

31

CITY CLERK DEPARTMENT

DATE 12-17-02

MOTION BY Kell / Lowenthal

MOTION

Concurred in recommendation of the Committee and deleted the issue of security deposits accruing interest from recommendation. (Docs. 64-65)

PUBLISHING DATE (S)

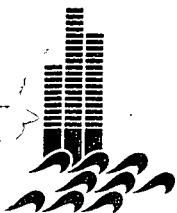
NOTIFICATION SENT

DATE

MOTION BY

MOTION

NOTIFICATION SENT



Date: December 17, 2002  
To: Honorable Mayor and City Council  
From: Councilwoman Jackie Kell, Chair, Housing and Neighborhoods Committee  
Subject: **REVIEW OF FEDERAL HOUSING VOUCHERS (SECTION 8)**

The Housing and Neighborhoods Committee, at its meeting held December 10, 2002, considered communications relative to the above subject.

It is the recommendation of the Committee to the City Council that the communications be received and filed; and the City Manager requested to report back to the Committee on the issues of security deposits accruing interest and establishing a special phone number for reporting problems related to Section 8 housing.

Respectfully submitted,

HOUSING AND NEIGHBORHOODS COMMITTEE

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Councilwoman Jackie Kell, Chair

JK:mc

Unanimous vote  
Absent: None

K:\Hn\Review Federal Housing Vouchers Sec8.rec.doc





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CITY CLERK  
LONG BEACH, CALIF.

02 DEC -5 PM 2:38

**Date:** December 4, 2002

**To:** *Fok* Gerald R. Miller, Acting City Manager *G. Miller*

**From:** Melanie S. Fallon, Director, Community Development *msf*

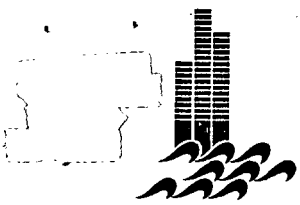
**For:** Members of the Housing and Neighborhood Committee

**Subject:** Review of Federal Housing Vouchers in Long Beach

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On June 27, 2002, Council Member Jerry Shultz requested a review of the federal housing assistance program administered by the City of Long Beach Housing Authority. In the context of this request, he raised a number of concerns about the program and its impact on the City. The City Council referred the matter to its Housing and Neighborhoods Committee for review. At the committee meeting scheduled for December 10, 2002, staff will present an overview of the Housing Choice Voucher Program, describing it, and also identifying and addressing some of the problems raised by the council member.

It is requested that the Housing and Neighborhoods Committee recommend that City Council receive and file this memorandum.



**Date:** June 27, 2002  
**To:** Mayor and City Council  
**From:** Councilmember Jerry Shultz, 9th District  
**Subject:** **REVIEW OF FEDERAL HOUSING VOUCHERS (SECTION 8)**

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CITY CLERK  
LONG BEACH, CALIF  
02 JUN 27 AM 10:47

I am requesting a review of Federal Housing vouchers (Section 8) program and its impact on neighborhoods. Background information will be available at the City Council Meeting.

Recommendation: Receive and file.



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# A Review of Federal Housing Vouchers in Long Beach



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# The Housing Authority Mission Statement:



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The Housing Authority of the City of Long Beach's mission is to provide high quality housing assistance for Long Beach's low-income households through:



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## Mission Statement continued...

- Effectively and efficiently utilizing resources
- Promoting a positive image through excellent customer service and clear and open communication
- Continually educating staff and clients.





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**The Way I see it**

**To house as many  
Long Beach low-income  
families as possible**



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# Who are we?

- A governmental entity staffed by the City of Long Beach
- Overseen by the Housing Authority Board of Commissioners. Comprised of
  - **The nine City Council members**
  - **Two tenant commissioners**



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# Who are we continued....

Executive Director – The City Manager

Assistance Executive Director –  
The Director of Community Development

Deputy Executive Director –  
The Housing Authority Bureau Manager

The Housing Authority is funded completely with federal funds.



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**What is the need for assisted  
housing in Long Beach?**



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**Need continued...**

**Median Income for the  
Los Angeles/Long Beach  
Metropolitan Statistical  
Area is \$51,300**



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# Need Continued....

## Based on the 2000 Census:

- Median income for Long Beach is \$37,270
- Long Beach has 163,279 households
- More than 21,000 are at 30 % of median
- More than 41,000 are at 50% of median

The fact is, thousands of our residents are very poor people.



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# Case Studies

An elderly single retired person receives \$750 per month in Social Security and Supplemental Security Income (SSI)

Her rent is \$650 for a one-bedroom apartment in the downtown area.

That leaves her with \$100 for all of her other expenses.



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## Case Studies Continued....

A family of four (mother, father, two small children) live in a two-bedroom apartment renting at \$800 per month.

He earns \$8 per hour, which calculates out to roughly \$16,000, or \$1,333 per month before taxes. She can't work because the children are too small.

That leaves the family with little more than \$500 per month for all their other expenses.





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## Current status

- The City of Long Beach Housing Authority is authorized to issue 5,972 vouchers
- At this time, 5,748 are in use
- The balance will be leased-up shortly
- Current Budget
  - \$43 million
  - \$38 for Housing Assistance Payments
  - \$5 for Administrative and other costs
- Approximately 60 employees



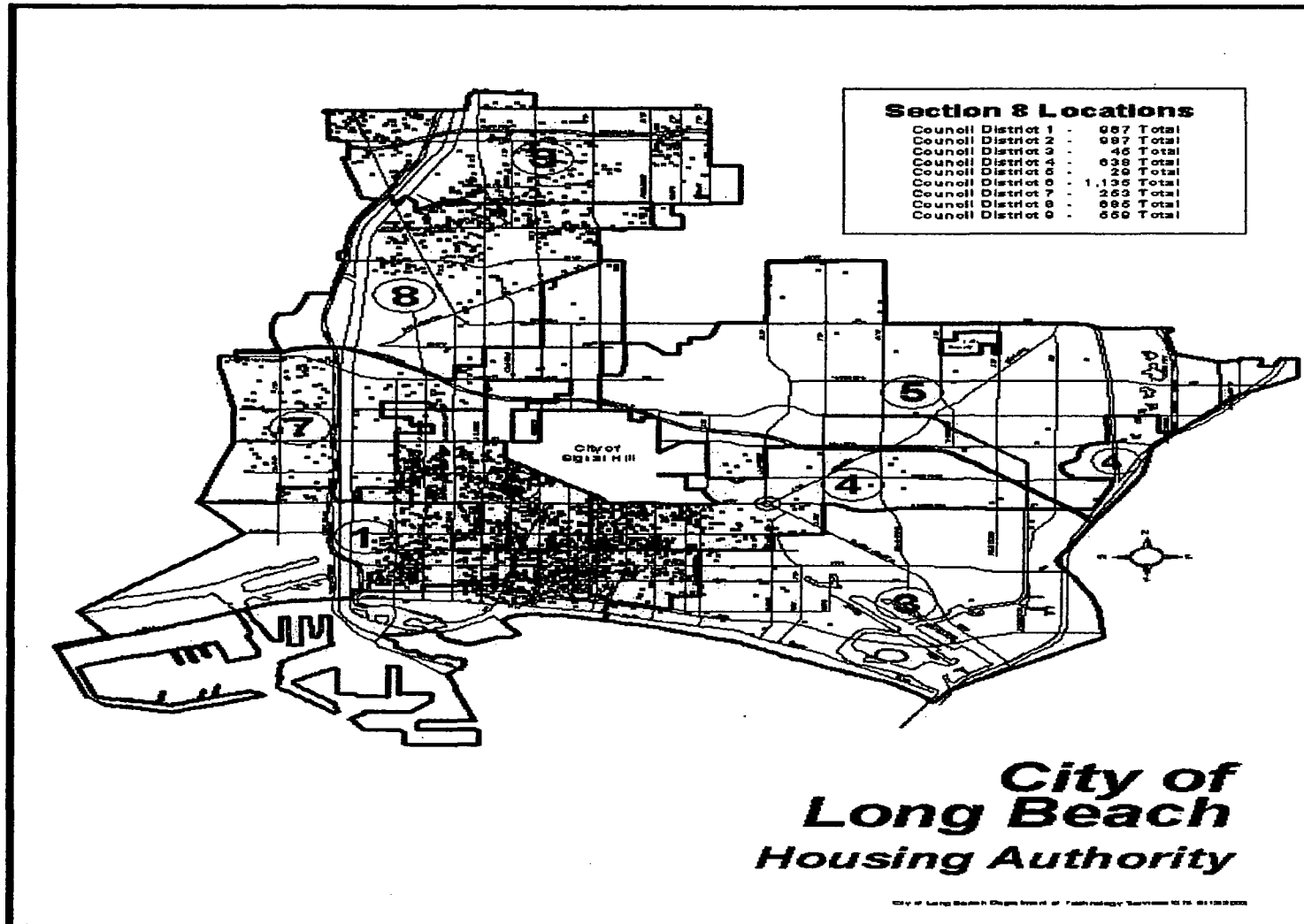
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**Where do these families live?**



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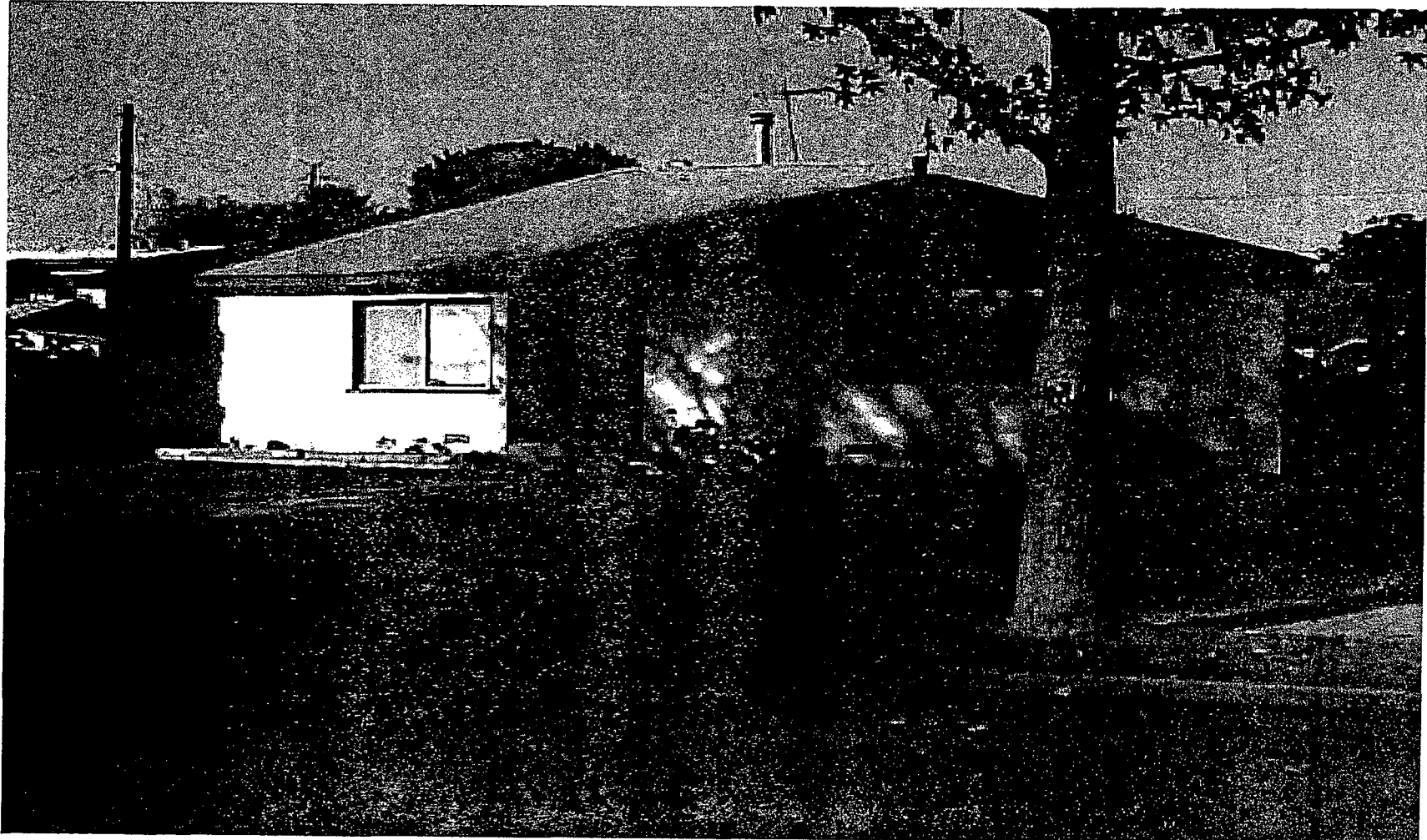
# Map





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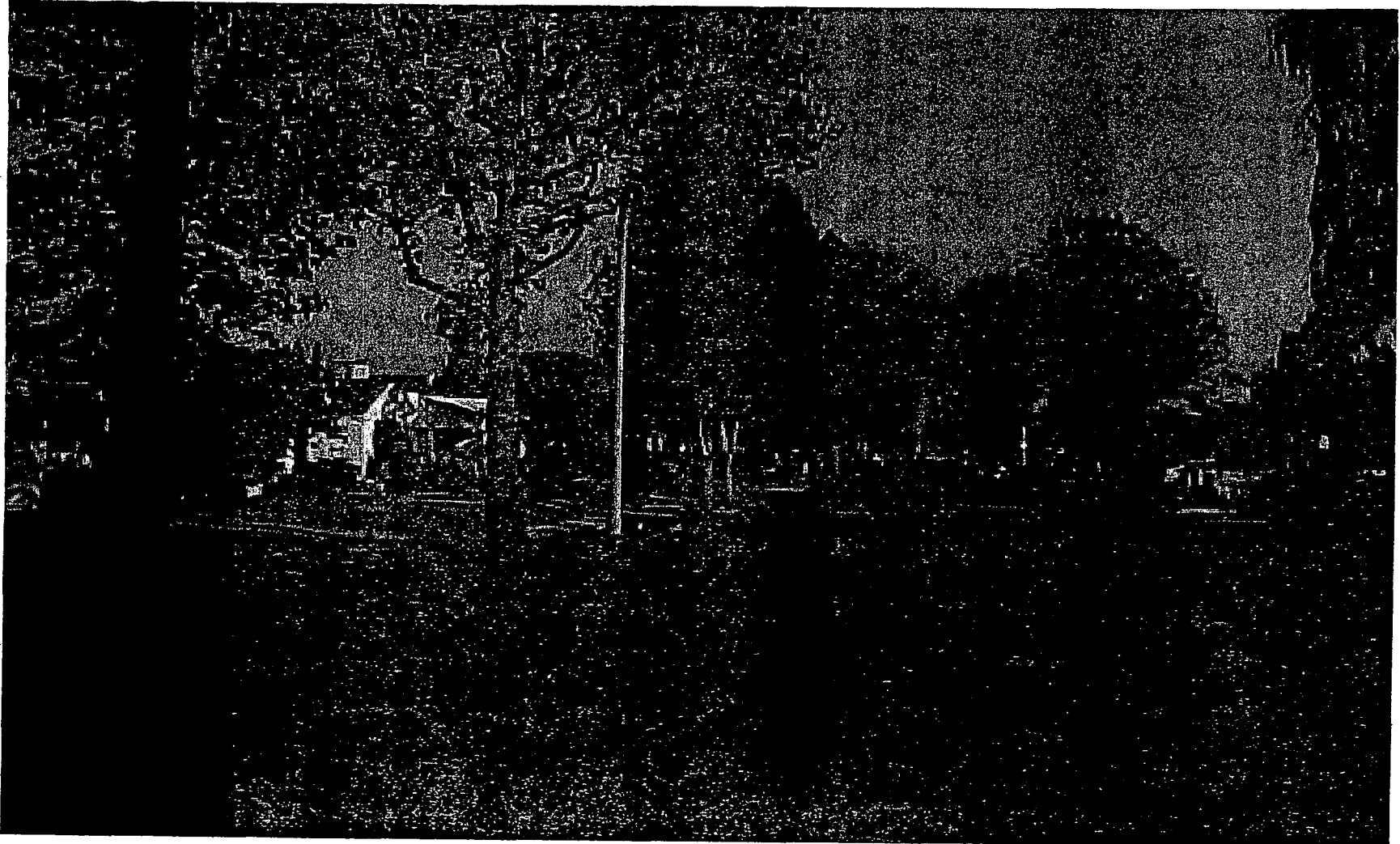
# Picture 1





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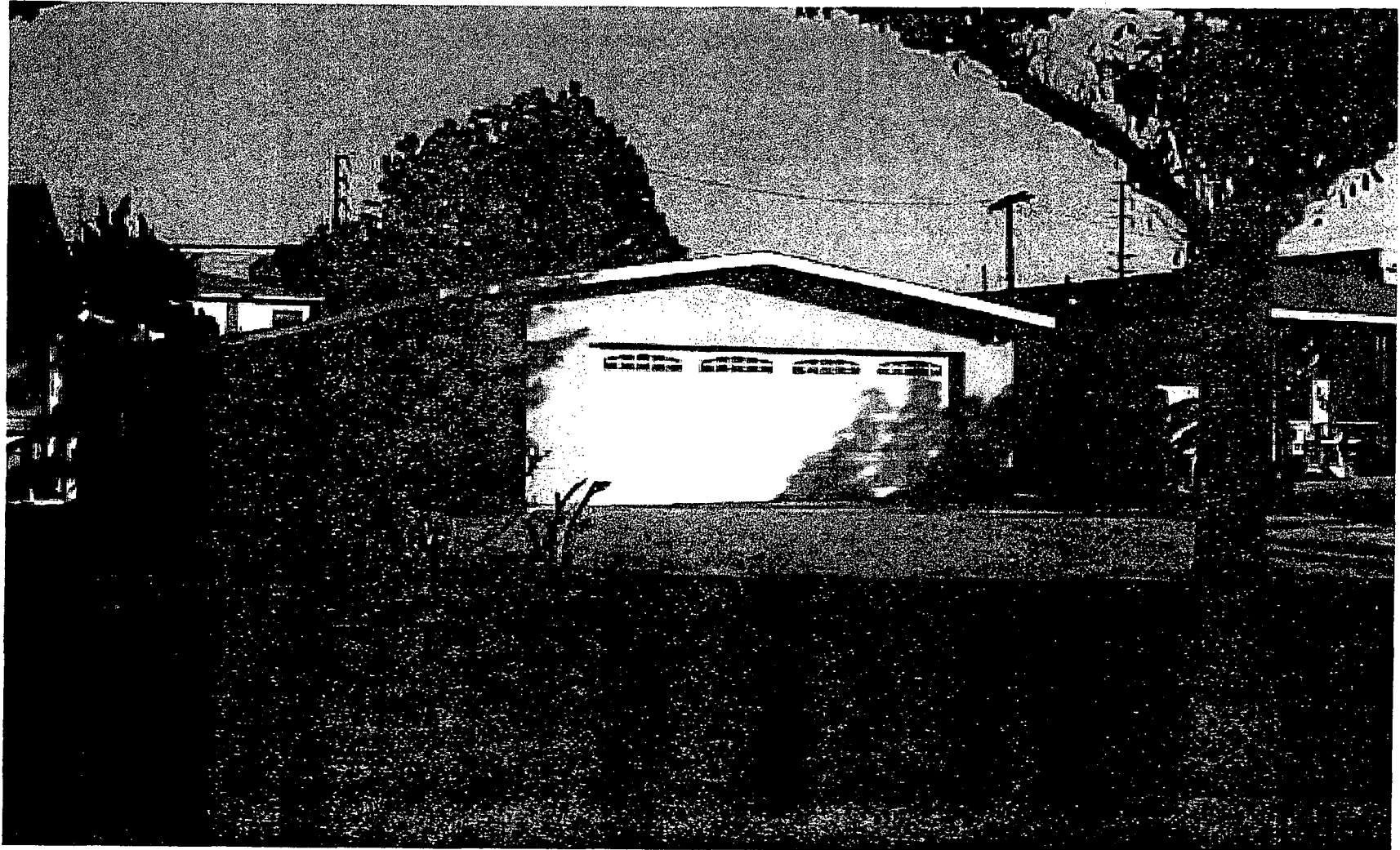
# Picture 2





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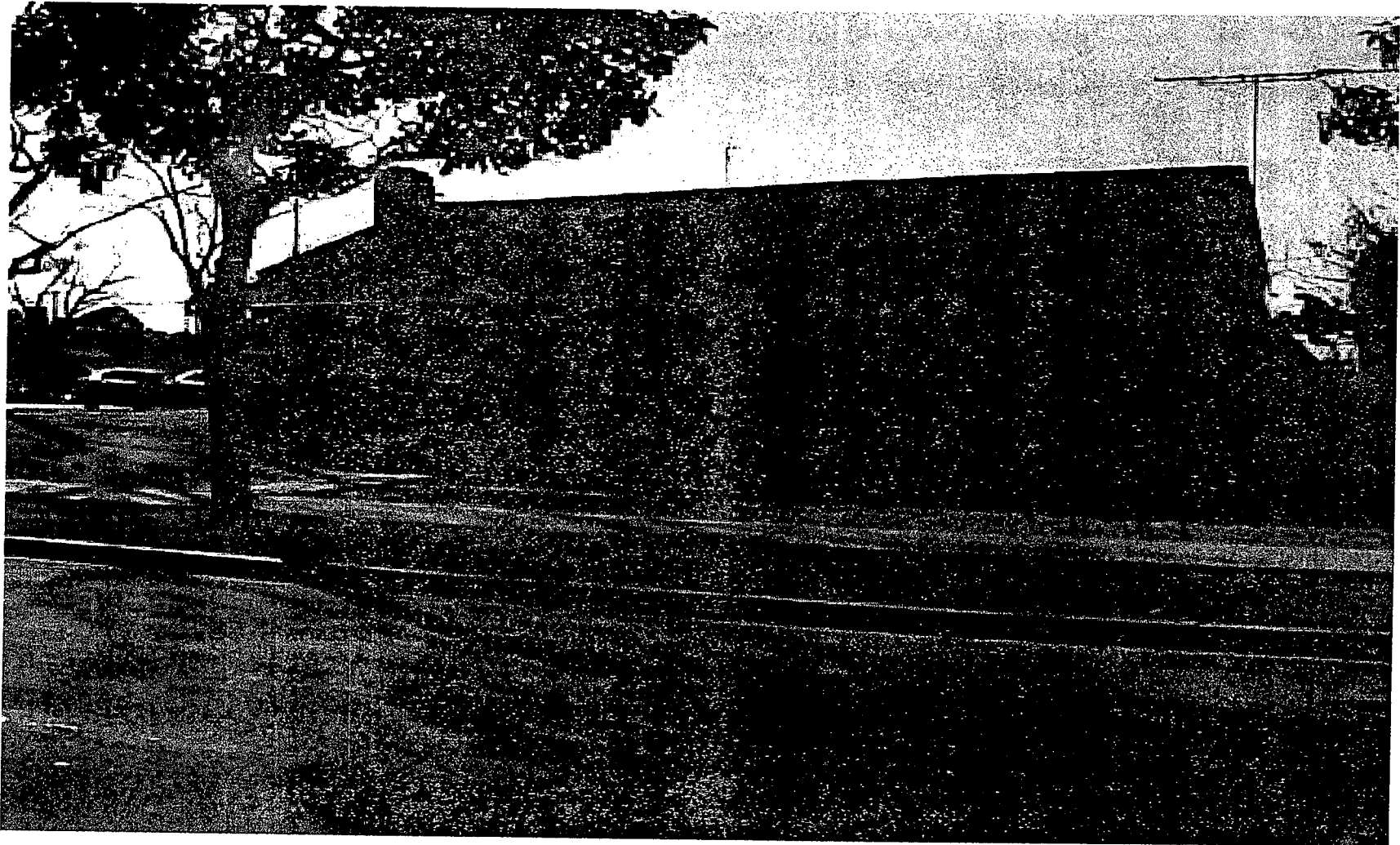
# Picture 3





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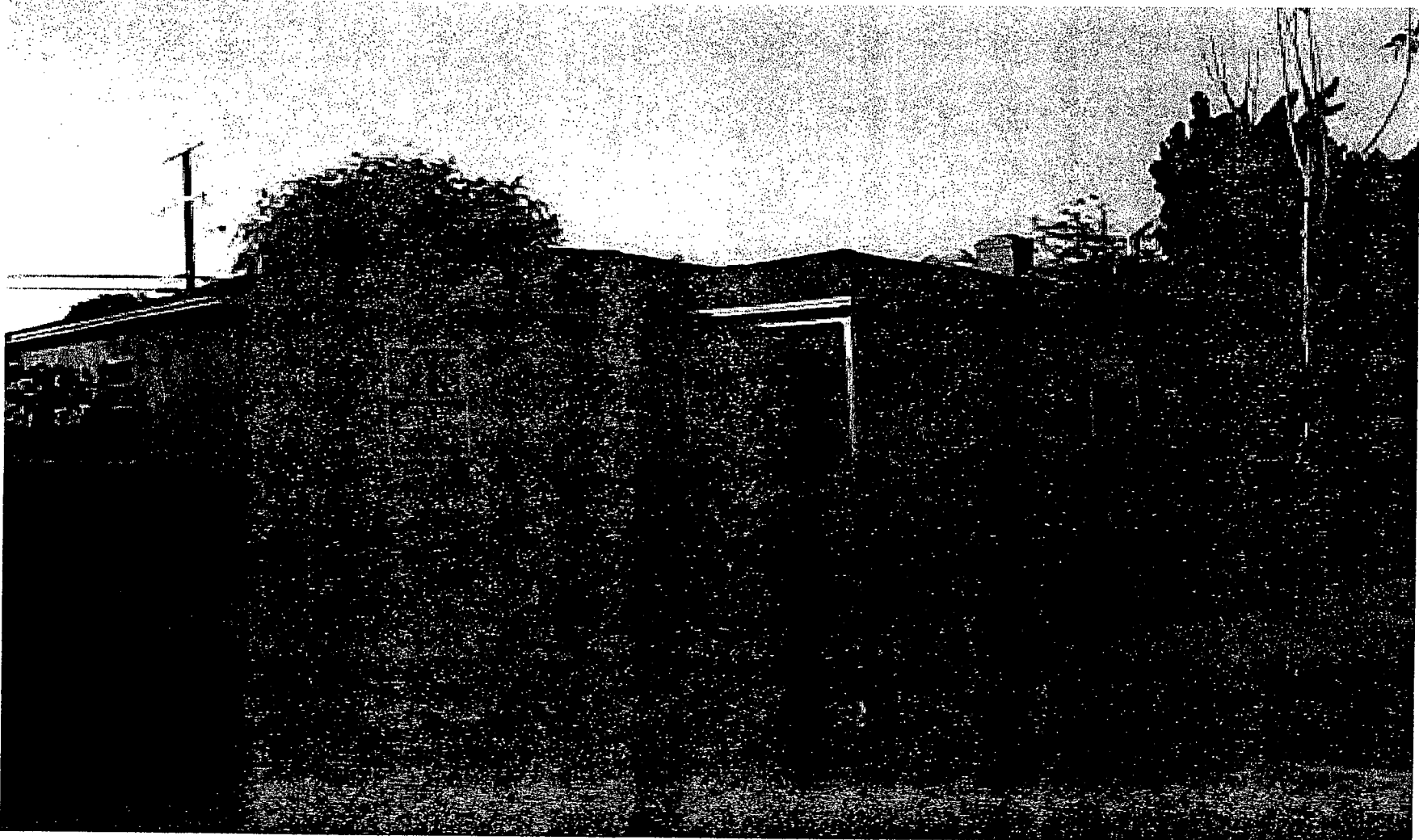
# Picture 4





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# Picture 5







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# Picture 6





# Who are these people?

1331 families: head of household or spouse is a working member

270 additional families: have a working member

1071 families: head of household is a disabled person

1161 families: head of household or spouse is elderly



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# How Does the Program Work?

- The participating family pays 30% of its income toward the rent and utilities
- The Housing Authority pays the balance of the rent up to a payment standard



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# Current Payment Standards

Single	\$702
One-Bedroom	\$840
Two-Bedroom	\$1,064
Three-Bedroom	\$1,436
Four Bedroom	\$1,714



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# How do we ascertain the Family income?

- An initial and annual thereafter certification interview of all members of the household 18 years of age or older
- Third party verification of all income



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# How Much Rent do we Allow?

There are two parts to this answer:

- We cannot allow the family to pay more than 40 percent of its income for rent and utilities.
- We cannot allow a rent higher than what the market will bear.



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# What about inspections?

- Each unit must pass a thorough inspection before the tenant can be authorized to move in.
- Each unit is inspected annually thereafter.
- Units will also be inspected if the tenant or any other third party calls in with a concern.

These inspections serve to preserve the City's housing stock.



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# What do we look for in an inspection?

- We are looking primarily at habitability issues. Is the unit decent safe and sanitary?
- Is the rug securely in place? Is the linoleum lifting up? Are the screens on the windows? Do the smoke alarms work? Do the pipes under the sink leak? Is the wall behind the stove clean?
- Of course, code violations will also be sited.





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# What happens when the unit fails inspection?

- The owner has 30 days to complete the repairs. If the unit doesn't pass inspection in 30 days, we abate the rent.
- If the repairs are not completed by the end of the following month, the contract is terminated.



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# How does one get a voucher?

- One must be on the waiting list, and pulled from the list in the order in which listed.
- The Waiting list was last opened in December of 1997.



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## Voucher continued....

- We anticipate opening it again in April of 2003, and then leaving it open.
- The last time the waiting list was opened, over 14,000 families applied for the program.
- Approximately 6,000 people remain on the list.



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# What about screening?

- We urge our landlords to thoroughly screen every Section 8 applicant that comes to their doors.
- For any families in the move process, we provide to prospective landlords the names of their last three landlords so they can ascertain the kind of tenants they will be.



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# Screening Continued....

- The Housing Authority screens for the last three years of criminal history, disallowing anyone with a violent or drug related criminal history within those three years.
- We disallow life-time registered sexual offenders.



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# Where do the Problems lie?

- The perception is that Section 8 Voucher holders are problems.
- The truth is that Housing Authority families are just like everyone else, and of course there are undeserving recipients.



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# Problems continued....

- The key to a successful program is successful property management. A large degree of our success lies in the hands of our property owners.
- Whether a building is largely occupied with voucher recipients or not is not the question. The question is, how is the property managed?



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# What about fraud and bad behavior?

- Staff maintains a Fraud Hotline with follow-up for each referral.
- Relationship with the District Attorney
- Relationship with the City Prosecutor
- Currently 98 cases are under investigation.





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# Fraud and bad behavior continued....

Procedures when neighbors complain about behavior issues.

- When people complain about tenants, we investigate.
- If we find they are Housing Authority recipients, we ask the landlords to take control of their properties.



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# Fraud and bad behavior continued....

- When it can be demonstrated that a participant is violating the terms of his or her participation, we terminate the assistance.



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# Fraud and bad behavior continued....

- Relationship with the police department

Typical case : the police came to us suspecting that misbehaving tenants were Housing Authority participants. We found that it was true, gathered evidence and terminated them for breaking family obligations.



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# Fraud and bad behavior continued....

- Most cases must be resolved by the landlord. Usually we do not have evidence enough to terminate the family's participation. But the landlord can terminate the relationship by simply giving notice.



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# Do we have programs to assist people escape their poverty?

- The Family Self Sufficiency Program allows families to save money in an interest bearing savings account for future use.



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# How does the Family Self Sufficiency Program work?

- Family pays 30% of income toward rent
- Family receives an increase in earned income.
- Family pays more toward rent.
- We take that difference and put it in a interest bearing savings account.
- That money is released to the family when they have met obligations previously agreed upon.



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# The Homeownership program

- The homeownership program will allow the Housing Authority to send the Housing Assistance Payment to the mortgagor rather than to the landlord.
- The participant will avail themselves of the Housing Services Bureau's first time home buyer's program, utilizing their money for down payment assistance.



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# In Summary

- The Housing Choice Voucher Program allows low-income families to live in decency.
- It protects our neighborhoods by encouraging the maintenance of our housing stock.
- It enriches the community by virtue of the direct infusion of \$40 million directly into our neighborhoods.