City of Berkeley

Program Year 2011
(July 1, 2011 – June 30, 2012)
Consolidated Annual Performance and Evaluation Report (CAPER)

Prepared by the City of Berkeley
Housing and Community Services Department
for the U.S. Department of Housing and Urban Development

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I. EXECUTIVE SUMMARY

In PY 2011, the City of Berkeley received federal entitlement funds of $2,940,513 in Community Development Block Grant (CDBG), $1,209,923 in HOME, and $143,201[1] in Emergency Solutions Grant (formerly known as Emergency Shelter Grant, or ESG) funds, for a total of $3,843,637. The City used its adopted Public Participation Plan to encourage community input into funding priorities and proposed funding allocations.

Using these federal funds, the City funded a variety of housing, homeless, and community development activities. In PY 2011, the City continued to invest a significant amount of City General Funds into related priorities. Activities to further goals identified in the Consolidated Plan are described in *Section II: Three to Five Year Plan Assessment of Progress* of this document. Steps taken to affirmatively further fair housing and implement the current Analysis of Impediments to Fair Housing Choice are described in *Section III: Assessment of Annual Progress*.

So far, the City has achieved 52% of its production goal for new construction affordable housing for the Consolidated Plan period and has exceeded its production goal for rehabilitated affordable housing by nearly three times.[2] Due to the lingering recession, its impact on other affordable housing funding sources, and needs of Berkeley's existing housing stock, it is unlikely that the City will be able to meet the new construction goal by 2014. The City also exceeded its other housing goals for the current year; in particular, changes to the Rental Housing Safety Program have allowed for an increase in the number of units addressed through Housing Code Enforcement.

In PY 2011, the City was very close to, met, or exceeded its goals in maintaining emergency shelter and transitional housing capacity. The City did increase permanent supportive housing resources, but not by as much as had been hoped, due to the reasons above. The increase in permanent supportive housing resources came from participation in a countywide SHP grant that will expand the capacity of Square One by five units.

Finally, the City continued a variety of anti-poverty, employment, and community development programs in PY 2011. Staff prepared a progress report and evaluation of the Community Workforce Agreement, which was adopted last year and established a 30% local hiring goal for all publicly funded development projects of $1 million or more.

[1] An additional amount of $80,551 in ESG funds were allocated to the City in PY2011, but these funds will become available in PY2012.

[2] Housing goals in the Consolidated Plan were taken from the City's current Housing Element and cover the period from 2007 to 2014, a longer period than that of the Consolidated Plan (2010 – 2014). See Tables 4 and 5 for details.

Summary of Resources and Distribution of Funds

In PY 2011, the City's entitlement funds from CDBG, HOME, and ESG totaled $3,843,637. ***Table 1*** presents the status of formula grants in PY 2011.

Table 1: Status of Formula Grants in PY 2011

	CDBG	HOME	ESG
PY 2011 Entitlement	2,940,513	1,209,923	143,201
PY 2010 Carryover	260,000	1,375,482	46,700
Program income	133,191	23,734	0
Committed	2,059,855	*2,290,000	143,119
Expended	3,161,238	361,144	89,259

*Committed to U.A. Cooperative Homes ($890,000), Savo Island ($300,000) and William Byron Rumford Plaza ($1.1M).

In PY 2011, the City continued to target funds to the area described in the Consolidated Plan under Neighborhood Strategy Area, south and west Berkeley. The competitive application for community agency funding indicated that south and west Berkeley are priority areas. Proposers are asked how they serve these areas, and applications that serve south and west Berkeley receive extra points in the competitive scoring process.

See ***Attachment A: Summary of CDBG, ESG, and HOME Allocations by Project*** for more detail.

II. THREE - FIVE YEAR PLAN ASSESSMENT OF PROGRESS

1. Three - Five Year goals and objectives

Accomplishments during PY 2011 are summarized below, along with the priorities identified in the *2010 – 2014 Consolidated Plan*.

Following are the housing goals and objectives identified in the *Consolidated Plan* (goals in the *Plan* appear in **bold** below) and accomplishments during PY2011:

- **Create new affordable housing through acquisition, rehabilitation, and new construction**. The new construction Harmon Gardens development was completed this year, and the City released a Request for Proposals for the development of a City-owned site on Harper Street (formerly the proposed site of Prince Hall Arms) as affordable housing.
- **Continue a priority for low income households in allocation of resources.** In PY 2011, the majority of CDBG beneficiaries (66%) were extremely low income and 27% were low income.
- **Preserve existing housing, particularly existing affordable housing.** In PY 2011, the City approved funding reservations for the rehabilitation of three affordable housing developments. City-funded rehabilitation proceeded on another affordable housing development, funded previously, while rehabilitation was completed on Erna P. Harris Courts.
- **Provide supportive services that help low income people obtain and retain housing.** In PY 2011, the City contracted with community based organizations to provide a variety of housing and homeless programs, and provided mental health, aging, supportive housing, and paratransit services. The City also implemented county-wide outcome measures that focus on obtaining and retaining housing. In PY 2011, the City's Homeless Prevention and Rapid Rehousing Program (HPRP) maintained the 90% placement rate into permanent housing in achieved in PY 2010.
- **Promote energy efficiency and sustainable practices in all housing.** The City's Housing Trust Fund guidelines promote energy efficiency. The City continued to operate the Residential Energy Conservation Ordinance (RECO), Energy Upgrade California, the Moderate Income Direct Install Program, and Citywide Rebates for energy efficiency in PY 2011.
- **Increase housing resources for the development of new and rehabilitation of older affordable housing.** This year, the City successfully applied for $1 million in State of California CalHome funds for its Senior and Disabled Home Rehabilitation Loan program. This award will fund 20 home rehabilitations over a three year period starting in PY 2012.
- **Homeownership Opportunities.** The City continued to participate in the Alameda County Mortgage Credit Certificate program in PY 2011. One Berkeley buyer purchased a home this year, and two past buyers refinanced their homes (necessitating a reissuance of their certificate).

Continued operation of the following programs was key to making progress on housing goals in PY 2011:

- **Housing Trust Fund (HTF)** combines multiple sources of funding available for housing acquisition, rehabilitation, and development, including HOME, CDBG, City General Funds, and local Inclusionary Housing In-Lieu Fees and Condominium Conversion Fees. HTF guidelines prioritize low income households, promote energy efficiency and sustainability, and encourage supportive services that help people obtain and retain housing. PY 2011 Housing Trust Fund activities are described in detail under *III. Assessment of Annual Progress, 2. Affordable Housing* later in this report.
- **Super Weatherization,** supported by federal CDBG, LIHEAP, and Weatherization funds as well as City General Funds, provides assistance with utility bill payment and home weatherization services for low income renters and homeowners, promoting energy efficiency and sustainable practices. The City of Berkeley ended operation of the Super Weatherization program as of December 31, 2011. Weatherization and energy assistance for Berkeley residents are now provided by Spectrum Community Services, Inc. based in Hayward.
- **Senior and Disabled Rehabilitation Loan program** provides low cost loans and project management services to rehabilitate homes owned by seniors and people with disabilities.
- **Housing Retention Program,** supported by City General Funds, coordinates assistance with back rent payments and social services reaching Berkeley's diverse population.
- **Mortgage Credit Certificate.** The City's participation in Alameda County's Mortgage Credit Certificate program provides access to interest rate savings for local homebuyers.
- **The City's Mental Health and Aging** Divisions provide health and social services for people with mental illness and seniors, respectively, supporting them to obtain and retain housing.

In PY 2011, the City continued to make progress on the homeless priorities in the *Consolidated Plan* (priorities from the *Plan* appear in **bold** below):

- **Increase permanent affordable housing opportunities for people who are homeless or at-risk of homelessness, with a goal of 90 new units in the next five years**. The Consolidated Plan established a goal of 18 new units per year. In PY 2011, the City increased the inventory of permanent supportive housing by 5 units by participating in Abode Services' successful AC Impact SHP grant application. The award was announced in PY 2011 and the units should be available by November 2012.
- **Sustain and increase supportive services that help people who are homeless or at-risk of homelessness obtain and maintain permanent housing**. In PY

2011, the City of Berkeley continued to fund a variety of supportive services working with people who are homeless or at risk of homelessness.

- **Sustain existing emergency and transitional housing resources, and ensure they link to permanent housing opportunities**. In PY 2011, all emergency and transitional housing continued operations at the same level as last year.
- **Utilize the Homeless Management Information System (HMIS) and outcome reporting to research and evaluate homeless needs and programs**. City funded agencies providing homeless services continued to use HMIS this year. Everyone Home's report analyzing HMIS outcomes for program's countywide was distributed via information report to the City Council and therefore available to all members of the community.
- **Continue participation in Everyone Home and collaboration efforts with other jurisdictions to address homelessness as a regional issue**. In PY 2011, the City participated in Abode Services' successful application to HUD for an SHP grant. The program, called AC Impact, was based on Berkeley's Square One program, profiled later in this report, which provides housing subsidies and services for chronically homeless people with repeated police contacts in commercial areas. The grant will cover much of the County and represents a new level of collaboration with law enforcement.

The following programs specifically were instrumental in making progress on homeless goals:

- **Community agencies** continued to operate emergency, transitional, and permanent supportive housing and related services. The City provided $2.8 million to sustain homeless programs in PY 2011, as detailed in the Annual Action Plan. Of this, CDBG was 10%, CSBG 6%, ESG 4%, and City General Fund 80%.
- **Shelter Plus Care.** The City continued to operate its successful supportive housing program in partnership with a variety of social service agencies.
- **HMIS.** Berkeley Continuum of Care programs continued to participate in HMIS in PY 2011, and the City continued its financial support of this countywide program. City staff continued to participate in the administration of HMIS through Everyone Home's Data and Evaluation Committee.
- **Outcomes.** City staff and community agencies continued to work together on evaluating programs using outcomes, and participate in Everyone Home's initiative to implement countywide benchmarks.
- **Everyone Home.** Berkeley continued its financial support and participation in Everyone Home, including membership on the Leadership Board and multiple committees

In the Consolidated Plan, the City established the following community development priorities:

- Public facilities;
- Public services; and
- Economic development and anti-poverty programs.

In PY 2011, the City allocated CDBG and ESG funds for seven public and community facilities projects: interior renovations at the Berkeley Food and Housing Project's North County Women's Center, exterior renovations at the City's James Kenney Recreation Center, new filters, ADA lift and covers for the City's West Campus Pool, renovations for the Multi-Cultural Institute, Housing and Community Services staffing for rehabilitation activities, Rebuilding Together's community facilities improvement program, and renovations at the Women's Daytime Drop-In Center.

The City's anti-poverty strategy continues to be closely tied to the funding of over 60 community agencies to provide services as described above to enable people in poverty to attain self-sufficiency, support at-risk youth to succeed in school and graduate, and protect the health and safety of low income people. Services are targeted toward people with disabilities, child care for working parents, and job seekers.

In PY 2011, additional actions to reduce poverty included:

- Continued the City's **First Source local hiring policy** and worked closely with local workforce development programs to coordinate outreach to potential employers and to low-income, at-risk residents to ensure access to employment opportunities on publicly funded projects.
- Continued to implement the **Community Workforce Agreement** ordinance adopted in PY 2010. This agreement includes a local hire goal of 30% for publicly funded construction projects of $1,000,000 or more. Coordinated efforts with trades training programs, Berkeley Unified School District and unions to develop a pathway for Berkeley residents to access union jobs and apprenticeships on the CWA-eligible projects.
- The YouthWorks **Employment Program** provided positive and meaningful youth-focused activities, addressing youth unemployment, crime and poverty, by teaching fundamental life (including Financial Literacy) and workplace skills, to help youth explore, prepare for, transition, and ultimately succeed in the adult world of work.
- **Berkeley Youth Alternatives** (BYA) received WIA funds to serve Berkeley, Albany, Emeryville and Alameda youth for year-round workforce development activities. YouthWorks and BYA collaborated on outreach, intake and referrals to reach the most eligible youth possible in order to reduce duplication of services.
- Continued to focus on **South and West Berkeley at-risk transition age youth** for internships, job training and employment opportunities. Placed these older youth in jobs in Graffiti abatement, Public Library, Public Health and with local non-profit organizations.

- Continued the innovative strategic planning process titled **"2020 Vision for Youth"** in order to address the achievement gap, and providing leadership and coordination between City departments and local youth-serving agencies in this forum.
- As part of the **East Bay Green Corridor** partnership, continued to strengthen partnerships and programs that effectively address the workforce development needs of green industries, and provide opportunities for Berkeley residents to gain employment in green sectors. The partnerships include coordination with training programs and community colleges.
- Continued implementation of the **California Enterprise Zone program** in West Berkeley which dates from December 2009. Provided outreach and additional training to businesses in the Zone and workforce development programs.

In the Consolidated Plan, the City established the following Non-homeless Special Needs priorities:

- Housing that is affordable given income sources commonly available to seniors and people with disabilities;
- Home rehabilitation for maintenance and for accessibility;
- Supportive services that include enough flexibility in type, intensity, and duration to support people to stay stably housed;
- Services that help people who are eligible to access entitlements such as SSI and Medi-Cal, to increase their housing and service options; and
- Education and employment programs which help people increase their income.

In PY 2011, the City continued numerous programs targeting people who are not homeless and have special needs:

- **Senior and Disabled Rehabilitation Loan program** provides low cost loans and project management services to rehabilitate homes owned by seniors and people with disabilities, which allows people with special needs and fixed incomes to remain stably and safely housed.
- **Community agencies providing senior services** were funded with $29,572 in City General Funds for two programs, as detailed in the Annual Action Plan.
- **City's Aging Services Division** continued to operate three senior centers. Two provide daily classes and activities and a daily hot lunch program, while the third is home to the supportive services/ case management program and a meal delivery program.
- **Community agencies serving people with disabilities** received $1.2 million, a combination of CDBG and City General Funds, for nine programs as detailed in the Annual Action Plan.
- **Community agencies providing employment services** were funded at $334,038 in CDBG and General Funds for five programs, as detailed in the Annual Action Plan.

b. Provide a breakdown of the CPD formula grant funds spent in attaining the goals and objectives.

Table 2: HUD Community Planning and Development Funds, by Goals and Objectives in PY 2011

Priority Area	Funded**	Spent in PY 2011
Housing Development Projects (excluding non-homeless special needs projects)	$2,891,193	$626,210
Community Development Projects		
Public Facilities	$270,405	$197,832
Public Services (excluding homeless, employment and housing support Services)	$106,607	$106,607
Homeless Services (including HMIS)	$417,890	$371,190
Non-Homeless Special Needs Projects	$1,415,940	$1,097,296
Planning & Administration	735,628	$684,009
Total	**$5,837,663**	**$3,083,143**

*See Outcomes Chart in ***Attachment B*** for details.
** Includes carryover projects.

c. If applicable, explain why progress was not made towards meeting the goals and objectives.

Not applicable

2. Describe the manner in which you would change your program as a result of your experiences.

No changes are proposed as a result of the activities in PY 2011. By awarding funding competitively and continually monitoring results, the City is able to make minor adjustments as needed from time to time. The goals and objectives as identified last year in the Consolidated Plan are still appropriate.

III. ASSESSMENT OF ANNUAL PROGRESS

1. Affirmatively Furthering Fair Housing

a. Actions taken to affirmatively further fair housing.

During PY 2011, the City affirmatively furthered fair housing by:

- Funding the community agency East Bay Community Law Center (EBCLC) to provide fair housing outreach and education;
- Continuing to require all City-funded affordable housing developments to create and implement affirmative marketing plans; and
- Providing technical assistance to community agencies in June 2012 regarding new requirements and regulations related to accommodating clients with service animals.

b. Summary of impediments to fair housing choice in the Analysis of Impediments (AI).

A variety of factors may form impediments to fair housing choice in Berkeley. There are several issues which relate primarily, although not exclusively, to people with disabilities. There is evidence that discrimination based on source of income, which includes Section 8 and Shelter Plus Care, has disproportionate impact on minorities and people with disabilities. Although Berkeley has made substantial investments into affordable and supportive housing, there is still, as in the rest of the nation, more people with disabilities in need of affordable and supportive housing than there is housing available, which can limit opportunities for people with disabilities to integrate into the community and stay out of institutional settings and homelessness.

According to HUD statistics, discrimination against people with disabilities is the most frequently reported fair housing complaint in Berkeley, as it is in the rest of the nation. It is unclear whether this type of discrimination is the most common or the most commonly reported. Berkeley has a very active disability community, and people have numerous places to turn for assistance with this type of discrimination. Another impediment to fair housing choice identified frequently by survey respondents was a lack of sufficient accessible housing units, including accessible units for families.

Other impediments relate more to racial or ethnic status. While promotion of fair housing choice encourages the development of affordable housing in areas with low concentrations of minorities, in Berkeley, most areas with low concentrations of minorities are predominately in the hills, which for the most part are zoned single family and also not in close proximity to public transit, which include bus routes and the BART system, grocery stores, libraries, and other services. Low income housing tax credits, a major funding source for new housing development, are only available to developments located in close proximity to public transit, grocery stores, libraries, and other services. Therefore, little City-assisted housing is built in these areas. Since people of color are more likely to have lower incomes, the limited dispersion of affordable housing may have a greater impact on minorities.

In addition, evidence suggests that Latinos may be underserved in Berkeley for a variety of housing and service needs. Most of the evidence comes from CHAS data calculated based on the 2000 Census, which is out of date now. The number of Hispanic/Latino residents of Berkeley increased by 22 percent from 2000 to 2010, and it is likely related information on housing and service needs has changed as well; more analysis will be needed as 2010 Census data becomes available. Finally, countywide lending data show that African Americans and Latinos in Alameda County face higher mortgage loan denial rates regardless of income, as is true in the rest of the nation.

Potentially affecting all residents, there may be a lack of knowledge by housing consumers and providers of Fair Housing Laws, discriminatory practices, and enforcement agencies and procedures.

c. Identify actions taken to overcome effects of impediments identified in the AI.

Table 3: Actions Taken To Implement Berkeley's Analysis of Impediments to Fair Housing Choice in PY 2011

Actions Identified in Analysis of Impediments to Fair Housing Choice	Action undertaken in PY 2011
Address "source of income" discrimination (Shelter Plus Care and Section 8)	Shelter Plus Care and Section 8 program outreach to property owners/managers; ongoing services for property owner/managers Continued to encourage Inclusionary Rental Housing property managers to accept Shelter Plus Care and Section 8
Encourage dispersion of affordable housing development.	Made the list of housing opportunity sites in the City available to the public online as part of the Housing Element. Includes the address, lot size, zoning, and General Plan designation of sites throughout the City http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=23512

Table 3: Actions Taken To Implement Berkeley's Analysis of Impediments to Fair Housing Choice in PY 2011

Actions Identified in Analysis of Impediments to Fair Housing Choice	Action undertaken in PY 2011
Fund outreach and education about fair housing.	In PY2011, the City learned that its fair housing service provider was going out of business resulting in the City soliciting proposals from local fair housing providers. East Bay Community Law Center (EBCLC) and its subcontractor, Bay Area Legal Aid (BALA), was the successful bidder. In PY2011, EBCLC and BALA provided four trainings and conducted outreach to 303 stakeholders (community based agency staff, Berkeley Housing Authority, property owners and property managers). EBCLC provided fair housing services to 76 Berkeley residents (125% of goal). Of the people served, 81% had fair housing issues related to disability, 2% familial status, 3% gender, 2% marital status, 3% national origin, 6% race, and 3% source of income (SSI,SSDI). Of the 76 served, all 76 received fair housing counseling, and 33 fair housing issues were investigated. Of the 33 fair housing issues that were investigated, 22 merited mediation, 17 matters were successfully mediated and five matters are still pending. EBCLC conducted three audits testing for discrimination on the basis of race and disability. Due to the limited number of audits conducted, the results were inconclusive.
Include fair housing requirements, including affirmative marketing plans, in City contracts.	Continued to include affirmative marketing plans in Housing Trust Fund Development Loan Agreements.
Collaborate with other jurisdictions and housing and service providers under the umbrella of Everyone Home on projects that increase fair housing choice. For example, the Supportive Housing Committee has groups working on screening criteria and other property management issues in supportive housing and on improving the quality of congregate living facilities.	Berkeley-based nonprofit housing developers and operators are participating in the Property Management Pilot Program. Participated in a review of the outcomes with the Leadership Board of Everyone Home.

Table 3: Actions Taken To Implement Berkeley's Analysis of Impediments to Fair Housing Choice in PY 2011

Actions Identified in Analysis of Impediments to Fair Housing Choice	Action undertaken in PY 2011
Work with other jurisdictions through Everyone Home to provide unified and comprehensive sources of information regarding housing resources.	Continued to fund countywide 211 program operated by Eden I&R. Provided information to Everyone Home and Eden I & R to populate the housing inventory information available on the Housing CHOICES for Alameda County website: http://achousingchoices.org
Evaluate opportunities for fair housing testing and auditing.	Included these activities in the East Bay Community Law Center (EBCLC) contract. EBCLC completed 3 tests in PY2011.
Fully utilize Mental Health Services Act Housing Program funding available to create housing for people with serious mental illness who are homeless.	The remainder of the City of Berkeley's portion of State Mental Health Services Act (MHSA) Housing Program funds were allocated to UA Homes in PY 2011.
Support programs which increase opportunities for people with disabilities to live in a way that is integrated into the community.	Continued Measure E funding to Easy Does It. Easy Does It provided emergency services to 148 residents: 2,422 attendant services, 395 emergency rides, and 139 repair services.
Continue to fund the creation of new affordable housing through acquisition, rehabilitation, and new construction.	See detailed description of Housing Trust Fund activities under section 2, below.
Continue to encourage use of universal design in Housing Trust Fund funded projects.	Continued to encourage the use of universal design in Housing Trust Fund funded projects, by retaining discussion of universal design in the HTF guidelines.
Support the rehabilitation of existing owner and tenant occupied units.	Continued operation and funding for rehabilitation programs: CESC Major Home Repairs, Rebuilding Together, Senior and Disabled Home Loans, Super Weatherization (through 12/2011), and the Center for Independent Living Residential Access Program. This year the City was awarded a $1M CalHOME grant for 3 years for the Senior and Disabled Home Loan program

Table 3: Actions Taken To Implement Berkeley's Analysis of Impediments to Fair Housing Choice in PY 2011

Actions Identified in Analysis of Impediments to Fair Housing Choice	Action undertaken in PY 2011
Support other strategies to increase affordable housing opportunities.	Continued enforcement of the Inclusionary Housing Ordinance for condominiums, Condominium Conversion Ordinance, Density Bonus program, and working with the Berkeley Housing Authority on project-based Section 8. The City Council adopted an affordable housing mitigation fee ordinance in late PY2009 and discussed setting the level of the fee several times in PY2010.
Continue to provide housing and community services planning notifications in English, Spanish, and Chinese based on past evaluation of language needs.	Per Citizen Participation Plan, continued to provide housing and community services planning notifications in English, Spanish, and Chinese based on past evaluation of language needs.
Reevaluate Limited English Proficiency needs once 2010 Census data is available.	Completed a 4 factor analysis of City housing and community services programs using 2010 Census data.
Explore opportunities to provide interpretation services in languages in addition to Spanish and Chinese for people seeking services through the Housing and Community Services Department.	Distributed information to Health, Housing & Community Services staff about how to access Language Line for telephone interpretation in 200+ languages. Finance Department negotiated a rate of less than half what Language Line had previously charged.
Evaluate 2010 Census data to better inform City strategies to meet Latino housing and community services needs.	Berkeley's Latino population increased by 22% or 2,208 people during the last decade. Further evaluation was not possible since HUD made CHAS data available to jurisdictions in June 2012. Staff intend to complete further analysis PY 2012. Under its City contract, EBCLC took on outreach regarding housing at the Multicultural Institute, a center for Latino day laborers.

In addition, on February 16, 2012, the Human Welfare and Community Action Commission hosted a special meeting on financial needs and opportunities of low-income Berkeley residents. Approximately 30 people attended. Through the panelists and public comment, several themes emerged:

- The populations that could benefit most, at-risk youth and the elderly, are not being adequately served.
- Berkeley and surrounding communities actually have quite a number of good financial literacy programs and financial products to meet the needs of residents, but those programs and products are not reaching those who could benefit most.

- Neighboring cities such as Oakland and San Francisco indicated a willingness to share resources and lessons learned from launching programs and campaigns designed to help connect families with better banking and financial resources (e.g. Bank on SF and PayDay Plus, Bank on Oakland).

2. Affordable Housing

Evaluate progress in meeting its specific affordable housing objectives, including:
a. Comparison of proposed numeric goals (from the consolidated plan and annual action plan) with the actual number of extremely low income, low income, and moderate income renter and owner households assisted during the reporting period.

The City of Berkeley's Consolidated Plan included affordable housing production goals that were originally established in the City's Housing Element for the period 2007 – 2014. The same goals were used for the sake of consistency, although the time periods of these mandatory plans differ. Progress on these goals is described below.

Table 4: Housing Trust Fund Affordable Housing New Construction Goals 2007 – 2014

	2007 - 2014 Goal	Number Completed Prior to PY 2011 *	Number Completed in PY 2011	Percentage of Goal Completed
Extremely low income	43	34	2	84%
Very low income	129	33	13	36%
Low income	43	29	0	67%
Total affordable	**215**	**96**	**15**	**52%**

* The units completed prior to PY 2011 were all in Oxford Plaza.
The project completed in PY 2011 was Harmon Gardens.

Table 5: Housing Trust Fund Affordable Housing Rehabilitation Goals 2007 – 2014

	2007 - 2014 Goal	Number Completed Prior to PY 2011 *	Number Completed in PY 2011 **	Percentage of Goal Completed
Extremely low income	7	60	24	1200%
Very low income	21	30	10	190%
Low income	7	13	0	186%
Total affordable	**35**	**103**	**34**	**391%**

* Units prior to PY 2011 were in Allston House, Regent House, and Amistad House.
** The project completed in PY 2011 was Erna P. Harris Court.

The City will significantly exceed its rehabilitation goals but not meet its new construction goals in the Consolidated Plan period. There are several reasons for this. The new construction goal was very ambitious. It was based on the achievements of the seven years prior, a period of economic boom that produced more new affordable housing in Berkeley than at any time in decades. With the continued recession, construction generally remains depressed. Funding sources that typically complement Housing Trust Fund investments, such as federal Low Income Housing Tax Credits and the California Multifamily Housing Program (MHP), have experienced continuing problems, making assembling funding for new construction very challenging. At the same time, multiple previously-assisted housing developments in Berkeley have required rehabilitation to remain affordable.

Housing Trust Fund

The majority of affordable housing activities in Berkeley are conducted through the Housing Trust Fund (HTF), in which the City pools related funding. See ***Attachment I: June 30, 2011 Housing Trust Fund Summary*** for more detail on sources in the HTF.

The City is still working from a Request for Proposals (RFP) issued in late 2009 for predevelopment loan assistance and an HTF Notice of Funding Availability (NOFA)/RFP issued on January 15, 2010. Although not limited to rehabilitation, the 2010 NOFA was intended to target Berkeley's older affordable housing developments. The City received a strong response: four requests for predevelopment funding and 10 proposals (including the Strawberry Creek Lodge's CDBG application referred by the Housing Advisory Commission) for development funds. In response to the NOFA, the Cite received requests for about $8 million although just $1.4 was available.

In December 2010, Council approved staff's recommendation to hold the current HTF funding round open for all projects which had submitted applications and allow City staff to continue to work with these pipeline projects and bring additional projects funding recommendations forward through December 31, 2011. In PY 2011, Council again extended the pipeline of projects timeline, this time to December 31, 2012.

In PY 2010, Council approved funding reservations for six projects. In PY2011, Council approved funding reservations for Savo Island, the UA Cooperative and William Byron Rumford Sr. Plaza. Also during PY 2011, the City released an RFP for affordable housing development proposals for the City-owned site on Harper Street, previously the site of the proposed Prince Hall Arms development.

PROJECTS WITH FUNDING RESERVATIONS APPROVED

UA HOMES

Resources for Community Development received a $778,816 HTF commitment in 2010 to refinance and rehabilitate the University Avenue Homes (UA Homes) apartments. UA Homes contains a total of 74 single room occupancy units and five ground floor commercial spaces. The total development cost is approximately $16.5 million. The scope of rehabilitation will include new common area and service spaces, targeted replacements and upgrades of fixtures and finishes throughout the apartments, upgrades to the mechanical and plumbing systems, and energy efficient improvements such as window replacements, lighting repairs and upgrades, heater replacements, and installation of low-flow fixtures and water saving appliances. UA Homes was approved for a Low Income Housing Tax Credit award of $7,030,523 in July 2012 (early PY 2013). Renovation activities are anticipated to be undertaken by the end of December 2012.

SAVO ISLAND COOPERATIVE HOMES

Savo Island is a 57-unit affordable housing community located in South Berkeley. The property was built in 1979 on approximately 2.5 acres of land. Improvements consist of 8 two-story residential buildings, a single story community building and leasing office, mature landscaping, and a central open space area. Savo Island has an estimated total development cost of approximately $7.2 million to complete a renovation of the buildings and property improvements. Savo Island received a $300,000 HTF allocation in 2010. In PY 2011 (April 2012), the Berkeley City Council approved an additional $135,000 in HOME funds making the total amount of the HTF loan $435,000. The HTF loan is a permanent loan with a term of 55 years and interest rate of 3%.

To complete the financing for the project, Savo Island is in the process of refinancing its existing HUD-insured loan through HUD's 221 (d) (4) Program. The closing of escrow on the new loan is scheduled for early September 2012, and the rehabilitation work will commence shortly after. The scope of rehabilitation includes the replacement of windows, siding, and roofing, handicap accessibility alterations, energy upgrades, exterior site repair, and targeted interior improvements.

STRAWBERRY CREEK LODGE

Strawberry Creek Lodge (SCL) is a 150-unit property for seniors. The project was built in 1962 and includes 130 studio and 20 one-bedroom units. SCL has been well maintained, but the property is nearly 50 years old and has a number of capital improvement needs. The project's current HUD mortgage matures in July 2012, and at that time, SCL intends to secure a new HUD mortgage and rehabilitate the property. In 2010 the City Council awarded SCL $86,250 for predevelopment, and SCL has engaged an architect, project manager, and financial consultant to direct this process. Depending on the cost of the proposed rehabilitation and availability of other financing, SCL may need a further contribution of HTF funds and has since also received a commitment from the Berkeley Housing Authority for 23 Section 8 Project-Based vouchers.

UNIVERSITY AVENUE COOPERATIVE
Resources for Community Development (RCD) has worked with the UA Cooperative Board to develop an acquisition (of the property improvements) and rehabilitation strategy in order to preserve this 47 unit residential development as a multi-family affordable housing project. This plan to continue the property as a multi-family affordable rental housing project rather than a conversion to cooperative housing is supported by the residents. The total development cost is approximately $10.7 million dollars. The City has reserved $890,000 in HOME funds for the project in addition to $33,100 of General Funds City Council allocated for predevelopment loan expenditures. RCD submitted the Low Income Housing Tax Credit Application in July 2012. If approved by the State's Tax Credit Allocation Committee, the renovation of the project could start by early spring 2013.

BERKELEY HOUSING AUTHORITY (BHA)
BHA is in the process of disposing of its public housing units to a nonprofit housing developer. BHA currently owns 61 units of federal Low Income Public Housing and 14 units of affordable housing funded through the state Rental Housing Construction Program. On December 22, 2010, BHA received disposition approval from HUD. BHA intends to select an owner/developer to acquire, rehabilitate, and operate its portfolio of 75 units through an RFP process. The City reserved $236,000 in Housing Trust Funds in May 2010 for BHA to repair roofs at its 61 federal public housing units. The City Council also recommended that an additional $464,000 in HTF funds be reserved to support the disposition plan. Staff continues to work with BHA to administer and assess the funding needs of the disposition process. Staff is currently negotiating a lease for the city-owned units and will work with the City Attorney's Office to use the most appropriate development agreement. The City anticipates providing the $700,000 for this project.

WILLIAM BYRON RUMFORD SR. PLAZA
The South Berkeley Community Housing Development Corporation (SBCHDC) originally developed the William Byron Rumford, Sr. Plaza (WBR), new construction, 43-unit mixed income family apartments, using Low Income Housing Tax Credits, City General Fund loans, and City-owned land. In 2009, a physical needs assessment (PNA) found that the buildings are in overall good condition but are aging and suffer from deferred maintenance. SBCHDC submitted an application for HTF funding for WBR in 2010 but City staff did not recommend the project for funding at that time because of the group's lack of capacity to develop and manage the rehabilitation or to obtain additional funding needed for a more comprehensive rehabilitation of the development.

Since that time, SBCHDC has entered into a Development and Asset Management Services Agreement with Resources for Community Development (RCD) to develop a strategy for the complete rehabilitation of the facility, including refinancing the existing debt on the property with the goal of maintaining the affordability of the project for another 55 years. The arrangement between SBCHDC and RCD is intended to bring

the buildings up to current standards for energy efficiency and resident health and comfort, and to bring RCD's experience in financial administration and asset management to the development in order to promote the long term viability of WBR.

RCD's financing strategy includes Low Income Housing Tax Credits, bond financing, Federal Home Loan Bank funds, HOPWA funds, Project Based Section 8 vouchers and the refinancing of existing State and City loans previously made to the development. The total projected costs for the acquisition, development and rehabilitation of WBR is estimated at $14.6 million.

OTHER PROJECTS IN THE PIPELINE

HARPER STREET (FORMER PRINCE HALL ARMS PROJECT)

In July of 2010, City Council approved an HTF funding reservation in the amount of $497,000, to assist Satellite Housing, a Berkeley-based not-for-profit, to gain clear title to the site of the former Prince Hall Arms Apartments development project. Although Satellite was able to negotiate an agreement with Buckley Real Estate to purchase the site clear of several existing liens, a legal dispute concerning the actual ownership of the site made acquiring clear title impossible. In the hope that this dispute might be resolved, the City, on three occasions, postponed a foreclosure sale scheduled for the property. The final foreclosure sale date of July 1, 2011 was stayed on June 29th as a result of a related legal action brought by Buckley Real Estate.

On September 29, 2011 the Superior Court issued an Order denying the request for a Preliminary Injunction preventing the City's trustee sale and, on September 30, 2011, the City completed its foreclosure action. The minimum bid with costs for the property was set at $1,098,090. Since there were no other bidders at the sale, the City acquired the property. In December 2011, City Council approved an expedited RFP process to identify a developer capable of developing an affordable housing project on the site and cancelled the funding reservation for Satellite Housing.

The City issued an RFP in January 2012 and received 8 proposals for the development of the site. City staff completed a technical review of the proposals and submitted its assessment to a review panel for further deliberation. The review panel convened in April 2012, reviewed all the proposals and developed a unanimous recommendation to proceed with Satellite Housing's proposal. The Housing Advisory Commission voted unanimously to approve the review panel's recommendation. In July 2012 Council approved a resolution to negotiate with Satellite Housing to develop (a) a more refined financing plan, including working with the Berkeley Housing Authority regarding a potential allocation of project-based Section 8, and (b) a plan for site control of the 3135 Harper Street site sufficient to allow it to apply for Low Income Housing Tax Credits in March 2013, and to return to Council prior to December 31, 2012 when the current Housing Trust Fund round will close.

GRAYSON STREET APARTMENTS
Affordable Housing Associates (AHA) submitted an application for the acquisition of a vacant property site at 2748 San Pablo Avenue in West Berkeley. The site was previously entitled for the construction of 20 residential units with retail and parking on the first floor. The current landowner originally planned to sell the units as a market-rate condominium but because of adverse conditions in the real estate and financing markets, the owner is unable to move forward with the for-sale concept. After meeting with the landowner and reviewing the preliminary architectural plans and use permit AHA believes this to be an excellent site for housing for special needs or the developmentally disabled.

AHA plans to submit an application for Project-Based Section 8 assistance if an RFP is available and will be working with City staff on their application for Housing Trust Fund request to assist with the acquisition of the site and to complete the NEPA requirements prior to the acquisition of the site. The planned units will be a mix of one- and two-bedroom apartments that will be available to families and single adults with special needs. AHA will be also working with the owner on an option agreement to purchase the site. The total cost of the project is currently estimated to be $9 to $10 million dollars.

PROJECTS COMPLETED IN PY2011

ERNA P. HARRIS APARTMENTS
The rehabilitation/renovation of the Erna P. Harris Apartments was completed in November 2011. The project includes 35 units of one-bedroom and single room occupancy units in four buildings. Two buildings were originally constructed in 1952 and were used as a motel, later a small building was added to motel. In 1994 Resources for Community Development (RCD) purchased the property, completed limited renovations, and converted the development into permanent affordable housing for homeless and disabled adults and constructed a new community room and kitchen. The buildings house a community room with laundry facilities, services and resources office, and a manager's office. The target tenant population is low- and extremely low-income disabled persons who are homeless or previously homeless. The project receives Section 8 rental subsidies on 25 units and Shelter Plus Care rental subsidies on 7 units. Additionally, Alameda County provided funds for 5 HOPWA units.

The City entered into a Development Loan Agreement on September 1, 2010 to provide $400,000 of CDBG funds as additional financing to a previous HOME loan of $590,000 (plus accrued interest) on the old property. The comprehensive rehabilitation included the construction of a site drainage system, bathroom upgrades, new windows, interior painting, new flooring, insulation, accessibility improvements, and replacement of kitchen cabinets and countertops. RCD completed a whole systems approach to the rehabilitation by including choices that increased energy efficiency and improved the indoor health and comfort of the tenants. Renovation activities followed local and state building code requirements.

HARMON GARDENS APARTMENTS
In July, 2011, Affordable Housing Associates (AHA) completed construction of a new four-story building providing 16 new apartments; 15 of these apartments are for youth who are homeless or at serious risk of homelessness and the remaining unit is the resident manager's unit. Harmon Gardens provides Transition-age Youth with a permanent home where they can develop independent living skills, while receiving supportive services.

Each resident has his/her own studio apartment with full kitchen and bath. The project includes approximately 2,400 square feet of open space, most of which is located in a garden and patio area adjacent to the community building. The community building includes a large residents' community room which will be used as a social gathering space for group activities. In addition, the building design includes property management office, social services office, a computer room and laundry facilities.

The Harmon Gardens development incorporates a Universal Design to ensure that the building is fully accessible/adaptable to all tenants and visitors regardless of their physical needs. The building incorporates significant green building measures including a high efficiency boiler, high performance windows, Energy Star appliances, and photovoltaic electricity generating system. Supportive services are provided to the project by Fred Finch Youth Center. The City entered into a Development Loan Agreement on June 1, 2010 to provide $400,000 of HOME funds as additional financing to a previous loan Housing Trust Fund loan of $211,000 of HOME funds on the old property. Construction was completed in September 2011 and the project achieved a LEED Platinum status award. Construction activities followed local and state building code requirements. The City issued an Occupancy Permit on August 19, 2011.

Other Housing Goals

Table 6: Other Housing Goals by Housing Program Type

Housing Program	Need	Year 2 Goal	Year 2 Actual	Plan Period to Date	5-year Goal	% of 5 Year goal achieved
Homeownership	11,993[2]	0	1	1	3	33%
Home rehab and accessibility improvements	2,498[3]	467	232	699	2,335	30%
Housing Code Enforcement	25,751[4]	300	610	910	1,500	61%
Fair Housing	44,938[5]	60	76	136	300	45%
Total	87,426	827	919	1,746	4,353	40%

Notes: These goals were established in the *2010-2014 Consolidated Plan.*
Homewnership goal based on home purchases through the Mortgage Credit Certificate (MCC) program.
Home rehabilitation and accessibility improvements projection based on the accomplishments of

previously funded programs: Senior and Disabled Home Rehabilitation, Rebuilding Together, Superweatherization, Center for Independent Living Residential Access for the Disabled, Community Energy Services Corporation (CESC) major and minor home repairs.
Housing Code Enforcement projection based on average new cases per year 2006 – 2008.
Fair Housing project based on historical Housing Rights Inc. contract.
[2] Need includes 100% of renter households with incomes below 80% of median in the 2000 Census
[3] Need includes all homeowner households in the 2000 Census with an income below 50% of median
[4] Need includes all renter households in Berkeley
[5] Need includes all households in Berkeley

Homeownership: *Mortgage Credit Certificate (MCC)*. In PY 2011, one Berkeley resident purchased a home for $395,000 using the MCC Program. In addition, two past Berkeley MCC homebuyers refinanced their home, which required reissuance of their certificates. The current maximum purchase price in the MCC program is $569,632 for existing units or $592,756 for new units (never previously occupied).

Neighborhood Stabilization Program
The Housing and Economic Recovery Act of 2008 authorized awarding federal Neighborhood Stabilization Program (NSP) funds to local governments to purchase vacant and foreclosed properties in order to assist in addressing the nation-wide foreclosure crisis. As a "Tier 2" jurisdiction, the City of Berkeley entered into a joint agreement to file a joint application with other the Tier 2 cities of Berkeley, Fremont, Livermore, San Leandro and Union City in order to meet the $1 million threshold requirement and receive $2,230,495 in federal NSP1 funds. With the City of Livermore acting as the "lead agency", the cities selected Hello Housing, formally known as Hallmark Community Solutions as the program contractor to use this pool of NSP1 funds to acquire, rehabilitate, and resell foreclosed and abandoned properties as well as process prospective income-eligible homebuyers for the purchased properties.

Hello Housing launched a NSP Regional Marketing Website (www.homehub.org) where all NSP homes are listed and information about the NSP program is available. This site includes lenders, home buying counseling agencies and real estate agents who are working with the NSP program. It shares details about each of the jurisdictions and their developer partners that are working together to implement the NSP program. The goal is to better market the benefits of the NSP program operating across the Bay Area to prospective buyers, mortgage lenders and real estate agents.

During FY11/12 two NSP1 eligible properties were acquired and rehabilitated through the program. A property located in Livermore (Crane Ave.) was acquired by the program in September 2011 originally for sale to a moderate income homebuyer. However, due to the State/HUD requirement to target funds to very low income households, Hello Housing has worked through Alameda County Behavioral Health Care Services Agency to secure MHSA (Prop 63) funds to convert the home into shared housing for three disabled individuals qualifying under the MHSA program. NSP funds (approximately $240,000 permanent subsidy) were used to finance the acquisition of the foreclosed property which was leveraged with $326,000 in MHSA funds to provide rehabilitation and operating cost subsidy for the property. This property is currently being marketed

for lease to eligible disabled households (30% - 50% AMI) through Housing Consortium of the East Bay, a MHSA home operator and services provider. Lease up is anticipated for August 2012.

A second property in foreclosure was acquired by the program in January 2012. This unit is located within a Habitat for Humanity development in Livermore (Freeda Court). This property was put into foreclosure in July 2012 by the first lender (CalHFA) and had been vacant for nine months by the time it was acquired by the program. The unit was originally restricted as affordable for sale through the City's to moderate income individuals, however through the acquisition and additional City secondary financing provided by the City, the unit is being sold as affordable for low income (80% AMI) households. This unit is currently in contract and expected to close in July 2012.
It is anticipated that the NSP1 program will have sufficient funds to acquire and rehab one additional property before the program terminates in February 2013.

Home rehab and accessibility improvements:
Table 6 above includes the number of home rehab and accessibility improvements completed by Senior and Disabled Home Rehabilitation, Rebuilding Together, Superweatherization, Center for Independent Living Residential Access for the Disabled, and Community Energy Services Corporation (CESC) major and minor home repairs.

Superweatherization was operated by the City of Berkeley until December 31, 2011. It combined Federal, State and local funds to provide free energy saving improvements to income-eligible residents. Services varied by program and building, and can include free attic insulation, weatherstripping, water heater blankets, low-flow shower heads, duct insulation, high efficiency lighting, window repairs/replacement, and ceiling fans. The City stopped operating this program at the end of 2011 due to insufficient and very unstable funding via the State of California. The State awarded Spectrum Community Services, based on Hayward, the funds to continue services for Berkeley residents.

Table 7 shows the number of units weatherized in PY 2011 by the source of funds used.

Table 7: Number of Units Weatherized in PY 2011, by Source of Funds

Home Energy Assistance and Energy Crisis Intervention Programs (HEAP/ECIP)	6
Low Income Home Energy Assistance Program Weatherization (LIHEAP WX)	57
American Recovery and Reinvestment Act Department of Energy (ARRA DOE)	36
Department of Energy Weatherization Assistance Program (DOE WAP)	0
Community Development Block Grant (CDBG)	47
Total	146

Housing Code Enforcement: In PY 2010, Housing Code Enforcement/the Rental Housing Safety Program opened 177 new reactive (complaint driven) and 433 proactive cases, for a total of 610 new cases.

Fair Housing: EBCLC provided fair housing services to 76 Berkeley residents (125% of goal). Of the 76 served, all 76 received fair housing counseling, and 33 fair housing issues were investigated. Of the 33 fair housing issues that were investigated, 22 merited mediation, 17 matters were successfully mediated and five matters are still pending. For more details on EBCLC's fair housing work, see *Table 3: Actions Taken To Implement Berkeley's Analysis of Impediments to Fair Housing Choice in PY 2011*.

Other energy efficiency and sustainability programs
In addition to the Superweatherization activities listed above under "home rehab and accessibility improvements," the City has a number of other energy efficiency initiatives that are aim not just at low income residents, but at the City as a whole. The City of Berkeley is committed to promoting an integrated strategy to help Berkeley residents make their homes energy efficient with income qualified weatherization programs, the Residential Energy Conservation Ordinance (RECO), requiring energy upgrades at time of sale or remodel and whole house upgrade incentives funded through the DOE's Energy Efficiency, promoting Energy Upgrade California and Conservation Block Grant (EECBG), an ARRA-funded program, with the Money for Energy Efficiency (ME2) program offering rebates to all and subsidized direct install to moderate income qualified households. ARRA funds are expected to last until August 2012.

- **RECO** requires residential property owners to increase the energy and water efficiency in their buildings upon transfer of property ownership or when renovations are made. Compliance with RECO measures saves money, increases the comfort of residents and reduces the amount of greenhouse emissions in every home.
- **Energy Upgrade California** provides rebates funded through utility public benefit funds. The City provides outreach and technical assistance to promote all incentive programs available to single and multi-family properties.
- **Moderate Income Direct Install Program** (income qualified individuals or neighborhoods)**.** The City of Berkeley offers partially subsidized direct installation of home energy improvements to moderate income or neighborhood eligible residents in partnership with Rising Sun Energy Center.
- **City-wide Rebates.** Using Federal Energy Efficiency Block Grant funds from the DOE, the City of Berkeley offers rebates to Berkeley property owners who retrofit their buildings to improve energy performance.

b. Report the number of households served meeting the Section 215 requirements of affordable housing (essentially meeting the definitions in 24 CFR 92.252 and 92.254 for renters and owners, respectively).

No HOME projects were completed and leased up in PY 2011, so there are no new households to report in PY 2011. The City regularly monitors completed HOME developments for compliance; monitoring activities are described in *Section 3: Assessment of Annual Progress, 8. Monitoring*.

c. Description of efforts to address worst case needs (defined as low-income renters with severe cost burden, in substandard housing, or involuntarily displaced).

During PY 2011, the City of Berkeley funded and/or operated a number of programs to address worst case housing needs:

- **Housing Retention Program**, which combines emergency housing assistance (payment of back rent) with existing case management services;
- **Priority Home Partnership**, a Homelessness Prevention and Rapid Rehousing Program (HPRP) under the American Recovery and Reinvestment Act;
- **Problem Properties Task Force**, which brings together multiple City departments to address properties with multiple problems, including code violations,
- **Rebuilding Together**, which completes home repairs;
- **Rental Housing Safety Program and Housing Code Enforcement**, which includes proactive and reactive housing inspections;
- **Senior and Disabled Home Rehabilitation Program**, which provides loans and project management services to home rehabilitation; and
- **Weatherization**, which provides energy bill payment assistance and home weatherization for low income renters and homeowners. (This program operated until December 31, 2011).

d. Description of efforts to address the accessibility needs of persons with disabilities.

During PY 2011, the City of Berkeley funded and/or operated a variety of programs which address the accessibility needs of people with disabilities:

- **Center for Independent Living**, which modifies homes for accessibility;
- **Measure E**, a local tax approved by Berkeley voters in 1998, provides funding for emergency attendant and transportation services to residents with severe physical disabilities, and incidental case management. Currently Measure E taxes provide approximately $900,000 per year and the City contracts with Easy Does It (EDI). EDI provides emergency attendants, wheelchair adjustments, and transportation services to Berkeley residents who are severely physically disabled, maintains a voluntary disaster registry of disabled Berkeley residents, and provides case-management to help with the recruitment, selection, training, and retention of quality attendants;
- **Rebuilding Together**, which completes home repairs for people with disabilities;
- **Senior and Disabled Home Rehabilitation Program**, which provides loans and project management services to home rehabilitation;
- **City of Berkeley Department of Health, Housing & Community Services' Mental Health Division** provides services for people with mental illness, including helping people obtain and maintain permanent housing;

- **City of Berkeley Department of Health, Housing & Community Services' Paratransit Program**, funded by Alameda County Measure B funds and City General Funds, provides taxi scrip, wheelchair van scrip, Paratransit tickets, and subsidized taxi and van rides home from medical appointments (In PY2011, administration of the program moved from the Community Services and Administration Division to the Aging Services Division.);
- **City of Berkeley Public Works Department's Disability Services Specialist**, who provides information about City program, accessibility, and accommodations.

3. Continuum of Care

a. Identify actions taken to address the needs of homeless persons and persons with special needs who are not homeless but require supportive housing (including persons with HIV/AIDS). This description must include actions taken to implement a continuum of care strategy for homeless and new Federal resources obtained during the year.

The City of Berkeley participates in the Alameda County Continuum of Care. In 2006, the City adopted the Everyone Home Plan as its guiding policy on homelessness and special needs housing. The Everyone Home Plan is a countywide plan addressing homelessness and special needs housing, and functions as Alameda County's continuum of care strategy. Berkeley participants are deeply involved in Everyone Home's implementation: the Mayor serves as an Everyone Home Champion, City staff serve on the Leadership Board and multiple committees including the Jurisdictional Supportive Housing Committee, the Data and Evaluation Committee, and the Performance Management Committee. Berkeley-based housing developers and service providers and Berkeley community members also serve on the Leadership Board, the Data and Evaluation Committee, the Property Management Committee, and the Events Committee.

In PY 2011, the City provided a total of $2,810,919 for homeless programs at 20 organizations:

- $281,931 in CDBG,
- $173,556 in CSBG,
- $85,556 in ESG,
- $2,249,876 in General Funds, and
- $20,000 in other funds.

Through the coordination of Everyone Home, in PY 2011, the City of Berkeley, working in collaboration with other jurisdictions and many community agencies, successfully applied for renewed federal Continuum of Care (Supportive Housing Program (SHP)) funding. Alameda County received $21.6 million to support 47 housing and services programs in Alameda County, many of them in Berkeley (see ***Attachment H: SHP List of Projects Receiving Funding*** for a complete list.). These funds leverage additional funds for homeless services, and are discussed below in the section on Leveraging Resources.

In PY 2011, the City of Berkeley participated in a successful collaborative application to HUD to provide permanent supportive housing for chronically homeless adults who have some level of involvement with local police departments. The grant application was largely modeled on the City of Berkeley's Square One Project. The project is called "Alameda County Impact" and will provide up to 50 tenant-based subsidies through HUD's Supportive Housing Program (SHP), with Abode Services, a non-profit based in Fremont, as the lead agency for the project.

Abode Services will subcontract with the City of Berkeley to administer 5 of the rental subsidies, thus expanding the capacity of Berkeley's Square One Program (described

elsewhere in this report). The subsidies will be targeted for chronically homeless individuals who have had frequent encounters with Berkeley Police Department in commercial areas, and who have received numerous citations. The remainder of the SHP subsidies will be divided among the cities of Fremont, Livermore, Hayward, and Oakland, with a similar focus. The funds are expected to be available starting in November of 2012.

Table 8: Homeless Needs Table: Individuals
(HUD's Consolidated Plan Continuum of Care
Housing Gap Analysis Table 1A)

	From the Consolidated Plan					
	Needs	**Currently Available**	**Gap**	**Year 2 Goal**	**Priority (H, M, L)**	**Year 2 Actual**
Emergency Shelters*	279	279	0	279	M	274
Transitional Housing	59	59	0	59	M	59
Permanent Supportive Housing	351	**377	351	18	H	5
Total	**698**	**724**	**351**	**356**	N/A	**338**

* The Emergency Shelter goal was based on the existing capacity in PY2009. The Year 2 Actual includes 130 year round beds, 125 seasonal beds, and 19 winter hotel vouchers. The decrease in emergency shelter beds was due to a reconfiguration at the Berkeley Food and Housing Project in Year 1. The decrease in winter hotel vouchers was due to fewer adults (19) participating in the Winter Motel Voucher program compared to PY 2009 (24). These 19 adults had a total of 110 bed nights paid for by the Winter Motel Voucher program.

** Year 2 permanent supportive housing came from 5 SHP rental subsidies subcontracted to the City from Abode Services for the new AC Impact SHP grant. The grant award was announced in PY 2011. Subsidies are expected to be available starting in November 2012.

Notes: These goals were established in the *2010-2014 Consolidated Plan*. Numbers for needs and annual goals for emergency shelter and transitional housing reflect continued operation of existing programs. The number of transitional housing beds (needs, currently available, and goal) for individuals in the *2010-2014 Consolidated Plan* was based on the current inventory in PY2009 but reported incorrectly at 68 due to mathematical error. It has been corrected to 59. Since "available units" are generally full, they are not counted against the need.

Table 9: Homeless Needs Table: Families
(HUD's Consolidated Plan Continuum of Care
Housing Gap Analysis Table 1A)

	From the Consolidated Plan					
	Needs	**Currently Available**	**Gap**	**Year 1 Goal**	**Priority (H, M, L)**	**Year 2 Actual**
Emergency Shelters*	30	30	0	30	M	56
Transitional Housing**	104	104	0	104	M	106
Permanent Supportive Housing	29	**35	29	4	H	0
Total	**163**	**169**	**29**	**116**	N/A	**162**

Note: emergency shelter and transitional housing goals reflect the continued operation of existing programs.

* The goal was based on existing capacity in PY 2009. The Year 2 Actual includes 6 emergency shelter beds and 50 Winter Motel Vouchers for families. The families with motel vouchers spent a total of 405 nights in hotels.

** Increase due to reconfiguration at BFHP.

***includes the portion of Berkeley's tenant-based Shelter Plus Care certificates held by families in April 2009. Since both singles and families are eligible, number held by families will change over time.

Note: These goals were established in the *2010 – 2014 Consolidated Plan*. Numbers for emergency shelters and transitional housing reflect continued operation of existing programs. Since the City adopted the Everyone Home Plan in 2006, the priority for new programs is for permanent supportive housing. Since "available units" are generally full, they are not counted against the need, which reflects 2/3rds of the homeless families identified in the homeless count.

b. Identify actions taken to prevent homelessness and to help homeless persons make the transition to permanent housing and independent living.

Preventing and ending homelessness are central strategies for ending homelessness in the Everyone Home Plan.

The City continued two homeless prevention programs that were described in the Annual Action Plan:

- Continued operation of the **Housing Retention** program, which provides up to $2,000 in assistance with back rent for Berkeley residents experiencing a temporary financial setback in order to prevent homelessness.
- Continued operation of the **Housing Resource Center**, launched in 2009 with American Recovery and Reinvestment Act (ARRA) **Homelessness Prevention and Rapid Rehousing (HPRP)** funds. The Housing Resource Center is component of a network of centers developed through inter-jurisdictional planning and coordination.

In PY 2011, the City continued funding a wide range of homeless services and housing programs using federal and local resources. Associated staff activities include administering the contracts, paying out funds, and monitoring agency performance. In addition to a wide variety of services, City funding helps support the City's network of emergency shelter, transitional housing, and permanent housing (detailed in the Consolidated Plan):

- 138 year-round emergency shelter beds,
- Another 184 seasonal shelter beds,
- 172 transitional housing beds, and
- 271 units plus 141 rooms (in congregate housing including SROs) of permanent housing.

Every type of homeless service program in Berkeley plays a part in getting people who are homeless into permanent housing. The City, local housing and service providers, and jurisdictions across Alameda County have been working together since the adoption of the Everyone Home Plan locally and of the HEARTH Act nationally to emphasize exits to permanent housing as a primary goal.

In PY 2011, the City also continued to provide supportive housing through:

- Administration of 6 **Shelter Plus Care** grants, in partnership with numerous Berkeley housing and service providers, to serve more than 220 people in total during PY 2011.
- Operation of the locally-funded **Square One** program, which provides outreach, intensive services, and a housing subsidy to participants who are largely chronically homeless and have been living in commercial spaces in the city. Planning began for

the City to administer 5 subsidies under the county's new AC Impact SHP grant, which will expand Square One's capacity starting in late 2012.

c. Identify new Federal resources obtained from the Homeless SuperNOFA.

Supportive Housing Program Grant Awards, PY 2010
Berkeley agencies continue to compete successfully for Supportive Housing Program Grants from the U.S. Department of Housing and Urban Development (HUD) in PY 2011. *Table 10* lists supportive housing and support services programs in Berkeley that received more than $2 million in direct funding. HUD also awarded $3.5 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 10* lists Supportive Housing Program awards.

Table 10: Supportive Housing Program (SHP) Renewal Awards to the City of Berkeley and Berkeley Community Agencies in PY 2011

Program	Funding
Bonita House - Channing Way Apartments	$33,080
BFHP - Russell Street Residence	253,627
AHA - Peter Babcock House	36,665
RCD - Regent Street	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:	
InHOUSE (HMIS) - County-wide	$384,582
BOSS - Self-Sufficiency Project	736,155
COB Shelter Plus Care Programs	2,421,924
Total	$3,542,661

Source: US Department of Housing and Urban Development. Dated December 20, 2011. Available online: http://portal.hud.gov/hudportal/documents/huddoc?id=11_california_renewals.pdf Accessed July 6, 2012.

New Countywide Shelter Plus Care Resources
The grant agreement for the new Housing for Older Adults Project (HOAP) was executed effective November 1, 2010 ($824,700 for 5 years to provide 12 tenant-based rental subsidies). Matching services are being provided by the City's Aging Services Division.

For the first year of operations, as reported in the APR submitted to HUD, for the reporting period of 11/1/10 through 10/31/11, 14 chronically homeless older adults had been successfully housed through the program. All of the individuals enrolled had been primarily residing in on the streets or in vehicles, and had been diagnosed with a serious mental illness or chronic drug/alcohol dependence, or were dually diagnosed. Four of the 14 are veterans.

By the end for the first operating year, all 14 clients had retained their housing. Two individuals with no income obtained SSA benefits after being housed.

4. Describe Other Actions in Strategic Plan or Action Plan Taken To:
a. Address obstacles to meeting underserved needs.

One of Berkeley's major obstacles to meeting underserved needs is the limited amount of federal, state, and local resources available given the diversity of needs in the community and high cost of housing in the Bay Area. In PY 2011, the City of Berkeley continued to pursue new resources as available to meet underserved needs. For example, in PY 2011 the City successfully competed for $1 million in State of California CalHome funds for the Senior and Disabled Home Rehabilitation Loan Program. This award will support the rehabilitation of twenty homes over a three-year period, starting in PY 2012.

b. Foster and maintain affordable housing.

Monitoring Housing Trust Fund developments is an important strategy for fostering and maintaining the City's portfolio of affordable housing. Regular monitoring will help identify possible problems earlier, so that appropriate preservation strategies can be developed. The City's monitoring plan is described in more detail below, under Monitoring.

The City's last Request for Proposals for the Housing Trust Fund emphasized the rehabilitation and preservation of the City's aging affordable housing stock. Six affordable housing developments currently have HTF commitments for rehabilitation: Berkeley Housing Authority's Public Housing, Savo Island Cooperative Homes, Strawberry Creek Lodge, University Avenue Cooperative, UA Homes, and the William Byron Rumford, Sr. Plaza. Another affordable housing rehabilitation—Erna P Harris—was completed this year.

c. Eliminate barriers to affordable housing.

The principal barrier to affordable housing in Berkeley continues to be the high cost of new development. In addition, reduced funding at the federal and state level contributes to the difficulty of building new affordable housing. Local barriers to affordable housing are the increased costs resulting from obtaining a balance between addressing neighborhood concerns and acting on applications in a timely way to complete and make available affordable units.

The recession has not alleviated the problems of housing affordability in the Bay Area housing market. While home prices are deflating in some neighborhoods, particularly in outlying communities of the Bay Area, which would make homes more affordable, persistent unemployment in the region may undercut effective demand for such housing, and place greater pressure on the rental market, thereby increasing market rents. In Berkeley's rent controlled units, once a tenant obtains a rental unit, future rent increases are regulated, but the initial rent is often relatively high.

In PY 2011, the City continued administering its Condominium Conversion Ordinance, which has fee revenue sources that may help the City increase the number of affordable units created in Berkeley through the Housing Trust Fund Program. In PY 2011, the Condo Conversion program generated $170,200 for the Housing Trust Fund.

In the past, the City's Inclusionary Housing Ordinance resulted in the production of affordable rental and ownership units. Because 2009's Palmer vs. City of Los Angeles decision rendered the City's Inclusionary Housing Ordinance unenforceable in rental housing, during PY 2010, the City evaluated alternatives for an affordable housing mitigation fee to be charged on new residential construction. The Council adopted an ordinance authorizing a fee at the start of PY 2011.

d. Overcome gaps in institutional structures and enhance coordination.

As described in the Consolidated Plan, the City's lead entity for implementation of the Consolidated Plan was the Housing and Community Services Department. During PY 2011, the Department merged with the City's Health Department. The combined department is called the Department of Health, Housing & Community Services (HHCS), and consists of seven divisions:

- The Office of the Director;
- Aging Services;
- Community Services and Administration;
- Environmental Health;
- Housing Services;
- Mental Health; and
- Public Health.

Merging the two departments has created more opportunities for collaboration—for example, between Mental Health and Housing Services on administering State Mental Health Services Act Housing Program funds, and between Aging Services and Community Services and Administration on the Shelter Plus Care and Paratransit programs. HHCS continues to work closely with other City departments involved in housing and community services issues. HHCS holds monthly coordinating meetings with Planning and Development, and works closely with the Police Department on Square One and the Problem Properties Task Force, as examples.

In PY 2011, Housing and Community Services Department staff continued to work with staff of other public agencies, such as the Berkeley Housing Authority and the Berkeley Rent Stabilization Board, as topics of mutual interest arise.

Most of the housing and community services programs described in the Consolidated Plan are delivered by nonprofit community based organizations. In PY 2011, the City contracted with a wide range of housing and service providers using CDBG, HOME, ESG, Community Services Block Grant (CSBG), General Fund, and other sources of funding. These organizations leverage significant financial and in-kind support from individual community members, foundations, and private organizations that help meet the needs identified in this plan. The City continued to work closely with these agencies in PY 2011.

In PY 2011, staff met regularly with staff of agencies in other Alameda County jurisdictions on the Everyone Home Leadership Board and in a variety of committees working to implement the Everyone Home Plan. Agencies routinely consulted include:

- Alameda County Housing and Community Development Department.
- Everyone Home.
- City of Oakland Department of Human Services.
- Alameda County Social Services Agency.
- Alameda County Behavioral Health Care Services.

In PY 2011, the City of Berkeley continued working with the Berkeley Unified School District (BUSD), the Planning and All-City Equity Taskforce Team, Berkeley Alliance, and other planning team members in the 2020 Vision planning process. Berkeley has one of the largest achievement gaps, meaning disparity of education performance between groups of students, along race lines in the State of California. The 2020 Vision aims to reduce disparate health and education outcomes for African American and Latino children and youth in Berkeley.

e. Improve public housing and resident initiatives.
The Berkeley Housing Authority (BHA), which has a board appointed by the City Council, accomplished the following in PY 2011:

Agency-wide

- 2nd consecutive year High performer in the S8 Voucher Program under SEMAP.
- Organizational Assessment/study by Quadel Consultants, to identify efficiencies and cost savings completed.
- Continued staff development efforts, including Mental Health "First Aid" and Bay Area Legal Aid Reasonable Accommodation trainings.

Housing Authority-owned units

- Advanced the disposition project by issuing a request for proposals and selecting a developer/owner for BHA-owned large family rental units, and signed a disposition and development loan agreement with the owner entity.
- Awarded increment of 25 replacement vouchers from HUD for LIPH disposition.
- Engaged with representatives of the NAACP with regard to disposition project and relocation.
- LIPH/RHCP Resident Meetings re: relocation benefits, issuing vouchers.
- Robust public information campaign with LIPH/RHCP residents:
    - job training programs
    - health care services
    - emergency food programs
    - low income tax filing services
    - libraries
    - YMCA scholarships.

Project-based Section 8

- Continued work on Award of PB vouchers to:
    - BHA Scattered Sites (75)
    - Strawberry Creek Lodge (23)
    - Hearst Ave Apts. (8)
- Leased up the 5 PB units at Harmon Gardens serving youth emancipated from the foster care system.
- Planning for Project-based waitlist opening (opening will occur in FY 2012/13) for the following categories:
    - Over 62 years old
    - HOPWA units for people living with HIV/AIDS

- 3- and 4-bedroom qualified families
- Emancipated youth from the foster care system

Note: BHA is opening up the Project-based Waitlist again within a 2 ½ year timeframe. Previously, BHA opened the waitlist approximately every 8-10 years.

Section 8

- Began issuing vouchers to families on the new Tenant-based Waitlist from 2010.
- Focused staff resources to provide additional case management services to disabled clients to avoid termination of assistance, and an increase in the homeless population.

Community

- Celebrated Affordable Housing Week by Honoring East Bay Housing Organizations at a BHA Board Mtg.
- Continued successful collaboration with the Berkeley Police Department and City Manager's Office regarding criminal activity/nuisance behavior.
- Trained Children's Hospital Medical Residents on low-income housing programs and topics.
- Executive Director met with Asst. Professor at Chinese Academy of Governance to discuss BHA programs and operations.

Relocation

As of Sept. 12, 2012, eight LIPH/RHCP families have chosen new homes; received relocation assistance from BHA; and completed successful moves. BHA and Overland Pacific and Cutler (OPC, relocation firm) staff worked hard to make the process stress-free for the LIPH/RHCP residents. There are 42 families that have received Section 8 Vouchers, and all our families have been invited (on one or more occasions) to attend a briefing (an orientation to the S8 program, where a voucher is provided). We understand that 23 of those 45 families are actively looking for new homes with Section 8 voucher assistance currently, again with the assistance of OPC. Additionally BHA recently contracted with consultant Surlene Grant, tasked to serve as ombudsman for the entire process.

BHA continues to keep residents appraised of their relocation benefits on a regular basis, most recently, providing this list of Questions and Answers via the August 2012 Newsletter:

a. <u>If I accept the Voucher, do I have to move? No. BHA has a legal and moral obligation to issue</u> vouchers to all current public housing residents that qualify for assistance via the S8 Voucher Program. Your acceptance simply confirms that you understand you are being offered rental assistance that will allow you to continue paying 30% of income for rent in an appropriate sized

rental unit (in Berkeley or another City/State). We did the math, and the value of a Section 8 voucher is approximately $13,188 per year ($1,099 per month). If you assume you will need rental assistance for the next 10 years - the voucher you receive today is worth a whopping $131,880!

b. What happens if I don't find a unit before the Voucher expires? Every Voucher includes an issue date and an expiration date. In the typical Wait List process the expiration date is a real deadline for when the family must use the voucher, or lose it. This ensures that the next family on the Wait List doesn't have to wait indefinitely for an opportunity to receive rental assistance. With our Public Housing residents, we realize it may take you more time to make a decision about your future housing needs, so we are more flexible with granting extensions – as long as you can demonstrate that you are actively looking for housing. Remember: every day you hold a voucher is a day a family on the wait list is denied an opportunity for housing. For families with no rental assistance – paying the rent each month is a challenge, and even a one-day delay is significant.

c. If I accept the voucher, does that waive my right to remain in one of the units? No. Every current resident has a right (under the local Rent Control Ordinance) to remain in tenancy. However, when the units are no longer "Public Housing" the rent will be set by (a) the Housing Authority for those families with S8 rental assistance, or (b) the market, for those families without S8 assistance. The current Fair Market Rent for a 3-bedroom unit is $1901; the current Fair Market Rent for a 4-bedroom unit is $2354.

d. Is the rehab work going to start in September 2012? No. Rehabilitation we now anticipate is not likely to start until June or July 2013. However, we have a goal of issuing vouchers to all eligible current households by the end of August 2012, and a goal of assisting families that will not be remaining in the property to relocate by the end of September 2012. This will (1) give us an idea of which families want to stay, (2) allow families to complete their move before the inclement weather begins, and before the Thanksgiving and Christmas holidays; and (3) allow Related Companies to begin developing a schedule for the rehabilitation work (possibly starting with the sites with the most vacancies).

Note: Your attendance at a briefing is very important to your understanding how the voucher program works, and how it can ensure that you and your family have affordable housing into the future. If you haven't attended a briefing (or if you attended, but left without receiving a Voucher) you will be receiving a call from Surlene Grant. Ms. Grant's sole purpose is to help you in the transition by supplementing the work of OPC.

f. Evaluate and reduce lead based paint hazards.

Lead Poisoning Prevention Program. The City of Berkeley Public Health Division and the Alameda County Lead Poisoning Prevention Program worked together to increase awareness and knowledge about lead poisoning prevention in Berkeley including providing lead-safe painting outreach and education, in-home consultations, presentations, educational materials, and other services and resources. Rebuilding Together worked with the City of Berkeley and Alameda County Lead Poisoning Prevention Programs to increase awareness of lead issues among their clients and volunteers and to incorporate lead safe work practices into their activities.

The City of Berkeley Childhood Lead Poisoning Prevention Program collaborates with the Berkeley Housing and Community Services Department's State lead-certified Risk Assessor/Inspector, Project Designer, and Project Monitor. The Alameda County Lead Poisoning Prevention Program also has a HUD Lead Hazard Control grant to remediate lead hazards in approximately 10 qualifying Berkeley housing units with low-income families per year. Berkeley's program also provides case management services to families with children who have elevated blood lead levels. If the child is found to have two blood lead levels above 14.5 mg/dL, he/she will receive case management from a Public Health Nurse.

g. Ensure compliance with program and comprehensive planning requirements.

Compliance activities are detailed under the specific programs below.

h. Reduce the number of persons living below the poverty level.

In Program Year 2011 Berkeley funded various Public Services at the allowed cap of $560,244. The City's Anti-Poverty Strategy relies on funds in the Public Services category of the CDBG Program.

The City's anti-poverty strategy continues to be closely tied to the funding of over 60 community agencies to provide services as described above to enable people in poverty to attain self-sufficiency, support at-risk youth to succeed in school and graduate, and protect the health and safety of low income people. Services are targeted toward people with disabilities, child care for working parents, and job seekers. In PY 2011, the City continued funding from federal entitlement sources job creation/job placement agencies such as Inter-City Services, the Women's Daytime Drop-In Center, Resources for Community Development's social services, and the Berkeley Food and Housing Project's Men's Overnight Shelter. With local funds, the City funded a large number of community service agencies that serve Berkeley's poorest residents, and who represent other key components of Berkeley's overall anti-poverty strategy for health care, disabled services, senior and youth services, and workforce development. These services are in addition to the array of homeless services described earlier.

In PY 2011, the City continued its contract with Rubicon Workforce Services social enterprise program for landscaping services (which provides jobs for program participants) for five City facilities operated by the Health Department. Rubicon was also awarded $1,018,766 from the federal Supportive Housing Program for its Rubicon Berkeley Services' operation of its Homeless One-Stop Center. Rubicon operates the North Cities One Stop Career Center, receiving Workforce Investment Act funding through the Alameda County Workforce Investment Board (ACWIB).

Inter-City Services continued to serve veterans as funded under the Governor's 15% Discretionary pool of Workforce Investment Act (WIA) funds. Berkeley Youth Alternatives (BYA) receives WIA funding through ACWIB to provide workforce development services to in-school and out-of-school youth. Workforce development is a focus area for increased coordination, including establishing methods to maximize and leverage resources.

In PY 2011, additional actions to reduce poverty included

- Continued the City's **First Source local hiring policy** and worked closely with local workforce development programs to coordinate outreach potential employers and to low-income, at-risk residents to ensure access to employment opportunities on publicly funded projects.
- Continued to implement the **Community Workforce Agreement** ordinance adopted in PY 2010. This agreement includes a local hire goal of 30% for publicly funded construction projects of $1,000,000 or more. Coordinated efforts with trades training programs, Berkeley Unified School District and unions to develop pathways for Berkeley residents into union jobs and apprenticeships on the CWA-eligible projects.
- The **YouthWorks Employment Program** provided positive and meaningful youth-focused activities, addressing youth unemployment, crime and poverty, by teaching fundamental life (including Financial Literacy) and workplace skills, to help youth explore, prepare for, transition, and ultimately succeed in the adult world of work.
- **Berkeley Youth Alternatives** (BYA) received WIA funds to serve Berkeley, Albany, Emeryville and Alameda youth for year-round workforce development activities. YouthWorks and BYA collaborated on outreach, intake and referrals to reach the most eligible youth possible in order to reduce duplication of services.
- Continued to focus on **South and West Berkeley at-risk transition age youth** for internships, job training and employment opportunities. Placed these older youth in jobs in Graffiti abatement, Public Library, Public Health and with local non-profit organizations.
- Continued the innovative strategic planning process titled **"2020 Vision for Youth"** in order to address the achievement gap, and providing leadership and coordination between City departments and local youth-serving agencies in this forum.
- As part of the **East Bay Green Corridor** partnership, continued to strengthen partnerships and programs that effectively address the workforce development needs of green industries, and provide opportunities for Berkeley residents to gain

employment in green sectors. The partnerships include coordination with training programs and community colleges.

- Continued implementation of the **California Enterprise Zone program** in West Berkeley which dates from December 2009. Provided outreach & additional training to businesses in the Zone and workforce development programs.

5. Leveraging Resources

a. Identify progress in obtaining "other" public and private resources to address needs.

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 2011, over two-thirds of the funding for community agency programs came from General Funds. Specifically, of a total of $8.3 million invested in community agency contracts,

- $1.5 million were federal funds, including Community Services Block Grant (CSBG).
- $5.3 million were City General Funds
- $952,755 came from other sources

b. How Federal resources from HUD leveraged other public and private resources.

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 PY 2011, CDBG-, ESG- and HOME-funded agencies reported a total of $30,794,997 in leveraged funding as detailed in the table below:

Table 11: Funds Leveraged by CDBG-, ESG-, and HOME- Funded Agencies in PY 2011

Source	Amount
Other Federal Funds	$884,244
State Funds	$12,707,436
Local Funds	$1,237,045
Private Funds	$15,764,260
Other Funds	$202,012
Total Non-HUD Funds	**$30,794,997**

6. Citizen Comments

The availability of the draft Consolidated Annual Performance and Evaluation Report (CAPER) was published in the *Oakland Tribune*, a local Alameda County daily, on September 11**,** 2011, informing the public 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 *Oakland Tribune* advertisement. The public comment period will run until September 27, 2011, a total of 16 days. The CAPER was discussed at the Housing Advisory Commission's September 6, 2012, 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 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.

7. Self Evaluation

The City of Berkeley continued to make progress on housing and community services goals in PY 2011, despite the ongoing recession. The recession has reduced the amount of funding available for housing and community services from other public and private sources. The City has continued to implement successful strategies while adjusting others to the current climate. For example, the City continues to work at implementing the use of performance outcomes in homeless services contracts, partnering with other jurisdictions including Alameda County. Outcome measurement allows housing and service providers to better evaluate and adjust their services to align more tightly to their goals. At the same time, the City continues to emphasize rehabilitation in its affordable housing activities. Rehabilitation can generally be completed with fewer funding sources than new construction housing development. Finally, the City continued to pursue new resources for housing and community services in PY 2011, obtaining a new Shelter Plus Care grant.

8. Monitoring

Housing Trust Fund – Monitoring Housing Development

Monitoring Completed Developments

Background
The Health, Housing & Community Services Department (HHCS) is responsible for monitoring affordable housing developments funded with Housing Trust Fund (HTF) money to ensure ongoing compliance with federal regulations under the HOME and CDBG programs and other local requirements. The City's HTF Program pools funds from various sources—including federal HOME and CDBG, General Fund, Inclusionary 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. There are a total of forty-three rental properties and seven homeownership/cooperative properties in the City's HTF portfolio. Thirty projects have HOME-assisted units.

Accomplishments
In PY 2011, the HH&CS Deparment completed the 2010 monitoring cycle in December 2011 and initiated the 2011 monitoring cycle in February 2012. The monitoring cycle is a year behind the calendar year since the reports due in February reflect the previous year's activities.

Monitoring Activities PY 2011: Using the *City of Berkeley Monitoring Procedures Manual (July 2008)* as a guide, staff implemented annual monitoring activities as follows:

- *July through December 2011*: Staff conducted on-site monitoring visits of developments with HOME-assisted units. The on-site monitoring visits included a physical inspection of the common areas and 20% of all the residential units on site. The City of Berkeley Asset Manager/Compliance Monitor (COB Monitor) also conducted reviews of a sample of the tenant files at the property.

  Like the previous year, the housing inspectors did not find major structural problems with most of the properties and found the structures to meet health and safety standards. For the properties that resulted in findings with respect to health and safety issues, the owners have been responsive and addressed the issues within the deadlines provided.

  In general, the newer developments are in good shape, and owners have done well in maintaining the properties. Two projects (one new construction and one rehabilitation project) came on line in PY 2011. On-site monitoring visits will be scheduled for these two properties in Spring 2013. The older properties (especially

the developments that were rehabilitated or developed prior to 2000) are in need of repair and updating, and will require investment from the owners. This presents a challenge for the smaller developments (less than 20 units) where the rental income is barely enough to cover ongoing operations. Some of the more established housing development groups have multiple properties in their portfolio and are able to utilize cash flow from the larger properties to cover costs of improvements for the smaller properties. The small, stand-alone projects require more time to complete the improvements they need to make and are limited by their budgets. The COB Monitor will prioritize these smaller, stand-alone projects and will monitor these developments more frequently.

The COB Monitor made sure the properties have a preventive maintenance schedule in place and that property management staff are implementing the preventive maintenance program as planned. The monitor also made sure property management staff are following the procedures for addressing tenant requests and work orders in a timely manner and that annual inspections are consistent and done on time.

The monitor found the projects are in compliance with respect to verifying eligibility of tenants. The project files contained information required to verify tenant eligibility and rent. In the last monitoring cycle, several properties needed to improve their tenant files, and the COB monitor provided recommendations on how that could be achieved. The filing systems have improved overall.

- *January 2012:* As scheduled, the COB Monitor distributed the Annual Monitoring Report (AMR) to all Housing Trust Fund-assisted properties. The AMR provided updated information on each property's tenancy, affordability, financial performance and property management practices. The Housing Department received AMRs from 91% of the projects, a slight improvement from last year. Only 4 rental properties out of 43 did not submit their AMRs.
- *Spring 2012:* Staff completed on-site monitoring visits of projects in the City's HTF portfolio and will continue to schedule on-site visits through the end of the calendar year.
- *September 2011 – Present:* The COB Monitor is a participating member of the East Bay HOME Collaborative, which consists of housing development finance and asset management staff from various Participating Jurisdictions in the East Bay, including Contra Costa County, Alameda County, City of Oakland, City of Richmond and City of Berkeley. Since September, the group has met on a monthly basis to identify common issues related to compliance monitoring of HOME-assisted projects. HUD SF Regional Office awarded the East Bay HOME Collaborative a technical assistance grant to develop a HOME compliance training program for CHDO's. The East Bay HOME Collaborative members are also active in the Property Stewardship Working Group of the Non-Profit Housing Association (NPH), whose other members are looking to replicate the efforts of the East Bay HOME Collaborative in their own target areas.

Monitoring During Construction

During PY 2011, the City continued to follow the protocol for monitoring during construction (City of Berkeley Housing Trust Fund Construction Policies and Procedures) that was described as follows in the *2010-2014 Consolidated Plan*:

Consistent with federal requirements and good lending practices, the City is very involved in monitoring funded developments during construction. Individual projects may require a varying degree of City staff involvement depending upon the following variables:

1. Project Size: In some cases, large projects may be managed by the Subrecipient (Developer/Owner) with the City in more of an oversight role. In smaller, City funded projects, the City staff may take on the role of construction manager.
2. Complexity of the Construction Activity: Staged construction of large projects may require different construction management skills than those required to oversee small projects. This may affect choices about who undertakes particular construction management activities.
3. Type of Sponsor: If a particular subrecipient or Developer/Owner is very experienced or has hired a professional construction manager, the City staff may wish to play an oversight, rather than direct role in the construction process.
4. Subrecipient Development Expertise and Process: If a particular subrecipient or Developer/Owner is new or is inexperienced with construction management, the City staff may want to play a substantive role in managing its initial construction activities.

Usually there are three levels of City staff involvement in the construction process (Intensive, Moderate, or Minimal). The level selected will depend on how much responsibility the City staff relinquishes to the property Developer/Owner, Subrecipient, and/or General Contractor. Usually in most large HTF affordable housing projects with experienced Developer/Owners, the City staff typically opts for “Moderate” involvement.

The three levels of staff involvement in the construction monitoring process are defined below:

1. Intensive City Staff Involvement: A city staff member is assigned or put on-site during all or much of the construction process to oversee construction (bid, hire, oversee contractors, verify compliance, coordinate inspections, and mediate on-site disputes). Some or all of the following activities will be required of the project:
    A. Require the Developer/Owner or Contractor(s) to submit weekly or bi-weekly construction progress status reports.
    B. Hold bi-weekly meetings with the architect, owner, and other funding agencies to discuss any construction problems, disputes and change orders.

C. Review all payment requests and releases the payments according to local disbursement policies.
D. Review all change order requests and the City's Project Manager will sign change order request as necessary and as outlined in the Development Loan Agreement.
E. Tract adherence to the budget as needed.
F. Conduct or schedules "as needed" and/or final inspections to ensure compliance with codes and federal regulatory requirements.
G. Document site and inspection visits and construction completion in the project files.

2. Moderate City Staff Involvement: A City staff member conducts periodic inspections throughout the construction stage and prepares documentation ensuring compliance with federal program rules. The City staff will:
   A. Require the Developer / Owner to submit monthly construction progress status reports.
   B. Attend monthly construction draw meetings with the architect, owner, general contractor, and other funding agencies to discuss any construction problems, disputes and change orders.
   C. Review all payment requests and releases the City payments according to local disbursement policies.
   D. Review all change order requests and the City's Project Manager will sign change order request as necessary and as outlined in the Development Loan Agreement.
   E. Tract adherence to the budget as needed.
   F. Document site and inspection visits and construction completion in the project files.

3. Minimal City Staff Involvement: A City hires a third party to conduct periodic inspections throughout the construction phase and verify compliance with loan and federal program rules. The City staff will:
   A. Require the third party to submit periodic construction progress status reports.
   B. Meet with the architect, owner, general contractor, and third party on an as-needed basis to discuss, and assisting in resolving any construction problems, disputes, and change orders.
   C. Give the third party the authority to review all payment requests and change orders.
   D. Track adherence to the budget periodically.
   E. Review City payment requests and releases according to local disbursement policies.

F. Document site and inspection visits and construction completion in the project files.

Prior to the start of construction, City staff will conduct a pre-construction conference of the parties who staff believes are essential to the construction process. This typically includes, but is not limited to the Developer/Owner (Project Manager and Construction Manager), the General Contractor's representative(s), Architect, and a local representative from the City's First Source Office. At the Pre-construction conference it is important that staff outline and review the City's "HTF Contracting and Draw Process" with both the Developer/Owner and the General Contractor.

Through the City's HTF Development Loan Agreement, the Borrower is required to permit and facilitate, and shall require the General Contractor to permit and facilitate, observation and inspection at the Project by the City and by public authorities (during reasonable business hours) for the purposes of determining compliance with its loan agreements. The City's Housing staff can conduct inspections, or a third party designated by the City staff, may also conduct such inspections. However, the City is ultimately responsible for the enforcement and administration of several of the federal requirements including federal prevailing wage and relocation regulations.

Community Agency Services Contract Monitoring

The City's community agency contract monitoring functions have been centralized in the City's Housing and Community Services Department. The City combined its Request for Proposal (RFP) processes for different services funding sources, and reduced the number and frequency of reports and invoices submitted to the City beginning in FY 2005 and continuing to present. This streamlined approach reduces administrative time for both community agencies and City staff.

Housing and Community Services Department staff both prepare and monitor more than 50 community agency contracts for services annually. Contracts include CDBG, CSBG, ESG, and General Funds. Services provided include a wide range: nutrition, child care, health care, benefits advocacy, legal and advocacy services, homeless services, disability services, employment training, and services for seniors and youth.

The City requires outcome reporting for all community agency contracts, and has drawn on outcome reporting information in the RFP process since November 2003. Categories for outcome reporting include housing affordability and retention, income and employment, health, education, recreation, infrastructure, and community access. Berkeley analyzes agencies' performance and provides support for potential improvements in order to ensure and increase the effectiveness of its funding allocations. Both staff and commissions draw on performance information in order to make funding recommendations to City Council.

Staff provides technical assistance on accounting and program compliance to ensure that program goals are being met. Monitoring staff review status reports and invoices

regularly and process payments. The frequency of on-site monitoring visits is determined by an Agency Risk Assessment tool. The level of risk, which is dependent on type and amount of funding, and prior concerns related to program delivery or fiscal and accounting systems, determines whether the agency will be visited every one, two or three years. In addition, however, staff frequently make informal visits to agencies, and desk audits of program and fiscal reports are performed on an annual basis. The monitoring staff works with the community organizations to resolve any program or accounting findings or other problems that may keep an organization from meeting its contractual obligations. In PY 2011 reporting on all contracts continued in the City's online reporting system called City Data Services (CDS). CDS data from PY2010 was recently used to develop a report for City Council on community agency performance. Work will continue in PY2012 to refine the system and use it for the next Request for Proposals round.

Community Facilities Improvements Administration and Monitoring

In the recent past, the City of Berkeley has allocated approximately $260,000 in CDBG and ESG funding every year for community facilities improvements projects. Non-profit organizations and City Departments apply on an annual basis to access the funding, and anywhere from five to ten projects are underway every year. The CDBG Coordinator and Assistant Architect are involved in the direct implementation of improvements, including crafting the scope of work, bidding out the projects and providing construction management, particularly when City property is undergoing rehabilitation. The CDBG Coordinator is in charge of administering the contracts, and is responsible for labor compliance monitoring, including monitoring payrolls for compliance with Davis Bacon and Section 3.

The City's contract with the non-profit passes on all federal requirements, including insurance and bonding requirements attached to CDBG and ESG funding, and the contract scope of work includes detailed information on the steps that are required for the non-profits to follow to ensure compliance. The CDBG Coordinator supplies the non-profit with the appropriate Wage Decision at the time the project is put out to bid, and reviews the bid language and resulting choice of general contractor. The CDBG Coordinator reviews the contract between the non-profit and the general contractor to ensure that all local and federal requirements are passed on. The CDBG Coordinator holds pre-construction conferences with the non-profit and the general contractor to review all federal requirements and solicit information from the general contractor related to subcontractors and information on salaries and wages of all trades used in the project. The CDBG Coordinator and Assistant Architect make site visits at various points in the construction process, to monitor performance and interview workers to complete the Record of Employee Interview form (HUD 11) required for Davis Bacon monitoring.

Progress payments are made with the use of a standard Payment Voucher Form, submitted to the CDBG Coordinator by the non-profit which includes a checklist of documentation required to process payments. The documentation, including detailed invoices, lien waivers, copies of checks issued (in the case of ESG funding) and payrolls, is reviewed and the request for payment is processed. Final payment of a 5% retainage is held for any outstanding payroll issues, the HUD Form 2516 – Contractor and Subcontractor Activity, and any other documentation required to close out the contract.

The CDBG Coordinator is responsible for submitting the Semi-Annual Labor Enforcement Report (HUD 4710) and the Annual Contractor and Subcontractor Activity Report (HUD 2516). These reports include both information from the community facility improvement projects and information from any other construction activity undertaken by the Housing Services Division of HCSD.

Senior and Disabled Home Rehabilitation Loans Administration and Monitoring

In PY 2011, the Senior and Disabled Home Rehabilitation Loan program continued administration and monitoring as follows, also described in the PY 2011 Annual Action Plan:

The City of Berkeley allocates CDBG and CalHome funding every year to income qualified residents for residential rehab. The City Housing and Community Services Department staff fund between five and seven projects every year with a maximum loan allocation of $70,000 per project. The Program Analyst reviews the homeowner's application and determines their eligibility. Approved applicants are referred to the Assistant Architect who meets with the property owner. The assistant and the client(s) determine the scope of work addressing code, health and safety violations, deferred maintenance and household energy efficient upgrades. A bid walk is scheduled when the scope of work is approved by the client and staff. The hand delivered bids are opened and recorded by the Program Analyst. The client selects the most responsible bid which typically is the lowest bid. Staff requests funds and develops the City loan documents and the owner/contractor agreement. Construction is supervised by the Assistant Architect, also responsible for all change orders, pay requests and notifications. Department staff reviews the work performed and submits confirmation the work was completed in accordance to the scope of work and the quality of work complies with the standards of the trades.

The City's contracts include insurance and permitting requirements, payment instructions, the construction drawings and the scope of work detailing the work to be executed. The payment schedules and change orders document the procedure employed to implement payments, changes to the scope of work and time schedules. All pre 1978 properties must employ lead-safe work practice and are tested when the work is completed to ensure there has not been contamination during the construction process.

The Program Analyst processes the progress payments for work completed. The progress payments are based on 90% of the cost associated in the line item breakdown for the work completed. The progress payment includes the pay request, payment tabulation, lien waivers and approved permit signatures. All payments require the owner(s), Contractor, Assistant Architect and the Program Analyst signatures to approve the payment. The final 10% retainage payment is held for 35 days after the Notice of Completion has been recorded and any documentation that may be required to close out the contract. The property owner is sent a program evaluation form after all portions of the project are completed to assess the program. The feedback obtained from the evaluation form provides information to staff to refine the program to improve services offered to our property owners.

b. What is the status of your grant programs?

As of August 6, 2012, unexpended CDBG funds as a percent of the City of Berkeley's total PY 2011 allocation was 1.14 (adjusted to include program income), according to IDIS report PR56. This is less than the allowed 1.5 times our entitlement amount. There are $82 in PY2011 ESG funding available to commit at the end of PY 2011. We expect these funds to be utilized in PY 2012 on eligible activities. The City has met all HOME commitment obligations by recently committing HOME funds to the William Byron Rumford and Savo Island projects.

• *Are any activities or strategies falling behind schedule?*

No projects are currently behind schedule.

• *Are grant disbursements timely?*

During PY 2011, 50% of funds committed to activities were drawn. Factoring out funds committed to housing development projects (which have longer draw periods) and draws on those projects, 81% of funds committed were expended. Of 31 projects funded in PY 2011, 14 are not fully drawn. Three of these are community facility improvement projects, three are housing development projects that will span more than the program year, one is a Section 108 Loan repayment, delayed due to the HUD billing cycle.

• *Do actual expenditures differ from letter of credit disbursements?*

No

IV. CDBG

In addition to the narrative in this section, see the following attachments for more detail on CDBG activities:

- ***Attachment A: Summary of CDBG, ESG, and HOME Allocations by Project***
- ***Attachment B: Outcomes Achieved PY 2011***
- ***Attachment C: CDBG Activity Summary Report (GPR) for PY 2011 (IDIS PR03)***
- ***Attachment K: CDBG Financial Summary Report (IDIS PR26)***

All Grantees Receiving CDBG Funds Must Submit the Following Narrative Information:

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

Progress on high priority activities is discussed above in *Section 11. Three to Five Year Plan Assessment of Progress*. Projects funded by CDBG appear on the table below:

Table 12: CDBG-Funded Activities in PY2011

Activity	Allocation
Housing Projects	
Center for Independent Living: Residential Access Project for Disabled	142,675
COB HCSD*: Loan Services	128,295
COB HCSD: Senior and Disabled Rehab Program	171,600
Rehab Loans	150,000
COB HCSD: Housing Development/Multi-Family Rehab	361,193
Housing Trust Fund	64,285
COB HCSD: Super Weatherization	277,647
Section 108 Loan Repayment: BHA Public Housing Improvements	120,000
Community Energy Services Corp.: Home Safety & Repair Program	287,279
Rebuilding Together Safe Homes Project	100,000
CDBG Subtotal Housing Projects	**1,802,974**
Public Services (Estimated Cap = $546,982)	
Berkeley Food & Housing Project (BFHP) Men's Overnight Shelter	184,156
Biotech Partners: Biotech Academy at Berkeley High	71,063
Housing Rights: Fair Housing Counseling	35,544
Inter-City Services: Employment, Education and Training	96,701
Resources for Community Development: Social Services at Special Needs Housing	10,000
Rising Sun Energy Center: Green Energy Training Services	51,743
Women's Daytime Drop-In Center: Housing Case Management and Safety Net Services	97,775
CDBG Subtotal Public Services	**546,982**
Public/Community Facilities Improvements	
BFHP North County Women's Center Renovations	20,000
COB Parks Department: James Kenney Recreation Center	60,000
COB Parks Department: West Campus Swimming Pool	31,500
COB HCSD: Public Facilities Improvements	133,905
Multicultural Institute: Facility Upgrades	60,000
Rebuilding Together: Community Facilities	25,000
CDBG Subtotal Public Facilities Improvements:	**330,405**
Planning and Administration (Estimated Cap = $605,090)	
COB HCSD: CDBG Planning & Administration	441,037
COB City Manager's Office: Support Costs	164,053
CDBG Subtotal Planning & Administration	**605,090**
Grand Total All CDBG Projects	**3,285,451**

See ***Attachment B: Community Development Block Grant Program Goals, Objectives, and Outcomes*** for a matrix of accomplishments in PY 2011.

b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

In PY2011, a variety of programs were funded with CDBG to provide 1) single family home repairs, including emergency repairs and access modifications (CIL Residential Access for the Disabled, Senior and Disabled Rehab Program, Community Energy Services Corporation (CESC), Rebuilding Together Safe Homes), 2) multi-family housing renovations, 3) single family home weatherization measures (COB Super Weatherization Program), and 4) housing services (COB Loan Services, COB Multi-Family Rehab, and RCD Project Management for Rehab). A total of 383 households were served. Race/ethnicity, household type and income level of these households is shown in the table below.

Table 13: Number and Type of Households Served by CDBG-Funded Housing Programs in PY2011

Race	Total	% of Total	Hispanic
White	128	33%	23
Black/African American	220	57%	1
Asian	14	4%	1
American Indian/Alaskan Native	1	0.4%	—
Native Hawaiian/Other Pacific Islander	1	0.4%	—
American Indian/Alaskan Native & White	1	0.4%	—
Asian & White	1	0.4%	—
Black/African American & White	0	0%	—
American Indian/Alaskan Native & Black/African American	1	0.4%	—
Other multi-racial	17	4 %	9
Total	**383**	**100%**	**34**
Hispanic as a percentage of Total			9%
Household Type			
Female Headed Household	169	44%	
Elderly	163	43%	
Income Levels			
Extremely Low (<=30% AMI)	203	53%	
Low (>30% and <=50% AMI)	131	34%	
Mod (>50% and <=80% AMI)	46	12%	
Total Low-Mod	**380**	**99%**	
Non Low-Mod (> 80%AMI)	3	1%	
Total Beneficiaries	**383**	**100%**	

Source: City of Berkeley Housing & Community Services Department and IDIS PR23 Report.

2. Changes in Program Objectives

a. Identify nature of and reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

No changes in program objectives or the program have been identified as a result of activities conducted in PY 2011.

3. Assessment of Efforts in Carrying Out Planned Actions

a. Indicate how you pursued all resources indicated in the Consolidated Plan.

The housing, homeless, community development, and special needs goals and

objectives identified in the Consolidated Plan are important priorities for the City of Berkeley, so despite the persistent recession and its impact on many sources of funding, the City continued to pursue related resources. Specifically, the City:

- Continued its revenue contracts with Alameda County in order to provide nutrition programs for seniors through the Aging Services Division.
- Participated in the application for renewed Continuum of Care funding for homeless program.
- Continued its revenue contract with the State of California for Mental Health Services Act funding for mental health services.

b. Indicate how you provided certifications of consistency in a fair and impartial manner.

All requests for certifications of consistency are carefully reviewed by staff against the goals and objectives of the Consolidated Plan. If a proposed project is consistent with the goals and objectives of the Consolidated Plan, certification is provided. In PY 2011, no requests for certification were denied. In PY 2011, the City again provided Certifications of Consistency with the Consolidated Plan for the McKinney SHP application (spearheaded by staff of the Alameda County Housing and Community Development Department).

c. Indicate how you did not hinder Consolidated Plan implementation by action or willful inaction.

Implementing the housing, homeless, community development, and special needs goals of the Consolidated Plan using both federal and local resources has been and continues to be a high priority for the City of Berkeley. No City actions or willful inactions hindered Plan implementation.

4. Use of CDBG Funds for National Objectives

a. If CDBG funds were not used exclusively for activities benefiting low/mod persons, for slum/ blight activities, or to meet urgent community needs, explain why?

Not applicable

b. If you did not comply with certification to expend no less than 70% of your CDBG funding during the specified period on activities that benefit low/mod person, explain why?

Not applicable

5. Anti-displacement and Relocation -- for activities that involve acquisition, rehabilitation or demolition of occupied real property:

a. Steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.

In PY 2011, no permanent displacement occurred due to CDBG-assisted activities. The CDBG-funded rehabilitation of one existing affordable housing development, Erna P. Harris, required temporary relocation of existing tenants during the rehabilitation, as outlined below under question 5b.

Overall, the City regulates demolition of dwelling units to protect the affordable housing supply and existing tenants. In general, the Zoning Adjustments Board (ZAB) may approve a use permit to demolish dwelling units only if the units are replaced by new construction or if the structure is hazardous, unusable or infeasible to repair. However, if elimination of a rent-controlled unit is proposed, the requirements are more stringent. In particular, the use permit may only be approved if the dwelling unit to be eliminated is neither occupied nor has a rent set at a level that is affordable to a very low, low, or moderate income household, if its elimination will not adversely affect the supply of housing, and if the applicant cannot make a fair return on investment by maintaining the dwelling unit. There is an exception to allow elimination of a controlled rental unit if (1) it is seriously deteriorated, (2) the replacement unit will be provided to a very-low or lower-income household, and (3) no tenant opposes the displacement.

The issue is further complicated by interpretation of other ordinances, including the Rent Stabilization and Eviction for Good Cause Ordinance, the Relocation Ordinance, and the Ellis Ordinance. Due to the restrictive nature of these exceptions and their interaction with other City ordinances, the controls on demolition of rent-controlled units can be a constraint to development.

Starting in PY 2010, the City reviewed possible revisions to the demolition controls that would provide better coordination designed to protect tenants and also continue to meet affordable housing needs. In PY 2011, the topic was referred to the Planning Commission to develop recommended changes.

b. Steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.

Applicants to the City's Housing Trust Fund are asked whether their proposed projects include any temporary or permanent relocation. If so, applicants must submit a detailed relocation plan. If a project proposing relocation receives a funding allocation, City staff will work closely with the project sponsor to ensure that the relocation complies with all applicable regulations, including the Uniform Relocation Act and the City's Relocation Ordinance.

In the event that any relocation was required, the City's Relocation Services staff would get involved. Staff provides information about the City's Relocation Ordinance and referrals to available services.

Two HOME-funded developments involving relocation were completed in PY 2011. Erna P. Harris included temporary relocation and Harmon Gardens included permanent relocation.

Erna P. Harris: A temporary relocation plan for the proposed rehabilitation project was prepared in July 2007 and approved by the City of Berkeley. It was been determined that, as a result of the physical needs assessment findings, construction sequencing and financing requirements, off-site temporary housing resources would be utilized, in addition to on-site resources, when available.

A resource study for temporary housing identified temporary housing within the local area. For the first phase of construction, lasting for approximately three and one-half months, off-site housing was utilized. In the second phase, both off-site and onsite resources are being used.

To accommodate the construction schedule and the limitations of the residents, services of a licensed mover were used exclusively to move the resident's belongings. Accommodations for storage were made if necessary. All households received a 90-Day Notice to Vacate, followed by a 30-Day Notice to Vacate and a Seven-Day notice to Vacate. All temporary relocation activities are completed. RCD filed its notice of completion of renovation activities on November 8, 2011 for the Erna P. Harris site.

Harmon Gardens: Affordable Housing Associates (AHA) owned and operated the property at 3240 Sacramento Street in Berkeley. The seven-unit apartment complex was constructed in 1960 and was operated as an affordable housing development since acquired by AHA in 1997. AHA was notified by the City of Berkeley that the building was a soft story building and potentially hazardous building which could constitute a severe threat to life and safety in the event of an earthquake of moderate to high magnitude. The building also needed to be updated due to its age.

AHA concluded that the best use of the property would be to redevelop the property to keep the site affordable in apartments that would be reserved for young adults aged 18 to 24 and homeless or at risk of homelessness. Five of the seven units were occupied at the time, and the five remaining households were notified of AHA's proposed redevelopment activities and their relocation rights and eligibility for relocation benefits. AHA also sent a notice to the tenants in April 2008, as required by the City of Berkeley's ordinance, alerting residents to the seismic deficiencies at the building.

Three of the five remaining households did not wish to remain on the site and voluntarily waived their relocation benefits and moved from the site. In 2009 and subject to securing funding for its plans, AHA undertook plans to relocate the two remaining households to replacement sites in the area. Both of two remaining households were permanently located from the site, and were assisted to move to other affordable housing sites; one in Oakland and the other an AHA-owned and managed site in Berkeley. All permanent relocation was completed prior to the start of construction of the new building in 2010.

The Harmon Gardens project, specifically the replacement of seven two-bedroom units with 15-studio and one one-bedroom apartments, is consistent with the needs assessment included in the City's Consolidated Plan. AHA filed its notice of completion of construction activities on August 24, 2011 for the new Harmon Gardens building. All new units are occupied.

c. Steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

See more information about relocation activities at Erna P. Harris and Harmon Gardens above.

City of Berkeley Relocation Program
During PY 2012, City staff provided direct assistance to 36 tenants and 18 property owners, and apprised them of their rights and responsibilities regarding the City's Relocation Ordinance (Section 13.84 of the Berkeley Municipal Code), which provides protections for tenants who must temporarily relocate due to repairs necessary to bring the unit into code compliance.

In addition, the City staff completed the following activities:

- Completed 2-year process to make revisions to the local ordinance, which were adopted by City Council on November 8, 2011. Developed new handouts, landlord notice forms, and relocation payment request forms to conform to the changes made to the ordinance. Updated the City's website to provide current information regarding the ordinance.
- Provided technical assistance to property management staff at Oregon Park Senior Apartments regarding the temporary relocation of residents while outside stairs are replaced in each of the buildings.
- Participated in interagency coordination with Fire Department, Rent Stabilization Program, UC Berkeley staff, and the Red Cross to respond to the displacement of 88 tenants due to fire.
- Attended inter-departmental meetings to address problem properties, when tenants may be displaced due to City code enforcement action.

6. Low/Mod Job Activities -- for economic development activities undertaken where jobs were made available but not taken by low or moderate income persons:

No low/mod job creation activities were undertaken in PY 2011.

7. CDBG-R

CDBG-R Activities were completed and reported on in PY2010. A final close-out report was submitted to HUD in August 2012.

8. Program income received
a. Amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.

The City of Berkeley does not have a revolving loan fund.

b. Amount repaid on each float-funded activity.

The City of Berkeley did not float-fund any activity.

c. All other loan repayments broken down by the categories of housing rehabilitation, economic development, or other

The City received $128,350 in rehabilitation loan payments.

d. Amount of income received from the sale of property by parcel.

Income received in PY2011 was $4,841. Combined with the income described above, there was a total of $133,191.

9. Prior period adjustments -- where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

Not applicable

10. Loans and other receivables *a. Principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.*

There are no float-funded activity loans.

b. Total number of other loans outstanding and the principal balance owed as of the end of the reporting period.

Table 14: Outstanding CDBG Loans by Category

Category	# of loans	Principal Balance (6/30/11)
Senior and Disabled Home Rehabilitation Loans	48	$1,042,064
Emergency Repair Loans	6	$31,748
Rental Rehab Loans	13	$468,875
Housing development Loans	13	$3,944,026
Section 108 Guarantee Loans	5	$11,296,275

c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.

Table 15: Outstanding Deferred and Forgivable CDBG Loans

Category	# of loans	Principal Balance (6/30/11)	Terms
Senior and Disabled Home Rehabilitation Loans	48	$1,042,064	All deferred loans. Principal is due at sale of property or change of ownership.
Emergency Repair Loans	6	$31,748	All deferred loans. Due at sale of property or change of ownership.
Rental Rehab Loans	13	$468,875	All deferred loans. All loans will be forgiven when the owners meet the affordable rental requirement for 15 years.
Housing Development Loans	13	$3,944,026	All deferred loans. Principal is due in 55 years. May be forgiven if owners maintain the affordability status.
Section 108 Guarantee Loans	5	$11,296,275	2 Converted loans – amortize for 10 years 3 non-converted loans – interest only until converted

d. Total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.

One loan during the period was written off, for the amount of $79,784.

e. A list of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

None.

11. Lump sum agreements

a. Name of the financial institution.

Wells Fargo Bank

b. Date the funds were deposited.

All deposits are 3 days after the draw downs from IDIS.

c. Date the use of funds commenced.

The use of funds are commenced before the draw downs. The City uses a reimbursement system.

d. Percentage of funds disbursed within 180 days of deposit in the institution.

None. All funds are disbursed by the City before being drawn from IDIS to reimburse the City.

12. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies:

Not applicable.

V. HOME

In addition to the narrative in this section, see the following attachments for more detail about HOME activities:

- ***Attachment A: Summary of CDBG, ESG, and HOME Allocations by Project***
- ***Attachment D: HOME Annual Performance Report (HUD-40107)***
- ***Attachment E: HOME Matching Liability Report (IDIS PR33)***
- ***Attachment F: HOME Match Report (HUD-40107-A)***

All Grantees Receiving HOME Funds must submit the Following Narrative Information:

1. Assessment of Relationship of HOME Funds to Goals and Objectives
a. Assess the use of HOME funds in relation to the priorities, needs, goals, and specific objectives in the consolidated plan, particularly the highest priority needs.

Activities in relationship to priority needs identified in the Consolidated Plan are discussed above under *Section II. Three to Five Year Plan Assessment of Progress.*

Activities funded by HOME in PY 2011 appear in the following table.

Table 16: City of Berkeley HOME Funded Programs in PY 2011, by Program and Amount

Program	Amount
HOME Administration	123,366
Housing Trust Fund	1,110,291
Grand Total All HOME Projects	**1,233,657**

HOME activities are described in detail under *Section III: Assessment of Annual Progress, Part 2. Affordable Housing* above.

b. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

No HOME funded activities were completed in PY 2011, therefore there is no data to report.

2. HOME Match Report
a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan Program year.

See ***Attachment F***

3. HOME MBE and WBE Report

a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

HOME funds in the amount of $562,905 were spent on the U.A. Homes project in PY 2011. The amount of HOME funds spent on WBEs and MBEs is shown in ***Attachment D: HOME Program Annual Performance Report.*** Although only one of four contracts was awarded to a MBE, that contract amounted to 86% of the funds. No WBEs were awarded funds.

4. Assessments

a. Results of on-site inspections of rental housing.

The results of monitoring HOME-funded rental housing are described above under S*ection III. Three to Five Year Plan Assessment of Progress, Part 8. Monitoring*.

b. HOME jurisdiction's affirmative marketing actions.

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.

c. Outreach to minority and women owned businesses.

Outreach to women- and minority-owned businesses is a requirement for agencies receiving federal funds. City staff provides agencies with guidance on how to engage MBE/WBEs and of City funding. Nevertheless, in PY2011, no women-owned businesses and only one minority-owned contractor were used on projects undertaken by the City of Berkeley (San Pablo Park Improvements, Senior Center Kitchen Improvements, and West Campus Pool) and Resources for Community Development (Erna P. Harris Court).

VI. ESG

All Grantees Receiving ESG Funds Must Submit the Following Narrative Information:

1. Assessment of Relationship of ESG Funds to Goals and Objectives
a. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).

In PY 2011, the City of Berkeley continued to fund a broad range of emergency shelter and transitional housing programs:

- Berkeley Food and Housing Project's (BFHP) Men's Overnight Assistance Project
- BFHP Women's Shelter
- Building Opportunities for Self-Sufficiency (BOSS) Harrison House Singles/Recovery Services
- BOSS Harrison House Family Shelter and Sankofa House Transitional Housing
- Fred Finch Youth Center's Turning Point
- Winter Shelter
- Women's Daytime Drop-In Center's Transitional House
- Youth Emergency Assistance Hostel (YEAH!)

Specifically, in PY 2011, the City funded the following emergency shelter and transitional housing programs with ESG:

- Building Opportunities for Self-Sufficiency (BOSS) Harrison House Singles/Recovery Services
- Youth Emergency Assistance Hostel (YEAH!)

The City continues to use the Everyone Home Plan, adopted in 2006, as its guide for homeless policies. The Plan calls for sustaining existing safety net services, such as emergency shelter and transitional housing, while also emphasizing permanent housing as the ultimate solution to homelessness

b. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the consolidated plan.

Actions and progress on priority homeless needs are discussed above under *Section II. Three to Five Year Plan Assessment of Progress.*

c. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.

The Everyone Home Plan, a 15-year plan addressing homelessness and special needs housing, was adopted by the City in 2006 and continues to be the City's homeless strategy. Homeless programs funded with ESG appear on the following table.

Table 17: ESG-Funded Programs in PY 2011, by Agency, Program, and Amount

Agency	Program	Amount
Berkeley Food & Housing Project	Women's Shelter Improvements	3,703
Women's Daytime Drop-In Center	Homeless Drop-In Center Renovations	40,000
Lutheran Church	Youth Emergency Assistance Hostel (YEAH)	32,561
Building Opportunities for Self-Sufficiency	Harrison House Recovery Services	10,126
COB/Housing	Homeless Management Information System	6,700
COB/Housing	Program Planning and Administration	7,160
Family Violence Law Center	Family Violence & Homelessness Prevention	42,869
Total		**143,119**

2. Matching Resources

a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.

The City meets the dollar for dollar match requirements for the ESG program by allocating $96,717 in General Fund to the Harrison House singles shelter and families transitional housing programs, and by allocating $78,465 in General Fund to the YEAH Shelter in PY 2011.

3. Activity and Beneficiary Data

a. Completion of Emergency Shelter Grant Program Performance reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

The Berkeley Food and Housing Project, Building Opportunities for Self-Sufficiency, and Youth Emergency Assistance Hostel utilize the County-wide Homeless Management Information System (HMIS) to collect data on participants. The HMIS data is verified during monitoring visits. Data regarding beneficiaries attributed to the HMIS project is extracted directly out of the HMIS system for all Berkeley programs. The Family Violence Law Center, a domestic violence services provider, collects data in their own database. This data is verified during monitoring visits.

Table 18: ESG-Assisted Activity Beneficiary Data

Persons Assisted	Homeless Prevention	Rapid-Rehousing	Shelter	Total All Activities
Adults	193	N/A	331	524
Children	5	N/A	0	5
Don't Know/Refused	0	N/A	0	0
Missing Information	0	N/A	0	0
Total	**198**	**N/A**	**331**	**529**

Gender	Total All Activities	Race/Ethnicity	Total	Hispanic
Male	261	White/Caucasian	162	10
Female	268	African/American/Black	239	8
Transgender	0	Asian	25	0
Unknown	0	American Indian/Alaskan Native	11	5
Total	**529**	Other Multi-Racial	92	46
		Total	**529**	**69**

Age	Total All Activities
Under 18	5
18-24	121
Over 24	403
Don't Know / Refused	0
Missing Information	0
Total	**529**

Special Subpopulations Served	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters	Total
Veterans	0	N/A	23	23
Victims of Domestic Violence	198	N/A	63	261
Elderly	8	N/A	11	19
HIV/AIDS	0	N/A	3	3
Chronically Homeless	3	N/A	102	105
Persons with Disabilities:				
Severely Mentally Ill	1	N/A	152	153
Chronic Substance Abuse	0	N/A	108	108
Other Disability	40	N/A	163	203

4. Chronic Homelessness
a. Describe actions steps taken to address chronic homelessness.

All homeless housing and service programs in Berkeley may be serving people who are chronically homeless. The 2004 homeless count found that nearly two-thirds of people homeless in Berkeley met the chronically homeless definition. Although the 2009 count found that chronically homeless people were a much smaller proportion of the homeless population, most agencies have at least some experience serving people who are chronically homeless.

Berkeley has three City-operated programs serving primarily people who are chronically homeless:

- **The Shelter Plus Care COACH grant**, with 21 Shelter Plus Care certificates, targets people who are chronically homeless. The program combines the federal housing subsidy with services provided by Berkeley Mental Health and Lifelong Medical Care.
- **The Shelter Plus Care tenant-based rental assistance grant** in partnership with Alameda County prioritizes people who are chronically homeless, although it is not limited to serving the chronically homeless.
- **The Public Commons for Everyone Initiative Square One program**, which combines a locally funded housing subsidy with services provided by Berkeley Mental Health, Lifelong Medical Care, and the Homeless Action Center.

In addition, the City funds several programs operated by community based nonprofit organizations that, while not exclusive to the chronically homeless, serve substantial numbers and collect and report data on chronic homelessness under their City contracts. These programs include:

- Alameda County Network of Mental Health Clients (Berkeley Drop In Center);
- Berkeley Food and Housing Project (BFHP), Men's Overnight Shelter;
- BFHP, Women's Overnight Shelter;
- Building Opportunities for Self-Sufficiency (BOSS), Multi Agency Services Center;
- BOSS, Ursula Sherman Village Single Adult Shelter;
- Fred Finch Youth Center;
- Rubicon programs, Inc.;
- Toolworks/Lifelong Supportive Housing Services;
- Women's Daytime Drop In Center.

5. Homeless Discharge Coordination
As part of the government developing and implementing a homeless discharge

coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.

a. Explain how your government is implementing a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Most systems that discharge people who may be at risk of homelessness are county-administered systems. Therefore, the City of Berkeley does not have a stand-alone discharge policy, but rather abides by the Alameda County discharge policy that is reported on annually in our countywide Continuum of Care application. The policies described in that application for foster care, health care, mental health, and corrections are listed below. The $143,119 in ESG funds received by the City in PY 2011 did not fund any specific discharge coordination activities, but all ESG-funded agencies work with the mainstream systems as needed.

Foster Care:
Discharge protocols for Alameda County's Foster Care system are in place. In practice, these protocols ensure that, to the maximum extent practicable, persons discharged from foster care are not discharged into homelessness. Services to emancipating foster youth are provided by the Alameda County Independent Living Skills Program (ILSP). The ILSP mission is to provide every eligible youth in foster care with independent living skills training to assist in the transition to a successful, independent lifestyle. Youth between the ages of 15 1/2 and 21 who are currently in an out-of-home placement or who were in an out-of-home placement sometime after their 16th birthday are eligible for ILSP services. Youth are referred to ILSP by their child welfare workers or probation officers.

Together with partner providers, ILSP runs the Transitional Housing Placement Program (THPP), which provides up to 26 apartments for pre-emancipation youth with three providers in the Oakland and Hayward area. ILSP also offers transitional housing for emancipated youth. ILSP also works closely with landlords in Alameda County to provide deposit and move-in expenses for qualified emancipated youth. Youth over the age of 18 who become homeless or who are at imminent risk of homelessness are referred to the ILSP Housing Specialist, who will access temporary housing in shelters or other emergency housing while the youth works with the After Care Specialist to secure sustainable housing.

Health Care:
Discharge protocols for the Alameda County Medical Center (ACMC) are in place. These protocols cover both the Health Care and Mental Health system in Alameda County. In practice, these protocols ensure that, to the maximum extent practicable, persons discharged from Health Care and Mental Health Care are not discharged into homelessness. Alameda County has a high proportion of uninsured and medically indigent persons, many of whom are homeless and rely on County facilities (Highland

Hospital and county clinics) for urgent medical care of acute and chronic conditions. Highland Hospital employs a staff of discharge planners who are proficient in the homeless service delivery system and skilled at accessing suitable housing opportunities in board and care facilities and shared housing.

In addition, Highland maintains contracts with housing providers for homeless patients with the severest medical needs. Placement into these contract facilities continues 24-hour monitoring and compliance with medical orders along with supportive services for obtaining permanent housing. ACMC, in partnership with East Oakland Community Project (EOCP), has developed a Respite Care program for homeless individuals needing a place to recuperate.

Mental Health:
Discharge protocols for the Alameda County Medical Center (ACMC) are in place. These protocols cover both the Health Care and Mental Health system in Alameda County. In practice, these protocols ensure that, to the maximum extent practicable, persons discharged from Health Care and Mental Health Care are not discharged into homelessness. In Alameda County, the primary agency responsible for mental health services is Alameda County Behavioral Health Care Services, (BHCS), a department of the Alameda County Health Care Services Agency. In Berkeley, the Mental Health Division of the Health and Human Services Department provides public mental health services to residents of the cities of Berkeley and Albany, and coordinates these services with the larger County system.

Consumers enter the BHCS system through a single screening point, a toll-free telephone referral point called Acute Crisis Care and Evaluation for System-wide Services (ACCESS). When consumers call ACCESS, they are screened for eligibility and may be referred to a community-based organization. The acute psychiatric care facility, John George Psychiatric Pavilion, maintains protocols similar to medical facilities. Those protocols are also attached. In addition to discharge planning to avert homelessness, contracts are maintained with community housing facilities who are responsible for medication monitoring, provision of meals and housing, and continued mental health treatment in a step-down model facility.

Corrections:
Discharge protocols for the Alameda County Sheriff's Office are in place. These protocols cover the Alameda County Jail, which is the primary corrections facility in Alameda County. In practice, these protocols ensure that, to the maximum extent practicable, persons discharged from local correctional facilities are not discharged into homelessness. Some of the other programs that work with homeless populations to keep people from being discharged into homelessness are described below. The Community Reentry Service Provider Network (CRSPN) is developing an online resource referral system aimed to serve the formerly incarcerated. This system will provide centralized, up-to-date information that case managers, can use to identify programs and services in the county to prevent an exit onto the streets.

Maximizing Opportunities for Mothers to Succeed (MOMS), is a collaboration between the Sheriff's Department, BHCS, and community partners. MOMS seeks to address a range of issues confronting previously incarcerated mothers attempting to reunite with their families: lack of stable housing, lack of appropriate accessible community assistance, and general lack of support for re-entry into their community. A broad collaboration, the MOMS program provides housing assistance, vocational/educational assistance, services coordination, and access to an array of post-release services including substance abuse treatment, mental health and physical health services, among others.

VII. HOMELESS PREVENTION AND RAPID REHOUSING (HPRP)

On August 4, 2009, the City of Berkeley was awarded $1,332,952 in Homeless Prevention and Rapid Re-housing (HPRP) funding from HUD as part of the American Recovery and Reinvestment Act. The funds are for a 3-year period, and the regulations require that 60% of the funds be spent by August 4, 2011 and 100% of the funds be spent by August 4, 2012. HPRP funds may be utilized for direct case management assistance and/or direct housing assistance payments for up to 18 months to prevent individuals and families from becoming homeless or to help those who are experiencing homelessness to be quickly re-housed and stabilized. Up to 5% may be used for Administration of the program and up to 8% may be used for Data Collection and Evaluation.

To implement the program, the City of Berkeley joined with five other direct HUD grantees, three State subgrantees and the Countywide homeless coordinating body, EveryOne Home, to form the Priority Home Partnership (PHP). PHP is a network of eight Housing Resource Centers (HRCs) providing HPRP services to persons who are at risk of losing their housing and to persons who are homeless and in need of assistance to obtain housing.

The PHP program includes a county-wide single entry and referral point through the 24-hour 2-1-1 hotline, operated by Eden Information & Referral, and uses common screening and assessment tools to target those most likely to become homeless without assistance. The City of Berkeley has contracted with Eden Information and Referral, the only provider of 211 services in Alameda County, and with Everyone Home, for referral and outreach services. The City also subcontracts with Alameda County Housing and Community Development Department (HCD) for data collection services through the County's HMIS system.

The Berkeley Food and Housing Project is the City's subrecipient of HPRP funds, and runs the North County HRC. The North County HRC staff conduct in-depth risk assessments and provide one-time, short and medium term rental assistance, case management and housing locator services. Staff also broker links to other services including legal, credit repair, shelter, permanent housing, employment, medical, child care, mainstream benefits and other services. The City of Berkeley's HPRP program provided clients access to TANF Emergency Contingency Funds (ECF) housing stabilization program during the operation of the ECF program. Approximately 43% of HPRP funds were utilized to rapidly re-house people who are currently living on the street, in a shelter, in transitional housing or on a Shelter Plus Care waiting list.

Table 19 shows a summary of funds committed and spent from the beginning of the HPRP program to the end of PY2011.

Table 19: HPRP Financial Summary (August 4, 2009 – June 30, 2012)

Activity Type	Total Committed to Activities	% of Grant Committed	Drawn Amount (as of 6/30/2012)	% of Grant Drawn
Homeless Prevention	$568,998	95%	$507,296	89%
Administration*	$66,647	98%	$58,412	88%
Data Collection and Evaluation	$113,562	92%	$90,711	80%
Homeless Assistance/ Rapid Rehousing	$583,745	101%	$569,890	98%
Total	**$1,332,952**		**$1,226,310**	92%

Note: Budget modifications will be made to address the discrepancies between funds committed and funds drawn prior to the program's end on August 4, 2012.

The number of persons served and type of service for the HPRP Program is shown in ***Table 20***.

Table 20: HPRP Program Performance
(August 4, 2009 – June 30, 2012)

Type of Assistance	Persons Served
Rental Assistance	453
Security and Utility Deposits	361
Utility Payments	63
Moving Cost Assistance	24
Motel and Hotel Vouchers	29
Case Management/Outreach	649
Housing Search and Placement	296

Table 21 shows the destinations of the 651 people served through June 30, 2012.

Table 21: HPRP Housing Outcomes
(August 4, 2009 – June 30, 2011)

Destination At Exit	Persons	Percent of Total Exits
Rental By Client – No Subsidy	449	69%
Permanent Supportive Housing for Formerly Homeless	18	2%
Rental By Client – Other Housing Subsidy	120	18%
Staying with Family or Friend Permanently	7	1%
Emergency Shelter or Hotel or Motel Subsidy	16	3%
Transitional Housing	8	1%
Staying with Family or Friends Temporarily	13	3%
Unsubsidized Hotel or Motel	2	<1%
Places not Meant for Habitation	11	<1%
Psychiatric Hospital	1	<1%
Substance Abuse Facility or Detox Center	1	<1%
Don't Know	5	<1%
Total	**651**	**100%**

VIII. PUBLIC PARTICIPATION

The availability of the draft Consolidated Annual Performance and Evaluation Report (CAPER) was published in the *Oakland Tribune*, a local Alameda County daily, on September 11**,** 2011, informing the public 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 *Oakland Tribune* advertisement. The public comment period will run until September 27, 2011, a total of 16 days. The CAPER was discussed at the Housing Advisory Commission's September 8, 2011, meeting; and it was also placed on the City's Housing & Community Services Department website on September 6th at http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=15574. The CAPER was 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.

See ***Attachment G: Public Notice on Availability of Draft CAPER*** for more documentation of public participation.