\$736,155
COB Shelter Plus Care Programs	2,674,686
Total of Other Awards serving Berkeley and other communities	\$3,795,423

Source: Alameda County Department of Housing and Community Development.

Special Needs Programs: People with a Serious Mental Illness

Mental Health Services for Transition Age Youth. Early in PY 2007, the City Council adopted a revenue agreement with Alameda County Behavioral Health Care Services Agency (BHCS) to enable the Berkeley Mental Health Division of the Health and Human Services Department to provide clinical outpatient mental health services to transition-age youth using \$1,391,749 coming from throughout Alameda County over a three-year period. This contract represents a significant expansion of Berkeley Mental Health's capacity to assess and address the outpatient clinical needs of transition-aged youth on a county-wide basis. The funds came from the County's allocation of California Mental Health Services Act funds.

Continuing Supportive Services at MLK House. MLK House, at 2942-44 Martin Luther King, Jr. Way in south Berkeley, houses a number of Shelter Plus Care Program tenants. The property is owned by Resources for Community Development (RCD). In February 2008, the City Council authorized the City Manager to sign onto a memorandum of understanding with RCD, LifeLong Medical Care, Inc., and the John Stewart Company to coordinate roles in continuing provision of supportive services. The Berkeley Housing & Community Services Department expects that the MOU will ensure that organizational roles are institutionalized and remain clear even when individuals involved change in the future.

Berkeley Mental Health Housing Fund. The Berkeley City Council adopted Resolution No. 63,931-N.S. on December 18, 2007, to guide policy for the City's use of Mental Health Services Act funds for affordable housing development that benefits transition age youth, adults, and older adults with severe emotional disturbance or serious mental illness. The adopted policy guided the City's subsequent issuance of a Request for Proposals in December 2007.

The Policy calls for MHSA funds to be used for new construction, acquisition, rehabilitation, and/or subsidized operation of permanent housing affordable by and targeted to people with serious mental illness who are homeless or at risk of homelessness. The funds will be provided in the form of a loan, as the City's Housing Trust Fund and other sources of affordable housing finance are, and limited to \$100,000 per unit set-aside for the target population. Any loan repayment funds will be available for local uses, subject to the Mental Health Services Act.

The City received one response to its December RFP, from Affordable Housing Associates, Inc., for a 16-unit project at 3240 Sacramento Street called Harmon Gardens. Due to activities in PY 2008, City Council approved funding for this development in July 2009.

Special Needs Programs: People who are not homeless

Senior and Disabled Home Improvement Loan Program. The Housing Department continues to administer a Senior and Disabled Home Rehabilitation Loan Program as an effort to preserve the City’s housing stock and to assist very low-income senior and disabled homeowners, funded by Community Development Block Grant (CDBG) and CalHOME. Regardless of the source, the applicants receive a zero interest loan, secured by a deed of trust on their home which is repaid when title to the property changes hands, normally as a result of the sale of the property or inheritance by the owner’s heirs. Under CalHOME and CDBG regulations, eligibility must be limited to low income households whose incomes do not exceed 80% of Area Median Income. The maximum loan amount under the CalHOME program is \$40,000. CDBG funds have no set maximum amount under federal regulations and may be coupled with a CalHOME funding. The City caps at \$70,000 the amount loaned to any one household, and has established a Hardship Committee with the authority to waive eligibility or loan limits upon review.

Homeowner participation may leverage additional resources through the Minor Home Repair Program, the City’s Weatherization Program, the Center for Independent Living, and Rebuilding Together (formerly Christmas in April). These partnerships allow resources to go farther and complete more repairs.

Accomplishments. The City received an award of \$600,000 in CalHOME funds in 2007 to be spent over three years. Currently, there is a balance of \$468,000 left in the fund to cover the remaining two years. Through this program, 18 units have been rehabilitated since the start of program year 2005), for which a cumulative total loan volume of \$917,715 was invested. This represents an average per unit investment of \$50,984. Details appear in *Table 16*.

**Table 16:
 Senior and Disabled Home
 Rehabilitation Loan Program
 PY 2005 – PY 2008**

Program Year	Number of Properties	Annual Loan Volume
2008	6	\$180,715
2007	6	\$192,000
2006	3	\$125,000
2005	3	\$420,000
Total	18	\$917,715

Source: City of Berkeley Housing Department, June 23, 2009

Center for Independent Living’s Housing/Residential Access Project. Berkeley continues to contract with the Center for Independent Living (CIL) to operate the Residential Access for Disabled Persons Program (RADP), which increases residential access for people with disabilities by providing minor interior and exterior modifications (such as grab bars, hand railings, bedrails, and widened doorways) as well as disabled access ramps, wheelchair lifts, and other disabled accessibility improvements at the homes of disabled Berkeley residents. This program is funded using Community Development Block Grant (CDBG funds).

CIL collaborates annually with Rebuilding Together (formerly Christmas in April), a volunteer-based organization coordinating volunteer teams in rehabilitation and maintenance of housing and community facilities in the East Bay, in the construction of disabled access ramps. Through such collaboration, the total cost of each ramp is reduced significantly, and construction expedited through team labor.

Past Accomplishments. In program years 2005 through 2008, the Center for Independent Living provided a total of 135 minor interior and exterior home rehabilitations as well as installing 44 ramps and lifts. *Table 17* presents the details.

**Table 17: Center for Independent Living
 Residential Access for the Disabled, PY 2005 – PY 2008**

Year	Interior/ exterior modifications	Ramps	Total Households
PY 2008	29	8	53
PY 2007	26	10	36
PY 2006	26	9	32
PY 2005	54	17	26
Total	135	44	147*

*A multiyear unduplicated client count is not available.

Rebuilding Together. Rebuilding Together is a national organization bringing volunteers and communities together to improve the homes and lives of low-income homeowners by providing free repair services for low-income homeowners. Rebuilding Together Albany-Berkeley-Emeryville is an independent nonprofit 501c3 organization that is part of a network of approximately 250 Rebuilding Together affiliates across the country. Utilizing volunteer labor, Rebuilding Together’s Safe Home Project makes health and safety improvements that allow families, seniors, and people with disabilities to remain safely at home. Rebuilding Together was formerly known as Christmas in April.

Past Accomplishments. From program years 2005 through 2008, Rebuilding Together repaired 73 homes using volunteer labor. *Table 18* shows outcomes by year.

**Table 18: Rebuilding Together
Safe Home Project, Units Repaired in
Program Years 2001 through 2008**

Program Year	Homes Repaired
PY 2008	18
PY 2007	18
PY 2006	19
PY 2005	18
Total	73

Special Needs Programs: Survivors of Domestic Violence

The City of Berkeley continued funding Family Violence Law Center (FVLC) and the Women’s Day-time Drop-in Center (WDDC) to provide drop-in services, legal counseling, and support for victims of domestic violence.

Family Violence Law Center (FVLC) received \$43,176 in ESG funds along with a contribution of \$13,049 from the City of Berkeley General Fund in FY 2008 for the operation of the Family Violence & Homelessness Prevention Project. The project provided civil legal services to 37 Berkeley residents, emergency housing services to 39 Berkeley residents, and crisis intervention and safety planning to 200 callers from Berkeley.

FVLC staffs a 24-hour telephone crisis line and runs an In-Court Attorney Assistance Project, providing immediate in-court advice and support for self-represented litigants at restraining order hearings. In addition, with Berkeley General Fund support of \$35,068, FVLC stations a domestic violence advocate at the Berkeley Police Department. FVLC’s advocate follows up on all domestic violence police reports by providing crisis intervention and safety planning to victims of domestic violence within the city of Berkeley, and partners with law enforcement to conduct trainings on topics related to domestic violence with cadets in the police academy and patrol officers in the field.

In PY 2008, WDDC received \$73,192 in CDBG public services funding to provide housing case management to their Drop-In Center clients. This program provides respite and meals to nearly 1,100 women and children annually, the vast majority of whom have extremely low incomes.

D. Anti-Poverty Programs

In PY 2008, the City of Berkeley continued funding community agencies working against poverty at approximately the same level as in previous years. The City subsidized—with both federal CDBG and local general funds—over 50 community agencies to support social services outlined in the ConPlan that help address the special needs of that population (e.g., child care centers, food programs, health services, and other services).

In addition to the general services that are available to assist poor households, the Latino community is also the focus of coordinated services between social services agencies and the City Health and Human Services Department. The Latino Families in Action Program is an educational and preventive health campaign to reduce the stigma of mental illness, and support Latino families in their social, emotional, physical, and spiritual problems. Funded with General Funds, this program provided free workshops (with free child care) in Spanish on such topics as anger management, couples communication, adjustment by parents and children to new culture and understanding youth. About 50-60 households were assisted.

Rubicon Program's Workforce Services continues to operate in Berkeley with local and federal funding, providing a variety of employment services designed to get participants out of poverty.

Public Services Projects Funded with CDBG

Table 19 presents a summary of public services projects funded with CDBG during PY 2008 by the City of Berkeley. These projects are intended to facilitate objectives of creating suitable living environments and achieve outcomes of providing availability and accessibility of services and housing to low and moderate income Berkeley residents and service users. The City allocated \$605,576 to seven projects in PY 2007, and these services reported providing over 13 moderate income, 135 low income, and over 2,032 extremely low income individual beneficiaries with services that address anti-poverty objectives for Berkeley, including providing employment training, housing case management, supportive services at special needs housing sites, shelter for homeless men, and fair housing services.

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Table 19: City of Berkeley CDBG Public Services Allocations, PY 2008

Agency and Program Activity	PY 2008 Funding	Total People Assisted by Income				Comments
		Low/Mod	Mod	Low	Extremely Low	
Asians for Job Opportunities in the Bay Area Employment, Training & Bilingual Social Services	\$145,282 \$108,961 recaptured	21	2	4	15	Asians for Job Opportunities in the Bay Area (AJOB) was awarded \$145,282 in CDBG funding to provide employment training, job placement, vocational ESL and other supportive services to Berkeley job seekers. In September 2008, AJOB cancelled their contract with the City of Berkeley, citing a decrease in leveraging for this program. The amount of \$108,961 left over from this contract was recaptured.
Berkeley Food & Housing Project; Men's Overnight Shelter	\$184,156	680	2	7	671	BFHP provides shelter and services to single men. Of 680 served in PY 2008, 29 men were placed in transitional housing, 47 moved into permanent housing, and 135 men improved their incomes.
Housing Rights, Inc.; Fair Housing Services	\$35,544	51	6	5	40	1 other person that was above low/mod income levels was also assisted. HRI received 26 mortgage default complaints and 27 tenant-landlord disputes.
Inter-City Services; Employment, Education, and Training	\$132,819	118	0	11	107	ICS provided services to 118 individuals in vocational training classes, GED preparation or ABE classes, and job placement assistance. Outcomes: 6 GED/ABE students passed the GED test battery. Twenty-nine clients found a job.
Resources for Community Development; Social Services at Special Needs Housing	\$10,000	66	0	4	62	RCD provides supportive services to residents in their affordable housing through a resident services coordinator at Mable Howard and Margaret Breland Apartments. In PY 2008 66 residents were provided with community building activities, referrals, a nutrition program, and supportive services, including money management, educational workshops on financial literacy, disaster preparedness, etc.

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Table 19: City of Berkeley CDBG Public Services Allocations, PY 2008

Agency and Program Activity	PY 2008 Funding	Total People Assisted by Income				Comments
		Low/Mod	Mod	Low	Extremely Low	
Women's Daytime Drop-in Center; Drop-in Services	\$24,583	948	5	61	882	WDDC provided respite, meals and nutrition education to 1066 women, and children, resulting in data on 948 of them. 215 participated in support groups including smoking cessation, women's health and HIV prevention, substance abuse prevention, mental health support, and domestic violence prevention. 27 clients obtained employment with WDDC assistance, and 21 obtained benefits.
Women's Daytime Drop-in Center; Housing Case Management	\$73,192	317	0	47	270	WDDC served 317 women and children, representing 151 households during PY 2008. This program provides intensive case management and resulted in: 138 placed in shelter, 24 into transitional housing; 85 into permanent housing. 13 clients were also placed into the Shelter Plus Care Program.
Total Public Services Allocations, PY 2008	\$605,576	2,180	13	135	2,032	

Source: IDIS Report #C0PR03; City of Berkeley Housing & Community Services Department.

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Improvement of Public/Community Facilities

Table 20 presents a summary of public and community facilities investments funded with CDBG during PY 2008 by the City of Berkeley. These projects are intended to facilitate objectives of creating suitable living environments and achieve outcomes of providing availability, accessibility, and sustainability on behalf of low and moderate income residents, neighborhoods, and service users and beneficiaries in Berkeley.

Table 20			
City of Berkeley Public/Community Facilities CDBG Allocations in Program Year 2008			
Agency and Activity	Objective and Outcome	PY 2008 Funding	Achievements
Alzheimer's Services of the East Bay, Kitchen Renovations	Create Suitable Living Environments Sustainability	\$30,000	City staff leveraged an additional \$8,000 in StopWaste funding for this project for recycled material, and obtained a donation of recycled countertop material. The project began in August 2009, in part, due to a change of Executive Directors at the agency.
A Better Way, Exterior Improvements	Create Suitable Living Environments Sustainability	\$116,750	A Better Way was awarded funding to enclose an exterior corner of the building, replace the roof, replace window trim and repair stucco. This project was delayed to allow for environmental review.
Bay Area Hispano Institute for Advancement, Heater Replacement	Create Suitable Living Environments Sustainability	\$11,000	City staff obtained an additional \$7,000 for this project for energy efficient water heater, windows and duct work. The heater was replaced and the project finished in June 2009.
City of Berkeley Parks Recreation and Waterfront Department, Park Improvements	Create Suitable Living Environments Sustainability	\$85,500	Funding was awarded to replace the roof at the MLK Recreation Center at Grove Park and for improvements to San Pablo Park. Resolving site control issues caused a delay in implementing these improvements. Renovations are expected to take place in the spring of 2010.
City of Berkeley Public/Community Facilities, Community facilities projects	Create Suitable Living Environments Sustainability	\$139,588	Staff directly implemented and managed two community facilities rehabilitation projects. Activities included developing scopes of work, reviewing bids, and directly managing the rehab work on a daily basis.
LifeLong Medical Care, Dental Clinic Improvements	Create Suitable Living Environments Sustainability	\$15,000	LLMC was awarded \$34,348 for the original scope of work. The additional allocation was used to expand the scope of work and add recycled flooring to the specs. This project was completed in July 2009.
Rebuilding Together, Community Facilities Improvements	Create Suitable Living Environments Sustainability	\$22,000	RT mobilized volunteers in October 2007 and April 2008 to provide repairs to 5 facilities.
Total Public/Community Facilities Allocations, PY 2008		\$385,902	

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Table 20			
City of Berkeley Public/Community Facilities CDBG Allocations in Program Year 2008			
Agency and Activity	Objective and Outcome	PY 2008 Funding	Achievements
Source: City of Berkeley Housing & Community Services Department; IDIS Report C04PR03.			

Section 108 Loan: Ed Roberts Campus

The City received a \$2 million Brownfields Economic Development Initiative (BEDI) grant and a \$6 million HUD Section 108 Loan for the Ed Roberts Campus (ERC) project, a one-stop center for multiple agencies that serve the disabled community. The project is located on the east parking lot of the Ashby BART Station at Adeline and Woolsey Street in South Berkeley. Total project cost is \$47 million. The financing for the project includes federal, state and local transportation grants, private grants, construction and permanent financing from Wells Fargo Bank and the City's BEDI and Section 108 loan.

Construction began in September 2008 and is scheduled to be completed in May 2010. While the project should be able to be completed with the funds available, additional funds are required to complete the tenant improvements necessary to lease up the building. The ERC had planned to do additional fundraising for the tenant improvements but due to the downturn in the economy since last fall, they have not been able to secure additional private grants as quickly as they had hoped. The City is working with the ERC Board on alternative strategies, including pursuing an allocation of New Markets Tax Credits and submitting proposals for additional federal, state and local transportation funds.

E. Other Actions

City of Berkeley staff has initiated several additional programs in PY2008, most funded through the American Recovery and Reinvestment Act of 2009 (ARRA). These programs were applied for in PY2008 and continue to operate through PY2009.

Neighborhood Stabilization Program

The Housing and Economic Recovery Act of 2008 (H.R. 3221) included \$3.9 billion in HUD CDBG funding for the Neighborhood Stabilization Program (NSP) which addresses the housing crisis through the provision of funds to purchase vacant and foreclosed properties. The City of Berkeley did not receive a direct allocation of NSP funds, which HUD provided to communities of greatest need based on rate of foreclosure. However, the City will access funds through the State of California Housing and Community Development Department (HCD), in partnership with the cities of Alameda, Fremont, Livermore, San Leandro and Union City. These cities entered into a joint agreement in

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June of 2009, filed a joint application to the State, and were awarded \$2,344,060 in NSP grant funds. The City of Livermore will act as the lead entity and will become the direct NSP grant recipient. A project or projects in Alameda County that further the goals of the County's Everyone Home Plan will be prioritized for the use of this funding. It is unlikely that a project in Berkeley will be undertaken, but a future project will likely benefit homeless residents of Alameda County, including the homeless of Berkeley.

Community Development Block Grant – Recovery Act (CDBG- R)

The City of Berkeley submitted an application for funding in June 2009, and will receive \$871,248 in CDBG-R funding through ARRA in PY2009. CDBG-R funds in the amount of \$512,600 will be used for the rehabilitation of the City's Public Health Clinic, located at 830 University Avenue. In addition, \$300,000 in CDBG-R funding will be used for the rehabilitation of an affordable housing development owned by Satellite Housing called Amistad House. The approximately 6.7 percent of the funds (\$58,648) will be used for administration.

Homelessness Prevention and Rapid Re-Housing (HPRP)

The City of Berkeley submitted an application in May 2009 for HPRP funding through ARRA and was awarded \$1,332,952 HPRP funding in PY2009. HPRP funds will be used to provide financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The City of Berkeley is working together with other HPRP grantees (Alameda County, and the cities of Oakland, Fremont, Hayward, and Alameda) through EveryOne Home to create common policies and procedures for the program, including a common assessment tool and a coordinated approach to serving clients.

Community Services Block Grant (CSBG)

In PY2008 the City of Berkeley was awarded \$308,958 in CSBG funding through ARRA and submitted an application to the State of California in May 2009, which contained the City's Recovery Act Local Plan, in order to access these funds. The purpose of the ARRA Community Services Block Grant funds is to create employment opportunities and meet short and long term economic and employment needs of the unemployed and underemployed who are at or below 200% national poverty levels. Funding is available from September 1, 2009 to September 30, 2010. This new employment and training program, called Skills – Opportunity – Success (SOS) will strive to serve the employment needs of historically hard-to-serve populations including the homeless, disconnected Transition Age Youth, female-headed households, and the formerly incarcerated, and will focus on services operated in locations primarily in central and south/southwest Berkeley.

Weatherization

In April 2009 the City of Berkeley applied to the State of California for an additional \$757,496 in Department of Energy (DOE) Weatherization Assistance Program (WAP) funding through ARRA funding to augment its existing weatherization programs. These

funds will be available for a 27-month period beginning July 1, 2009 and will bring the total funding for the program to approximately \$1.2 million. The City's plan is consistent with the Climate Action Plan and will include partnering with Community Energy Services Corporation, PG&E, and Rising Sun Energy Center as well other community agencies serving low income households. The plan includes both training in weatherization and direct installation of energy efficiency products in low-income households.

Measure G Climate Action Plan Process

In November 2006, Berkeley voters issued a call to action on the climate challenge by overwhelmingly endorsing ballot Measure G. Measure G established a goal of reducing our entire community's greenhouse gas emissions by 80 percent by the year 2050, and directed the Mayor to develop a Climate Action Plan to reach that target. On June 2, 2009 the Berkeley City Council unanimously adopted the Berkeley Climate Action Plan.

The plan focuses on actions our community can and should implement between now and 2020, but in the context of promoting the types of innovative approaches that will be necessary to achieve the ultimate 2050 target. Its strategies are:

- 1. Sustainable Transportation & Land Use.** The plan is designed to reduce vehicle miles traveled in the community by making cycling, walking, public transit and other sustainable mobility modes the mainstream and to increase vehicle fuel efficiency and the utilization of low-carbon fuels.
- 2. Building Energy Use.** The community's task is to reduce conventional energy use in every existing Berkeley home, business and institution through high-quality energy efficiency retrofits and a greater reliance on renewable energy such as solar.
- 3. Waste Reduction & Recycling.** These measures aim to eliminate solid waste at its source, i.e., the point of production, and to maximize reuse and recycling throughout the community.
- 4. Community Outreach & Empowerment.** The success of the local climate action efforts rests on behavior change. Actions designed to educate and empower community members are fundamental to this plan:
- 5. Preparing for climate change impacts.** We live in a region that knows well the value of preparedness. Even as the community ramps up efforts to mitigate greenhouse gas emissions, it is critical that we start now to apply the region's preparedness doctrine to the risks associated with climate change. The City should partner with local, regional, and state agencies to develop a plan of action for climate adaptation.

City of Berkeley Response to Foreclosure Crisis

The Rent Stabilization Board prepared a robust outreach program to tenants regarding their rights in case the owner of the property where they live is facing foreclosure. Under Berkeley's Good Cause for Eviction Ordinance (BMC Chapter 13.76), tenants who are

current on rent generally cannot be evicted if the property they occupy has been foreclosed, because the landlord's foreclosure is not considered a "good cause" for eviction. Unlike in cities without similar protections, the foreclosure is treated the same as a sale to another owner. The Rent Board has a counseling program to assist tenants in a foreclosed property to understand their rights under Berkeley's local laws.

2-1-1 Phone Services: Social Services Hotline

The City continued to contract with Eden Information and Referral (Eden I&R) at \$35,000 for the provision of the 2-1-1 phone service during PY 2008. Prior to creation of this service citizens in Alameda County needing health, housing, and human services information had to contact the city government where they reside or a county department for this information. City managers for all 14 cities in Alameda County, along with the County Administrator and Eden I&R developed the 2-1-1 system to provide 24-7 current information on health, housing, and human services throughout the County. When a person dials 2-1-1 from a landline phone anywhere in Alameda County, at any time of day or night, they will be connected to a live resource specialist who can connect the caller with requested information. For callers who do not speak English, they will be connected to a resource specialist who is fluent in their native language or they will be assisted by a "real time" interpreter who will translate between the caller and the resource specialist.

Eden I&R will maintain a current database on all health, housing, and human services information so the 2-1-1 system's services will be up-to-date. The City of Berkeley publicizes the system on its web site, in connection with the Housing & Community Services Department's Housing Retention Program (described above, <http://www.cityofberkeley.info/ContentDisplay.aspx?id=16136>), through its web page on referrals to listings of available housing (<http://www.cityofberkeley.info/ContentDisplay.aspx?id=16350>), and through its web page for housing listings for seniors (<http://www.cityofberkeley.info/ContentDisplay.aspx?id=16354>).

F. Leveraging Resources

Affordable Housing Development

During PY 2008, no Housing Trust Funds were committed so there is no new project-specific leveraging information to report.

The new Housing Trust Fund guidelines adopted in April 2009 continue to contain a provision designed to increase leveraging:

"When the total of all HTF assistance being recommended for funding of a project by the HAC and/or the City Manager exceeds 40 percent of project cost, the City Council shall make a finding that a higher level of funding is

justified by the nature of the assisted project and the unavailability of alternative funding.”

The current Housing Trust Fund Request for Proposals round, which began in PY 2008, was timed to leverage Low Income Housing Tax Credit equity for individual projects. Because of drastically reduced market for Low Income Housing Tax Credits due to the recession, timing the HTF round to allow projects to compete for Low Income Housing Tax Credits while federal exchange funds were available was a vital leveraging strategy.

In addition to the leveraging in each project of multiple funding sources, the use of HOME and CDBG in the Berkeley Housing Trust Fund has leveraged additional sources of state and local funding for the Housing Trust Fund. Of the nearly \$40 million committed to the Housing Trust Fund since its inception in 1991, about 55% of the total funds were federal sources (HOME and CDBG) while the remaining 45% came from state and local sources, including City General Funds, a State of California HELP loan, and Berkeley Redevelopment Agency funds.

Community Agency Leveraging

Few if any agencies are largely dependent on City CDBG, ESG or HOME funding to maintain their operations. Most agencies providing community services are non-profit organizations which raise funds from a variety of sources including individual donations, foundation grants, and other governmental sources of funds besides those allocated by the City of Berkeley. Each application for City funding requires both an agency and a program budget so that the diversification of funding sources and leveraging can be evaluated.

In addition to leveraging at the individual agency level, the City has historically matched the investment of CDBG, HOME, and ESG dollars with the investment of General Funds. In PY 2008, nearly two-thirds of the funding for community agency programs came from General Funds. Specifically, of a total of \$9.5 million invested in community agency contracts,

- \$1.6 million were federal funds
- \$6.0 million were City General Funds
- \$1.9 million came from other sources (about half of this, for example, was funded from Berkeley’s Measure E, a bond measure passed in 1998).

G. Citizen Participation and Outreach to Protected Classes

The availability of the draft Consolidated Annual Performance and Evaluation Report (CAPER) was published in the *Daily Californian*, a local daily, on September 11, 2009; letting the public know that the CAPER would be available for review at the Berkeley Public Library Reference Desk and the Berkeley Housing & Community Services Department. Chinese and Spanish translations of the notice were included in the *Daily*

Californian advertisement. The public comment period will run until September 28, 2008, a total of 17 days. This was also announced at the Housing Advisory Commission's September 3, 2009, meeting; and it was also placed on the City's Housing & Community Services Department website on September 11th at <http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=15574>. The CAPER was also made available for review by the general public at the Housing & Community Services Department, at the Berkeley Public Library Reference Desk to be readily available to low income and minority populations. No comments were received from the public by September 28, 2009.

H. Self-Evaluation

The City of Berkeley meets its goals to provide and preserve permanently affordable housing, house and support homeless people towards independence, fight poverty, and promote community development with the resources it has available. (Please see Section VI for additional data on the City's fiscal resources and spending patterns.)

The City of Berkeley Housing & Community Services Department's role within the City includes fulfilling the City's obligations as responsible entity and grantee to the U.S. Department of Housing and Urban Development for the Community Development Block Grant, Emergency Shelter Grant, and HOME Partnership for Investment Programs. Housing staff constantly review community agencies' performances, including providing annual report cards to the four commissions involved in developing budget recommendations for these programs. They perform site visits, interview clients and staff of service agencies to ascertain conditions on the ground as a means of assessing whether the City's contractors are fulfilling the terms of their contracts for these program funds.

As a community and a municipality, Berkeley creates affordable housing, maintains and improves its housing stock, fights poverty and homelessness, and develops healthy and well-socialized children, youth, and communities by leveraging its federal grant funds from CDBG, HOME, and ESG; it does more to achieve these tasks than many other cities of comparable size. To accomplish these community-based commitments in PY 2008, Berkeley community service agencies continued collaborating with the City's Housing & Community Services Department and Mental Health Division staff to ensure continuing successes of the City's Shelter Plus Care Programs.

Community based organization partners who provide homeless programs have been invited to participate in the System Change initiative. This initiative will assist participating agencies with making the shift from a homeless continuum of care model of service to a stronger and more effective model of service and housing provision that is premised on housing homeless people first. Shelter Plus Care is an important part of this initiative, having been for many years now the centerpiece for achieving first the

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City's Continuum of Care Plan goals and more recently its EveryOne Home Plan goals for homeless and special needs housing. Numerous other collaborative efforts described in this CAPER attest to Berkeley's efficient, culturally-sensitive, and effective service provision as hallmarks of Berkeley governance. Other system change projects in partnership with community agencies include the new Centralized Shelter Bed Reservation system launched in PY 2008, the Square One supportive housing program which substantially started in PY 2008, and planning for the American Recovery and Reinvestment Act (ARRA) Homeless Prevention and Rapid Rehousing Program (HPRP), for which planning began in PY 2008.

In PY 2008, the Housing & Community Services Department and Planning and Development Department continued interdepartmental coordinating meetings to address issues of permit streamlining, project prioritization and trouble-shooting, condominium conversion, technical assistance and training about housing programs, housing policy updating, inclusionary and density bonus procedures and policy, and code enforcement. Other interdepartmental coordination occurs between Housing staff and staff of Berkeley Mental Health Division regarding client support services, Mental Health Services Act planning and implementation Shelter Plus Care Program service coordination, and other issues. The spirit of collaboration and coordination in the provision of government and social services, and the use of scarce public taxpayer funds is alive and well in Berkeley.

Despite challenges and cutbacks, Berkeley is a community successfully pursuing its housing, anti-poverty, anti-homelessness, and community development goals with a creative and varied fusion of financing sources; professional commitment, creativity, and insight; and active community support.

V. Programmatic Narratives

A. Summary of CDBG Financial Performance, PY 2008

Table 21 summarizes Berkeley's CDBG financial status in PY 2008. Total CDBG available resources was about \$5.7 million, of which the City expended \$2.89 million. There was an unexpended balance at year's end of about \$2.8 million. HUD's Integrated Disbursement and Information System calculates a ratio of low and moderate income benefit for expended funds, and in PY 2008, the City of Berkeley had a "low/mod" ratio of 100 percent.⁴

Table 21 CDBG Financial Summary for PY 2008, July 1, 2008 to June 30, 2009 Summary of CDBG Resources	
Unexpended CDBG Funds at End of Previous Program Year	\$2,488,382
Entitlement Grant	\$3,209,492
Surplus Urban Renewal	\$0
Section 108 Guaranteed Loan Funds	\$0
Current Year Program Income	\$18,159
Returns	\$0
Adjustment to Compute Total Available	(\$518)
Total Available Resources	\$5,715,515
Summary of CDBG Expenditures	
Disbursements other than Section 108 Repayments and Planning/Administration	\$2,151,173
Adjustment to compute total amount subject to low/mod benefit	\$0
Amount subject to low/mod benefit	\$2,151,173
Disbursed in IDIS for Planning/Administration	\$623,821
Disbursed in IDIS for Section 108 repayments	\$120,000
Adjustment to compute total expenditures	\$0
Total Expenditures	\$2,894,994
Unexpended Balance	\$2,820,521
Low/Mod Benefit This Reporting Period	
Expended for Low/Mod Housing in Special Areas	\$0
Expended for Low/Mod Multi-Unit Housing	\$789,966
Disbursed for other Low/Mod activities	\$1,987,701
Adjustment to compute total Low/Mod credit	\$0
Total Low/Mod Credit	\$2,777,667
Percent Low/Mod Credit	100.00%

⁴ The ratio is calculated by dividing total actual expenditures and disbursements for low and moderate income housing and other activities during PY 2008 by the amount of available resources that are allocated for PY 2008 to benefit low and moderate income people and households.

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Table 21 CDBG Financial Summary for PY 2008, July 1, 2008 to June 30, 2009	
Low/Mod Benefit for Multi-Year Certifications	
Program years covered in certification	PY 2006, PY 2007, PY 2008
Cumulative Net expenditures subject to low/mod benefit calculation	\$4,004,890
Cumulative expenditures benefiting Low/Mod income people	\$4,004,890
Percent Benefit to Low/Mod Income people	100.00%
Public Service Cap Calculations	
Disbursed in IDIS for Public Services	\$496,615
PS unliquidated obligations at end of current PY	\$0
PS unliquidated obligations at end of previous program year	\$0
Adjustment to compute total PS obligations	\$0
Total PS obligations	\$496,615
Entitlement Grant	\$3,209,492
Prior Year Program Income	\$345,898
Adjustment to compute total subject to PS cap	\$0
Total subject to PS cap	\$3,555,390
Percent funds obligated for PS activities	13.97%
Planning and Administration (PA) Cap	
Disbursed in IDIS for Planning/Administration	\$623,821
PA unliquidated obligations at end of current program year	\$0
PA unliquidated obligations at end of previous program year	\$0
Adjustment to compute total PA obligations	\$0
Total PA obligations	\$623,821
Entitlement Grant	\$3,209,492
Current Year Program Income	\$18,159
Adjustments to compute total subject to PA cap	(\$518)
Total subject to PA cap	\$3,227,133
Percent funds obligated for PA activities	19.33%

Source: IDIS, Report C04PR26; City of Berkeley Housing & Community Services Department.

CDBG program expenditures are subject to two caps: public services spending (17.83 percent of the entitlement plus program income) and planning and administration expenditures (20 percent of entitlement plus program income). As shown in Table 21, in PY 2008 Berkeley spent 18.6 percent (or \$496,615) of applicable funds on public services, which is less than the 17.83 percent cap for this category. Similarly, Berkeley spent just 19 percent of its funds (or \$623,821) on planning and administrative activities in the City, also below this category's 20 percent cap.

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Table 22 summarizes Berkeley's CDBG expenditures by activity for the last four program years. It shows a decrease in spending on housing activities over the period, a significant decrease in public services spending due to one subrecipient (Asians for Job Opportunities in the Bay Area) cancelling their contract, and a decrease in planning/administrative activities due to staff turnover.

Table 22				
Berkeley CDBG Expenditures by Activity, Program Years 2005 through 2008				
Activity	Program Year 2008	Program Year 2007	Program Year 2006	Program Year 2005
Housing Activities	1,264,326	\$2,042,333	\$1,663,550	\$1,477,285
Public Services	496,615	605,576	617,262	695,832
Public/Community Facilities	311,142	1,356,981	197,535	107,188
Planning and Administration	623,821	645,467	656,119	736,628
Economic Development	0	0	0	0
Total, All Activities	\$2,695,904	\$4,650,357	\$3,134,466	\$3,016,933

Source: IDIS, Report C04PR23; City of Berkeley Housing & Community Services Department.

Table 23 specifies activities the City of Berkeley counts toward the Planning and Administration Cap in CDBG. The Program Planning and Contract Administration activity funds the Housing & Community Services Department's efforts to ensure that the City of Berkeley complies with HUD requirements pertaining to the federal grant programs CDBG, ESG, and HOME, including the development of the Consolidated Plan and Annual Action Plans, and the Consolidated Annual Performance and Evaluation Report (CAPER).

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Table 23: Berkeley Activities Counted Toward the Planning and Administration Cap, Program Year 2008		
CDBG Planning and Administrative Activities	Program Year 2008	
	Funds Allocated	Funds Drawn Down
Program Planning & Contract Administration	370,353	341,098
Homelessness Prevention & Services Planning	105,642	86,820
City Support Costs	179,903	179,903
Single Audit	16,000	16,000
Total, Planning and Administrative Costs, PY 2008	\$671,898	\$623,821

Source: IDIS Report C04PR03; City of Berkeley Housing & Community Services Department.

The Homelessness Prevention and Services Planning activity funds Housing & Community Services Department staff overseeing homeless programs through active coordination efforts among City departments, other jurisdictions, and with community-based homeless service providers.

City support costs activity reflect the Housing & Community Services Department's need to rely on other City departments for services and facilities ranging from personnel transactions, payroll, benefits management, financial systems support, legal counsel, information technology services and support, use of facilities, and other resources the City as a whole provides its constituent departments. For example, these costs help support the South Berkeley Senior Center, operated by the Health and Human Services Department, which is the site of Housing Advisory Commission meetings where CDBG, ESG, and HOME program public hearings and allocation recommendations are formulated for the City Council. Support costs also include services provided by the City's finance, legal, city manager, and planning departments.

The Single Audit activity pays for the Housing & Community Services Department's share of the overall cost of a consulting accountant to produce an annual single audit of the City's administration of federal entitlement grant programs.

B. Resources for Consolidated Plan Implementation, Program Year 2008

All Activities – CDBG, ESG, HOME, and CSBG as well as state and local funds

As shown in *Table 24*, the City of Berkeley had \$15.3 million in federal, state, and local funds available for housing and community development purposes in PY 2008. About \$9 million was available from federal sources, while more than \$5 million was available for these uses from local funds.

**Table 24
 Housing and Community Development Resources
 Program Year 2008**

<i>Federal Grants (CDBG, HOME, ESG, and CSBG plus carryover)</i>	
PY 2008 CDBG entitlement and program income	3,493,911
CDBG carryover (for completion of Projects funded with prior years' funds)	320,000
PY 2008 HOME entitlement and program income	1,262,378
PY 2007 HOME carryover	—
PY 2008 ESG	144,077
PY 2007 ESG carryover	6,700
CSBG (administered by the State)	243,054
Federal Energy Assistance Programs (estimated)	1,136,836
PY 2008 Shelter Plus Care grants	2,604,985
Federal Resources Total	\$9,211,941
<i>Local Funds</i>	
Childcare	608,920
Community Media	213,210
Disability Programs	211,412
Employment Training	181,584
Health	386,579
Homeless Services	2,472,701
Legal/Advocacy	79,311
Other Community Development (animal rescue, community mediation, community gardening, nutrition and meals)	200,355
Recreation	84,872
Seniors	41,388
Youth	862,207
<i>Subtotal, Local Housing and Community Development Allocations, FY 2008</i>	\$5,342,539

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General Funds to Alameda County for operation of the Alameda County-wide Continuum of Care Council/EveryOne Home	17,968
Rent Stabilization Board funds to Community Agencies for eviction counseling and tenant assistance services	224,000
Local Funds Total	\$5,584,507
State Funds	
Mental Health Services Act – local funds for housing development	500,000
State Funds Total	\$500,000
Grand TOTAL, All Resources	\$15,296,448

Source: City of Berkeley Housing & Community Services Department

Resources Available for Housing

Table 25 presents PY 2008 funding that was available for housing activities by the City of Berkeley, a total of \$3.3 million.

Table 25		
Funding Available for Housing by City of Berkeley Program, PY 2008		
Source	Amount	Administering Entity/Comments
CDBG Program	\$1,573,994	Administered by PPMB Division. Funds allocated to community agencies and City for housing development, rehab of senior homes, accessibility, relocation/displacement, and code enforcement programs.
Housing Trust Fund	\$1,569,036	Administered by the City's Housing Services Division. Balance remaining after fund commitments as of June 30, 2009
Housing Retention Program	\$166,123	Contract administered by Housing and Community Services Department in partnership with multiple community agencies.
Grand Total	\$3,309,153	

Source: City of Berkeley Housing & Community Services Department.

In the past, the City of Berkeley has reported on commitments of HELP loans through the Housing Trust Fund. These funds were made available by the State of California for use in housing trust funds. At time point, all HELP loans have been committed, and repaid funds will be repaid to the State of California.

Resources for Services to People with Special Needs

Berkeley has long prioritized assisting individuals and families with special needs: the disabled, seniors, families with children, the homeless. *Table 26* summarizes resources that Berkeley put toward assisting people with special needs during PY 2008. The City allocated just over \$5.7 million for special needs services and supportive housing during that time from federal sources, including CDBG, ESG, Community Services Block Grant, and Shelter Plus Care resources, and another \$4.4 million in local sources for special needs services for a variety of populations. In total, Berkeley allocated over \$10 million for services to people with special needs and those who are homeless in PY 2008.

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Table 26 Funds Available to the City of Berkeley in PY 2008 For Services to People with Special Needs and Those Who are Homeless		
Funding	Amount	Administering Agency/Comment
CDBG	\$327,475	PPMB Division. Activities include Disability, homeless, and legal/advocacy services from Community Agency budget.
ESG	\$85,863	PPMB Division - includes Family Violence Law center homelessness prevention activities (included below).
Community Services Block Grant	\$173,556	Allocated to BOSS MASC and Harrison House operations.
Shelter Plus Care services	\$2,499,280	Service match leveraged for all five grants, PY 2008.
Shelter Plus Care grants	\$2,674,686	Funds rental subsidy payments to private landlords
Total Federal Funds Available	\$5,760,860	
General Funds	\$3,204,473	PPMB Division. Activities include Disability, homeless, health, legal/advocacy, seniors, and youth services from Community Agency budget.
Housing Retention Program	\$166,123	A collaborative between multiple agencies with funding for past-due rent payments.
Rent Board Eviction Defense Activities	\$224,000	Eviction Defense Center, East Bay Community Law Center,
Easy Does It	\$849,125	Emergency transportation services for disabled population
Total Local Sources	\$4,443,721	
Total All Sources	\$10,204,458	

Source: City of Berkeley Housing & Community Services Department; Rent Stabilization Board 9/1/2009..

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Civil Rights Program Narrative

Table 27 summarizes the City of Berkeley’s civil rights program activities and their associated funding sources during PY 2008. The City allocated \$694,440 to activities addressing the civil rights of Berkeley’s low- and moderate-income residents, by addressing fair and accessible housing issues, eviction, displacement, and homelessness prevention. The locations of these services are primarily in south Berkeley (CIL’s program is located in eastern Berkeley, and City of Berkeley relocation services are located downtown).

Table 27			
City of Berkeley Civil Rights Program Activities by Funding Sources			
Program Year 2008			
Agency	Description	PY 2008 Funding	Source of Funds
Housing Rights, Inc.	Counseling and referral regarding housing discrimination	\$35,544	CDBG
Center for Independent Living	Residential Access Project for the Disabled	\$142,675	CDBG
City of Berkeley/Housing & Community Services Department	Relocation Services to prevent displacement	\$96,620	CDBG
CDBG Subtotal		\$274,839	
East Bay Community Law Center	Housing advocacy, legal services to low/mod people	\$34,243	Local General Funds
Alameda County Homeless Action Center	SSI advocacy	\$161,358	Local General Funds; \$20,000 California MHSA
City of Berkeley Rent Stabilization Board	Legal services at the East Bay Community Law Center and Eviction Defense Center	\$224,000	Local rental registration Fees
Local Funding Sources Subtotal		\$419,601	
Total Funding for Civil Rights Program in PY 2009		\$694,440	

Source: City of Berkeley Housing & Community Services Department.

C. Expenditures and Use of Funds

ESG Program

Table 28 summarizes Berkeley's \$144,077 in Emergency Shelter Grant Program expenditures by activity during PY 2008. The dollar for dollar match requirement was exceeded when the City of Berkeley allocated \$200,750 in local General Funds to the Men's Overnight Shelter operated by the Berkeley Food and Housing Project in PY 2008.

Table 28 Berkeley ESG Expenditures by Activities Program Year 2008	
Funded Agency & Activity	Use of Funds
Lutheran Church of the Cross - YEAH! Shelter	\$32,561
Berkeley Food and Housing Project - Dwight Way Shelter Improvements	\$17,450
Berkeley Food and Housing Project - Men's Shelter Bathrooms	\$27,064
BOSS - Harrison House Community Recovery Program	\$10,126
Family Violence Law Center - Family Violence and Homelessness Prevention	\$43,176
Homeless Management Information Systems (MHIS) (PY 2006 funds)	\$6,700
Program Planning and Administration – Admin costs	\$7,000
Total Expenditures, PY 2008	\$144,077

Source: IDIS Report No. C04PR20. City of Berkeley Housing & Community Services Department

HOME Program

Table 29 summarizes the City of Berkeley's HOME Program net position for PY 2008.

Table 29: Berkeley HOME Program Investments Net Position, Program Year 2008	
HOME Program Activity	Funds
PY 2008 HOME funds to the Housing Trust Fund	\$1,071,784
PY 2008 HOME Loan Repayments to HTF	\$17,517
Total HOME Reservations in PY 2008	\$0
HOME Funds Available	\$1,095,209

Source: City of Berkeley Housing & Community Services Department,

as of June 30, 2009.

D. Other Federal Formula Grant Program Requirements

HOME Program Requirements

CHDO Set-Aside. PY 2008 HOME funds will be added to funds to be made available in PY2009 through the City's Housing Trust Fund.

HOME Match. As noted in the HOME Match Report, the City of Berkeley's HOME match liability was \$263,297 in PY 2008. Though no affordable housing development were funded in PY2008, Berkeley has \$5.15 million in excess match that it carried over into PY 2008.

HOME Loan Repayments. As noted above for *Table 28*, \$17,517 was repaid on HOME Program loans during PY 2008.

Use of Minority and Women Business Enterprises (MWBE). Three minority and women-owned business enterprise contractors were used on projects undertaken by the City of Berkeley Seniors and Disabled Home Rehabilitation Loan Program, and two MWBE contractors were used on two projects in current community facilities projects by A Better Way and the Harrison House Family Shelter improvements.

Affirmative Marketing. Berkeley's Housing Trust Fund Guidelines require that HTF recipients undertake affirmative market practices when leasing up their units. These requirements are incorporated directly into the City's Development Loan Agreements that are executed with developers to provide development funding.

Anti-Displacement. In PY 2008, no displacements resulted from construction or rehabilitation of PY2008-funded HOME-assisted units. One resident of a formerly HOME-funded project, Harmon Gardens, owned by Affordable Housing Associates, was relocated, however, in PY2008, to prepare for a future redevelopment of this property to include the replacement of the existing structure with a building that will have more units. This project will receive HOME funds in PY2009 through the Housing Trust Fund. See also Chapter V, Section A, for a discussion of the City's relocation efforts and programs, whose purposes are prevention of displacement from acquisition and rehabilitation projects, major repairs, or from new development.

Monitoring Affordable Housing Developments Funded with HOME and/or CDBG Funds through the Housing Trust Fund

The Housing Services Division of the Housing Department is responsible for monitoring affordable housing developments funded with Housing Trust Fund money to ensure ongoing compliance with federal regulations under the HOME and CDBG programs and other local requirements. The City's Housing Trust Fund (HTF) Program pools funds from various sources—including federal HOME and CDBG, General Fund, Inclusionary

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Housing in-lieu fees, condominium conversion fees—to achieve the City’s General Plan and Consolidated Plan goals of developing and preserving long-term affordable housing.

To achieve this purpose, the City provides loan and grants to qualified developers to undertake activities which create, preserve and expand the City’s affordable housing stock. The federal and local requirements are incorporated in the development loan agreements and regulatory agreements associated with each project. Currently, there are a total of 53 properties of which 30 have HOME-assisted units.

In PY 2008, the Housing Department made some changes to strengthen its monitoring function. In prior years, the monitoring activities of the Housing Department had been limited due to lack of staff resources. At a minimum, the department collected monitoring reports from all HTF-funded properties which provided information regarding each property’s tenancy, affordability, financial performance and property management. The department also performed annual physical site inspections of the properties. Staff also responded to tenant complaints and property management issues, on an as-needed basis. Although there were some processes in place, there was a need to better coordinate the monitoring activities of the department.

In Spring 2008, staff developed a procedures manual and an implementation plan for conducting on-site monitoring visits and physical site inspections for the following fiscal year (July 1, 2008 through June 30, 2009). The department also recognized the need for a full-time staff person to manage the monitoring program and in December 2008 was authorized to hire an Asset Manager. The position was recently filled in July 2009.

City of Berkeley Housing Code Enforcement staff undertook HOME unit Housing Quality Standard (HQS) inspections of 32 units in 8 properties during PY 2008, as summarized in Table 30.

Table 30: Housing Trust Fund HOME-Assisted Unit Inspections, PY 2008

Address	Total Units	Inspected Units	HOME Inspection Cycle	Inspection Date
3222 Adeline Street	19	4	Biannual	01/22/09
1340 Blake Street	5	2	Biannual	04/23/09
2425 California Street	6	2	Biannual	04/23/09
2207 Haste Street	7	2	Biannual	04/20/09
2517 Sacramento St.	40	8	Annual	01/15/09
2577 San Pablo Ave.	28	6	Annual	12/09/08
3011 Shattuck Ave.	4	2	Triannual	04/23/09
1721 University Ave.	27	6	Annual	12/16/08
Total Units	136	32		

Source: City of Berkeley Housing & Community Services Department, September 9, 2009.

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Other monitoring accomplishments in PY 2008 included:

- ✓ Drafted *City of Berkeley Monitoring Procedures for Housing Trust Fund Program*, July 2008.
- ✓ Established a monitoring schedule for FY 2008/09 (July 1, 2008 through June 30, 2009).
- ✓ Conducted eight on-site monitoring visits, which included review of tenant files and physical inspections of a sample of units.
- ✓ Reviewed existing monitoring files and established procedures for record-keeping.