

## **Update on the Berkeley Homeless Coordinated Access System aka Housing Crises Intervention Center aka The Hub**

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### **Introduction**

The City of Berkeley is the first city in the county to make the shift from an emphasis on providing emergency temporary shelter to a system that seeks to end homelessness by providing permanent housing. This move comes in part as a response to a recent directive from the U.S. Department of Housing and Urban Development (HUD) which requires that under the Continuum of Care (CoC) Regulations that homeless service providers prioritize the chronically homeless and the disabled<sup>1</sup> rather than on a first-come first-served basis. This approach is supported by *Alameda County - EveryOne Home* and is also considered to be a Best Practice by homeless advocates.

### **What is the Berkeley Homeless Coordinated Access System?**

The *Berkeley Homeless Coordinated Access System* hereafter referred to as The Hub is designed to be a one-stop shop where clients seeking shelter will be assessed and the most vulnerable members of the homeless population will receive priority. This is how it will work:

- ◆ The city has selected the non-profit organization *Berkeley Food and Housing Project* (BFHP) to staff and manage this new centralized access point, or The Hub, for all homeless services in Berkeley.

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1. HUD's definition of "chronically homeless" currently in effect for the CoC Program is that which is defined in the CoC Program interim rule at 24 CFR 578.3, which states that a chronically homeless person is:

(a) An individual who:

i. Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter;  
**and**

ii. Has been homeless for at least one year or on at least four separate occasions in the last 3 years; **and**

iii. Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(b) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (a) above before entering that facility; or

(c) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (a) above including a family whose composition has fluctuated while the head of household has been homeless.

- ◆ Starting January 4, 2016 BFHP will open The Hub for business at 1901 Fairview in South Berkeley.
- ◆ Existing city run drop-in centers will be funded through FY 2016 and will be phased out as The Hub comes on line. Berkeley's Multi-Agency Service Center (MASC) where the homeless can shower, wash clothes, use the phones and computers, among other services, will remain open for the immediate future.
- ◆ BFHP staff at The Hub will triage clients by determining their connection, if any, to Berkeley, and assessing whether or not they are truly "homeless" as in "on the streets" as opposed to "couch surfing" or staying with friends or relatives. Clients who are not "literally" homeless will be diverted and those with the highest need will be offered shelter.
- ◆ According to HUD regulations the highest priority will be given to:
  - (a) First Priority–Chronically Homeless Individuals and Families with the Longest History of Homelessness and with the Most Severe Service Needs.
  - (b) Second Priority–Chronically Homeless Individuals and Families with the Longest History of Homelessness.
  - (c) Third Priority–Chronically Homeless Individuals and Families with the Most Severe Service Needs.
- ◆ At The Hub clients will be prioritized as described above and an effort will be made to match client needs to available services and housing such as Shelter Plus Care; behavioral health care beds; veterans housing; CALWORKS, and Boomerang House. Not all the shelter options will be in Berkeley. Depending on the type of need a client may be referred to another part of the county.
- ◆ The goal is to eventually "graduate" clients out of transitional housing and out of shelters into permanent housing whether it be permanent supportive housing, subsidized rental housing, living with friends or family or market rate housing.
- ◆ A new digital database will be created called the *Shelter Point* and it will track shelter beds and homeless service slots for the whole county. *Shelter Point* will be accessible to all homeless service providers, hospitals, and the police and fire departments.
- ◆ As this is a new approach to providing homeless services in Berkeley it will need regular evaluations to assess the capacity of the system and to determine if it is capable of meeting the needs of the homeless.
- ◆ As Berkeley is the first city in the county to try The Hub approach, BFHP staff will need to provide regular progress reports to EveryOne Home. In addition,

as Alameda County's Homeless Access System evolves and is implemented ... BFHP staff will need to coordinate regularly with county staff to assure that the Berkeley system is in alignment with the county's Homeless Access System.

### **Challenges and Opportunities for The Hub**

As with all new policies and shifts in the way services are provided there will obviously be some "growing pains".

#### ***Will The Hub have sufficient funding and be adequately staffed?***

The City of Berkeley currently spends about \$3 million annually on homeless services. In June 2015 the City Council voted to fund The Hub with city and HUD funds. Until the Hub has operated for a few months and the new system is established it will be unclear if the funds will be adequate. BFHP was selected through a competitive bidding process and it will be their job to ensure that The Hub is adequately staffed.

#### ***Will the supply meet the demand for homeless services?***

As described above there will be a transition period and the city's existing network of drop-in centers, including the MASC, will not immediately be dismantled. There will inevitably be a learning curve as the new protocols are implemented and close coordination with HUD, the county and *EveryOne Home* will be essential.

Below is a summary of some of the main challenges and opportunities offered by this new approach to delivering homeless services.

### **CHALLENGES**

The biggest question of all is - will there be sufficient affordable units available to meet the needs of clients graduating out of transitional housing and into permanent housing? Currently the answer to this question is an unequivocal "No". There are currently 2,406 affordable units in the city these include Housing Trust Fund Developments, Below Market Rate Units, Permanent Supportive Housing and Shelter Plus Care units. The current demand for such units is far greater than the supply. Affordable housing units are usually generated in one of three ways:

- 1) Subsidize the rental cost of a market rate unit – this is done through the Section 8 voucher program issued to low and very low-income renters; and/or
- 2) Provide incentives for housing developers to include a certain percentage of below market rate and affordable units within each new market rate apartment building; and/or
- 3) Build affordable public housing units using Housing Trust Funds (Section 8 Project Housing) and making them exclusively available to low and very low-income renters.

## **Section 8 Rental Vouchers**

The cost of rental housing in Berkeley is currently so high that even if you are one of the few lucky people to have secured a rent subsidy through a Section 8 voucher lottery there are very few units available at the approved rental allowance.

According to the Berkeley Housing Authority (BHA), HUD's definition of Fair Market Rent (FMR) in the Oakland-Berkeley Metropolitan Statistical Area is as follows:

\$1,100 for a studio apartment

\$1,486 for a 1-bedroom apartment

\$1,743 for a 2-bedroom apartment

So someone holding a voucher can pay no more than the FMR per unit type.

According to Zillow.com actual market rental costs in Berkeley are currently:

\$2,200+ for a studio apartment

\$2,400+ for a 1-bedroom apartment

\$3,350+ for a 2-bedroom apartment

So anybody trying to find a rental unit in Berkeley with a Section 8 voucher is going to be priced out of the market. According to the BHA<sup>2</sup> there are currently 96 individuals holding Section 8 rental vouchers. Before the current high tech driven economic boom there would be 15-20 units in Berkeley in any given month on the list available to would-be renters with vouchers. Now there is zero. Even if you extend your search to the entire county there are currently only four units available countywide.

The HUD regulations require that the vouchers be returned to the BHA if they are not used within 90 days but BHA is now giving automatic extensions to voucher holders because of the lack of supply. The best hope for a voucher holder now is to move to a more affordable area such as Vallejo or Hayward or even as far away as Modesto. However, not all vouchers are portable. This leaves many homeless people seeking permanent housing in a bind with little or no hope of finding a rental unit that they can afford in Berkeley.

## **Incentivize Market Rate Developers of New Rental Housing**

Market rate developers are going to need some pretty significant incentives to set aside affordable housing units given the present high cost of constructing new housing and the lack of available building sites in the city.

## **Build New Affordable Units with Housing Trust Funds**

Due to the high cost of new development and the complexities and length of time that it takes to build affordable units - Berkeley's Housing Trust Funds have been used primarily to re-habilitate existing units rather than build new ones. Federal

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<sup>2</sup> Tia Ingram, Berkeley Housing Authority.

and state programs that fund and encourage cities to build affordable housing projects such as the HOME program and the Low-Income Housing Tax Credit have either been cut drastically (HOME) or are very complex and yield a relatively small amount of funds (California Low-Income Housing Tax Credit).

## **OPPORTUNITIES**

Creative approaches need to be considered to increase the supply of affordable housing especially for those with extremely low incomes. There are currently five proposals being pursued by the City of Berkeley Health, Housing and Community Services Department and the BHA.

- 1) The Affordable Housing Nexus Study is being revised and will most likely recommend raising certain fees paid by developers.
- 2) Revise the demolition ordinance to increase fees for affordable housing when an owner tears down an apartment building.
- 3) Revise the city Density Bonus ordinance to provide additional incentives for developers to create affordable housing units.
- 4) The BHA proposes to transfer \$135,000 from forfeited security deposits back into the affordable housing program. This should enable 10 families to move from transitional housing such as Single Room Occupancy (SRO) hotels or Shelter Plus Care units into appropriate permanent housing. It is unclear whether this would be an ongoing program or a onetime event.
- 5) The BHA is making a proposal to the Berkeley City Council in November 2015 to provide more financial incentives for developers to encourage them to build Section 8 affordable housing projects. The two ideas currently being considered are A) a reduction in garbage fees for new Section 8 housing and B) a reduction of business license fees.

For more information see:

<https://www.hudexchange.info/resource/3331/coc-priority-listing-detailed-instructions/>

<https://www.hudexchange.info/resource/3897/notice-cpd-14-012-prioritizing-persons-experiencing-chronic-homelessness-in-psh-and-recordkeeping-requirements/>

<http://www.everyonehome.org>

<http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=5554>

<http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=5562>

<http://www.cityofberkeley.info/BHA/>

<http://bfhp.org>