



Councilmember Ben Bartlett
City of Berkeley, District 3

CONSENT CALENDAR

June 13, 2017

To: Honorable Mayor and Members of the City Council

From: Councilmember Ben Bartlett, Mayor Jesse Arreguin, Councilmember Kate Harrison, Councilmember Cheryl Davila

Subject: Amendments to Housing Retention Program

RECOMMENDATION

Direct the City Manager to make the following changes to the City of Berkeley's Housing Retention Program: ~~Proposed changes would make the program more accessible for displaced tenants by amending its eligibility requirements, giving the fund administrator discretion in determining whether to provide funds, and and documentation needed for application, as well as increasing the maximum amount of grants. Proposed changes would make the program more accessible for Berkeley residents at risk of homelessness.~~

BACKGROUND

This item proposes amendments to the City of Berkeley's Housing Retention Program in the following ways:

1. Amends Eligibility: The current ~~fund program has eligibility requirements which exclude many people who need assistance and do not serve the highest need households. only helps Berkeley tenants who~~ The current program requires eligible households to -(i) ~~be are~~ facing eviction from permanent housing, (ii) ~~have rent that does not exceed 80% of their income, and (iii) have a monthly income supporting their monthly expenses.~~ The amended ~~fund program would help provide assistance to~~ all income eligible Berkeley ~~tenants residents (those at 50% of Area Median Income and below) facing eviction and homelessness from permanent or temporary housing~~ housing emergencies, including low-income families who need assistance supporting paying security deposits, as well as cleaning assistance for low-income disabled people who are being evicted from rent-controlled or subsidized housing due to hoarding for families securing permanent housing, or providing assistance for families who need temporary housing after eviction.
- 4-2. Gives Fund Administrator Discretion: The current program only helps households that can provide supporting documentation of a change of

circumstance in one of the following categories: (i) decrease in income; (ii) unexpected medical and/or disability expenses paid without credit; (iii) fleeing domestic violence; or (iv) work-related vehicle expense. However, people fall behind on rent for a variety of reasons and cannot always document a change in circumstance. Many high need households are slowly falling behind on rent for a long period of time. Many high need households have fixed incomes from SSI or other government assistance programs and fall behind due to increased transportation costs or any number of costs in a particular month. By giving the fund administrator discretion to support households who fall behind on rent for other factors, we can prevent more people from becoming homeless.

2.3. **Increases Maximum Amount of Assistance per Family:** The amendments would increase the maximum amount of assistance from \$3,000 to \$5,000 for tenant families experiencing housing emergencies given rapidly rising rental housing prices and displacement. \$5,000 is a more reasonable cap, given that Berkeley's median rent is over \$3,600, while Berkeley's median renter household income is only \$38,539. Furthermore, rents have escalated so much in Berkeley that it has the highest disparity between median renter income and median rent costs in Alameda County. Applicants can reapply to the fund once every 36 months up to a maximum total amount of \$5,000.

~~3. **Clarifies Eligibility:** The amendments would clarify eligibility by allowing all tenant families who are at or below 80% of Area Median Income to be eligible for the fund. This would replace current eligibility requirements, which are (i) rent cannot exceed 80% of the household's income, (ii) monthly income must support monthly expenses, and (iii) grant must prevent an eviction. The current eligibility requirements exclude many people who need assistance and do not serve the neediest households.~~

~~4. **Removes Duplicative and Burdensome Documentation Requirements:** The current documentation requirements include: (i) documentation of income; (ii) documentation verifying decrease in income, unexpected medical and/or disability expenses paid without credit, domestic violence, or work-related vehicle expense; (iii) a dated notice of eviction; (iv) a W-9 form signed by the landlord; (v) proof of building ownership. The amended documentation requirements remove items (iii), (iv), and (v) as they are excessively burdensome and serve a duplicative purpose of items (i) and (ii).~~

~~We believe that t~~The amendments will allow the Housing Retention Program to serve a greater population of families who need assistance to avoid **immediate displacement** or homelessness. Many of the families excluded by the existing Housing Retention Program are also excluded by other services that provide emergency rental assistance or housing emergency funds. This will allow the City of Berkeley to mend gaps in the system and help families who are falling through the cracks of other programs.

The Housing Retention Program is administered by the East Bay Community Law Center (EBCLC) on behalf of the City. The contract between EBCLC and the City is ending in June. ~~and will be renewed at that time.~~ On May 2, 2017 the City Council referred to the budget process a request for \$470,000 to enhance the Housing Retention Program. If approved, Housing Retention Program funds would increase from the current level of \$30,000 to \$500,000 ~~and will be included in EBCLC's contract beginning July 1, 2017.~~

The EBCLC estimates that the administrative cost of the program will be \$30,000-\$40,000. It takes an average of 4 hours to complete and process each application (initial phone call, initial appointment, follow-up appointment for additional documentation, and record keeping).

FINANCIAL IMPLICATIONS

~~Minimal staff time.~~ Increasing the maximum amount of assistance per household will require increased funding for the Housing Retention Program in order to serve the broadest number of people.

ENVIRONMENTAL SUSTAINABILITY

This item is in line with the City of Berkeley's environmental goals.

CONTACT PERSON

Councilmember Ben Bartlett, 510-981-7130

Mayor Jesse Arreguin, 510-981-7100

Councilmember Kate Harrison, 510-981-7140

Councilmember Cheryl Davila, 510-981-7120

Attachments:

1. City of Berkeley/East Bay Community Law Center Housing Retention Program with amendments in track changes.

City of Berkeley/East Bay Community Law Center Housing Retention Program

The City of Berkeley's Housing Retention Program now has funds available through June 30, 2017. This program provides grant assistance to ~~help pay back rent to prevent~~ Berkeley residents ~~from at risk of~~ eviction. Grants are available to households that meet the eligibility criteria below. Submitting an application does not guarantee financial assistance. Application approval requires that each program requirement be met and supporting verifiable documentation provided.

Eligibility Requirements

- This fund is intended to prevent eviction or homelessness for Berkeley residents. Applicants can reapply once every 36 months up to a maximum total amount of \$5,000. The fund can be used for the following purposes.
 - i. Supplement rent to prevent eviction from permanent housing.
 - ii. Supplement rent to prevent eviction from temporary housing, including
 - Providing assistance for tenants who need a stay of execution of judgment to prevent imminent eviction.
 - Preventing immediate eviction from temporary housing in Berkeley for Berkeley residents.
 - iii. Supplement security deposit payments for Berkeley households without permanent housing to secure permanent housing in Berkeley. To be eligible, households must be either be coming out of a shelter or receive CalWORKS, Supplemental Security Income, or benefits from other government cash assistance program who are at imminent risk of losing their permanent housing.
 - iv. Provide cleaning assistance for low-income disabled people who are being evicted from rent-controlled or subsidized housing due to hoarding.
- Families must be at or below 50% of Area Median Income. Income must be verified by documentation from a third party.
- ~~Rent cannot exceed 80% of applicant's (household's) income.~~
- Households requesting assistance must have a signed rental agreement or an alternate form of. ~~If not, lease holder must submit.~~ documentation verifying applicant's tenancy and monthly rent.
- ~~Monthly income must support monthly expenses.~~
- ~~Grant must prevent an eviction.~~
- Households must meet one or more of the following requirements. If applicable, and households should provide supporting documentation verifying below criteria.
 - ❖ Decrease in income
 - ❖ Unexpected medical and/or disability expenses paid without credit.
 - ❖ Fleeing domestic violence
 - ❖ Work-related vehicle expense (vehicle is required for the job supporting documentation from employer may be required)
 - ❖ Fell behind on rent for other factors to be approved at the discretion of the fund administrator.

Maximum Amount of Grant

- Approved households can receive up to \$~~30~~35,000 as a one-time grant.
- ~~No more than 6 months of arrears~~
- Amount requested must be supported by related decrease in income or unexpected verifiable expense, as described in the eligibility requirements above.

Documentation needed for Application

- Completed Application
- Picture ID or Social Security Card for all household members older than 18.
- Verification of Current Income for all income included in the budget sheet.
- A dated Notice of Eviction from landlord stating amount owed for back rent or a letter of verification from landlord stating the amount owed for back rent. ~~A 3-day notice of eviction is recommended. The Notice of Eviction must be dated in the current month.~~
- Rental Agreement or Lease. If applicant is not on the lease, the lease holder must submit a signed dated letter indicating applicant's portion of the rent and rent due. If Section 8 Housing or Shelter Plus Care, copy of Housing Assistance Payments (HAP) Agreement.
- W-9 Form (Tax I.D.) signed by landlord
- Proof of Building Ownership is needed if not a BHA property
- Documentation showing decrease in income, unexpected medical/disability expense, fleeing domestic violence, or work-related vehicle expense, if applicable.
- You may be asked to provide additional documentation to support your application for financial assistance.

If you meet the eligibility criteria above and wish to apply for rental assistance, please contact:

East Bay Community Law Center at 548-4040 and ask for Housing Intake.