



April 5, 2016

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution of the Housing Authority of the City of Long Beach, California, approving a revised voucher Payment Standard Schedule for the Section 8 Housing Choice Voucher Program, effective April 5, 2016. (Citywide)

DISCUSSION

The Housing Authority requests your consideration and approval to raise Housing Choice Voucher Payment Standards to 120 percent of the HUD Small Area Fair Market Rent for the City of Long Beach (City) for housing units located in all Long Beach zip codes and for all bedroom sizes.

Currently, Housing Choice Voucher Payment Standards are up to 110 percent of the HUD Small Area Fair Market Rent for the City and they are insufficient to meet market rate rents. Approval of this increase will put the Housing Authority Payment Standard at 120 percent (Exhibit A), which will reduce the rent burden so that existing families can remain housed, new families may lease up, and owners are compensated at current market rate.

In a similar action last month, the Commission approved an increase to 120 percent of the Payment Standard for the Veterans Affairs Supportive Housing (VASH) Program matching payment standards to other large metropolitan housing authorities.

Fair Market Rents (FMR) are issued by HUD for each metropolitan standard statistical area and change annually. The FMR is the maximum monthly subsidy for an assisted family. The FMR for the Los Angeles area is based on the average rent per-bedroom size across the entire county. Our Housing Authority, however, is in the fifth year of a demonstration project that uses Small Area FMRs that are determined by zip codes specifically for the Long Beach area. HUD's purpose in determining the rate at the zip code level is to subsidize at a higher or lower amount given the market demands in that area, instead of region-wide or county-wide.

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The rental vacancy rate in Long Beach is at a ten-year low, which is helping to drive up the costs of available units. Currently, there are over 450 voucher holders in Long Beach searching for units. With the current Payment Standard, fewer than 33 percent of voucher holders are leasing up within the 120 days allotted to each voucher holder. Even with extensions to a 180 days, successful lease up is only at 58 percent. With an increase in Payment Standards, new applicants from our waiting list, some of whom have been waiting in excess of twelve years, will have an added ability to find suitable affordable housing.

This matter was reviewed by Deputy City Attorney Gary J. Anderson and by Budget Management Officer Victoria Bell on March 18, 2016.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested on April 5, 2016, for the updated Payment Standard to be effective immediately.

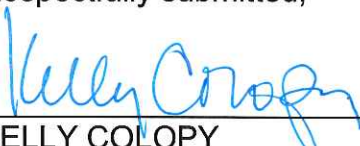
FISCAL IMPACT

Sufficient funding is currently appropriated in the Housing Authority Fund (SR 151) in the Department of Health and Human Services (HE) to absorb a 10 percent increase in Per Unit Cost (PUC). The estimated cost of the 10 percent increase is approximately \$535,893 for the period of April through October 1, 2016.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KELLY COLOPY
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:



PATRICK H. WEST
EXECUTIVE DIRECTOR

Attachments: Resolution
Exhibit A

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO. H.A. _____

A RESOLUTION OF THE HOUSING AUTHORITY
OF THE CITY OF LONG BEACH, CALIFORNIA,
APPROVING A REVISED VOUCHER PAYMENT
STANDARD SCHEDULE FOR THE SECTION 8 HOUSING
CHOICE VOUCHER PROGRAM, EFFECTIVE APRIL 5,
2016, FOR ALL ZIP CODE AREAS IN LONG BEACH

WHEREAS, the Housing Authority of the City of Long Beach administers a
Section 8 Housing Choice Voucher (HCV) Program under terms and conditions outlined
by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, each year HUD issues Fair Market Rents for each metropolitan
standard statistical area; and

WHEREAS, currently the Payment Standards in the City of Long Beach are
one hundred ten percent (110%) of the HUD Small Area Fair Market Rent and insufficient
to meet market rate rents; and

WHEREAS, increasing the Payment Standards to one hundred twenty
percent (120%) for all zip codes in Long Beach will relieve the rent burden to tenants due
to rising rental costs and low vacancy rates;

NOW, THEREFORE, the Housing Authority of the City of Long Beach,
California resolves as follows:

Section 1. The Housing Authority adopts the revised Payment Standard
Schedule for its Section 8 Housing Choice Voucher Program effective April 5, 2016, for
all zip codes in Long Beach, attached hereto as Exhibit "A" and made a part hereof.

Section 2. The Clerk will certify to the passage of this resolution by the
Housing Authority of the City of Long Beach, California, and it will immediately take
effect.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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I certify that the foregoing resolution was adopted by the Housing Authority of the City of Long Beach, California, at its meeting of _____, 2016, by the following vote of the qualified members of the Authority:

Ayes: Commissioners: _____

Noes: Commissioners: _____

Absent: Commissioners: _____

City Clerk

CERTIFICATE OF RECORDING OFFICER

I, the undersigned, the duly qualified and acting Clerk of the Housing Authority of the City of Long Beach, California, do certify:

1. That the attached resolution is a true and correct copy of a resolution as finally adopted by a duly called meeting of the Housing Authority of the City of Long Beach, California held on _____, 2016 and duly recorded in the official records of the Governing Body; that the resolution has not been amended, modified, or rescinded, and is now in full force and effect;

2. That the meeting was duly convened and held in all respects in accordance with law; that to the extent required by law, due and proper notice of the meeting was given; that a legal quorum was present throughout the meeting and that a legally sufficient number of members of the Housing Authority of the City of Long Beach, California voted in the proper manner for adoption of the resolution; that all other requirements and proceedings under the law incident to the proper adoption or passage of the resolution, including publication, if required, have been duly fulfilled, carried out, and otherwise observed; that I am authorized to execute this Certificate; and that the seal affixed below constitutes the official seal of the Housing Authority of the City of Long Beach, California and this Certificate is executed under that official seal.

IN WITNESS WHEREOF, I have set my hand on _____, 2016.

(Signature)
MARIA GARCIA
CITY CLERK

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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EXHIBIT “A”

2016 PAYMENT STANDARDS AS OF 04/05/2016

Zip Code	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm	6 Bdrm	7 Bdrm
90802	\$936	\$1,128	\$1,488	\$2,016	\$2,256	\$2,594	\$2,932	\$3,271
90803	\$1,200	\$1,464	\$1,920	\$2,592	\$2,904	\$3,340	\$3,775	\$4,211
90804	\$1,008	\$1,236	\$1,620	\$2,184	\$2,448	\$2,815	\$3,182	\$3,550
90805	\$948	\$1,164	\$1,524	\$2,064	\$2,304	\$2,649	\$2,995	\$3,341
90806	\$936	\$1,140	\$1,500	\$2,028	\$2,268	\$2,608	\$2,948	\$3,288
90807	\$1,068	\$1,308	\$1,716	\$2,316	\$2,604	\$2,994	\$3,385	\$3,775
90808	\$1,296	\$1,584	\$2,076	\$2,808	\$3,144	\$3,616	\$4,087	\$4,559
90810	\$948	\$1,152	\$1,512	\$2,040	\$2,292	\$2,635	\$2,980	\$3,323
90813	\$876	\$1,056	\$1,392	\$1,884	\$2,112	\$2,429	\$2,674	\$3,062
90814	\$1,056	\$1,284	\$1,692	\$2,292	\$2,568	\$2,953	\$3,338	\$3,724
90815	\$1,392	\$1,692	\$2,220	\$3,000	\$3,360	\$3,864	\$4,368	\$4,872
90822	\$1,092	1,332	\$1,752	\$2,364	\$2,652	\$3,049	\$3,448	\$3,845