



Office of the City Manager

CONSENT CALENDAR

June 29, 2021

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

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

Subject: Fiscal Year 2022 and Fiscal Year 2023 Housing Retention Program Contract

RECOMMENDATION

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

1. Allocate the Fiscal Year (FY) 2022 and FY 2023 City of Berkeley Housing Retention Program (HRP) contract to the Eviction Defense Center (EDC), which operates the COVID-19 HRP; and
2. Amend Contract No. 32100023 with EDC to use General Fund U1 HRP funds for utility arrears or other expenses that would enable applicants to retain or obtain housing and/or employment.

FISCAL IMPACTS OF RECOMMENDATION

There is no new fiscal impact to the City of Berkeley as the HRP was approved on March 10, 2020 for continued FY 2022 and FY 2023 funding using General Fund collected pursuant to Measure U1.

CURRENT SITUATION AND ITS EFFECTS

The HRP is a Strategic Plan Priority Project, advancing our goal to create affordable housing and housing support services for our most vulnerable community members.

The Eviction Defense Center (EDC) currently manages the Community Development Block Grant-funded COVID-19 Housing Retention Program for the City of Berkeley and also receives federal and state Emergency Rental Assistance Program (ERAP) funds through Alameda County. The East Bay Community Law Center (EBCLC) currently manages the core, U1 funded City HRP program. EDC, however, is in the unique position of being able to manage all of these rental assistance funds to ensure there is no duplication of benefits to applicants. EDC has the capacity to manage the City's HRP in conjunction with the COVID-HRP program, including any new sources of funding (both federal and county) and the anticipated increase in community need when the COVID-19 rent moratorium expires on June 30, 2021.

Some applicants for rental assistance may have other debts that would keep them from retaining their housing. We recommend, therefore, that a portion of the City funds be used to pay utility bills, because of the understanding that a utility shut off will cause

housing instability and could lead to an eviction for health and safety, as well as other bills, such as internet access costs, to enable applicants to apply for jobs and benefits and for families with school age children doing remote learning. EDC has recommended that we broaden the use of these funds in this way to prevent displacement.

### BACKGROUND

The Housing Retention Program was administered by City staff for over a decade and in 2018 funds increased and were allocated to the East Bay Community Law Center (EBCLC) to prevent evictions for Berkeley residents through one-time housing assistance grants. EBCLC was the sole administrator of the program until the start of the COVID-19 pandemic; at which time EBCLC and EDC collaborated to distribute additional rental assistance funding allocated by City Council through the Berkeley Relief Program<sup>1</sup>. Over time, EDC took on nearly all responsibility of administering these COVID-19 rental assistance grants, including the addition of CDBG COVID-19 funds, from client applications to the disbursement of checks.

When EDC receives an application, they assess which program a household is most suited for (Berkeley's HRP or Alameda County's Emergency Rental Assistance Program [ERAP]) and helps to process the application with the appropriate funding. Because EDC has taken on the majority of this application processing, EBCLC refers most applications back to EDC. Therefore, staff recommends formally transitioning the HRP program to EDC. This transition will increase efficiency, reduce the possibility of errors, and ensure that all qualifying households receive rent relief as quickly and seamlessly as possible. EDC has demonstrated capacity to manage the full HRP portfolio, including COVID-19 specific HRP, core HRP, new sources of funding, and an anticipated increase in community need when the Covid-19 rent moratorium expires on June 30, 2021. As of May 13, 2021, through the Berkeley Housing Retention Program, EDC has provided services to 470 unduplicated clients, which includes income assessment, financial planning, housing consultations, and paying monthly rent directly to landlords. In addition, EDC has pushed out approximately \$1.4 million from the County's ERAP program to Berkeley tenants, which has allowed them to further stretch the City of Berkeley's investment and prevent even more anti-displacement.

### ENVIRONMENTAL SUSTAINABILITY

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

### RATIONALE FOR RECOMMENDATION

EDC has an excellent track record of expanding its administration of rental assistance funds to meet the increasing demand for rental assistance. It is also uniquely positioned in Berkeley as having access to federal and state funding allocated through Alameda County. Having one agency administer all rental assistance funds in Berkeley will help

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<sup>1</sup> See [https://www.cityofberkeley.info/Clerk/City\\_Council/2020/03\\_Mar/Documents/2020-03-17\\_Special\\_Item\\_03\\_Berkeley\\_COVID-19\\_Relief\\_Fund\\_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2020/03_Mar/Documents/2020-03-17_Special_Item_03_Berkeley_COVID-19_Relief_Fund_pdf.aspx)

avoid duplication of benefits and will streamline the application process for residents who may be able to benefit from one program or the other. After conferring with both agencies, all agree that this recommendation allows for the highest quality of service to rental assistance applicants.

ALTERNATIVE ACTIONS CONSIDERED

HRP funds could remain allocated to the EBCLC. This would result in an additional administrative burden for EBCLC since it would be required to collaborate with EDC to ensure non-duplication of benefits.

CONTACT PERSON

Mary-Claire Katz, Associate Management Analyst, HHCS, 510-981-5414

Attachments:

1: Resolution

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

FISCAL YEAR 2022 and FISCAL YEAR 2023 HOUSING RETENTION PROGRAM;  
AND CONTRACT NO. 32100023 AMENDMENT WITH EVICTION DEFENSE CENTER

WHEREAS, the City of Berkeley and East Bay Community Law Center (EBCLC) previously entered into Contract Number 31900232 for the Housing Retention Program (HRP), dated July 1, 2019, for Fiscal Year (FY) 2020 and FY 2021 only, which was authorized by Berkeley City Council Resolution No. 69,010 – N.S.; and

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

WHEREAS, the Eviction Defense Center (EDC) collaborated with EBCLC to distribute housing retention grants during the COVID-19 pandemic; and

WHEREAS, EDC has an existing City of Berkeley contract (No. 32100023) to manage COVID-19-specific HRP grants; and

WHEREAS, EDC is working with the Alameda County Emergency Rental Assistance Program (ERAP); and

WHEREAS, EDC has the capacity to continue to manage the HRP.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City of Berkeley continue to fund the HRP for FY 2022 and FY 2023 at its current level of \$250,000 and reallocate HRP funds to the Eviction Defense Center.

BE IT FURTHER RESOLVED that the City Manager or her designee is authorized to amend Contract No. 32100023 with Eviction Defense Center to use General Fund U1 HRP funds for utility arrears or other expenses that would enable applicants to retain or obtain housing and/or employment. A record copy of said agreement will be on file with the City Clerk.