

CITY OF LONG BEACH

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

HOUSING AUTHORITY
of the City of Long Beach

521 E. 4TH STREET • LONG BEACH, CALIFORNIA 90802 • (562) 570-6985 • FAX: (562) 499-1052

April 7, 2015

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 8, 2015. (Citywide)

DISCUSSION

The Housing Authority requests your consideration and approval to raise the Payment Standards for housing units located in zip codes 90802, 90803, 90807, 90813 and 90815 for all bedroom sizes. For zip codes 90802, 90807 and 90813, this action is needed to relieve the rent burden to tenants due to rising rental costs and low vacancy rates. In zip codes 90803 and 90815 the payment standards are not high enough for owners to give consideration to voucher holding families.

Currently our Payment Standards are 100% of the HUD Small Area Fair Market Rent for the City of Long Beach (Exhibit A to the Resolution). Approval of this increase will put the Housing Authority Payment Standard at 110% (Exhibit B), which will reduce the rent burden to our most vulnerable families. The Payment Standards in these areas must be adjusted so that existing families can remain housed, new families may lease up and owners are compensated at current market rate.

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, is in the 4th 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 countywide.

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 400 voucher holders in Long Beach searching for units. With the current Payment Standard, fewer than 30% are leasing up within the 120 days allotted to each voucher holder. Even with extensions to the voucher maximum of 180 days, successful lease up is only 63%. New applicants pulled from our waiting list, many of whom have been waiting in excess of ten years, are not able to find suitable affordable housing with the long awaited voucher.

HONORABLE HOUSING AUTHORITY COMMISSION

APRIL 7, 2015

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This matter was reviewed by Deputy City Attorney Linda Vu and by Budget Management Officer Victoria Bell on March 24, 2015.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested on April 7, 2015.

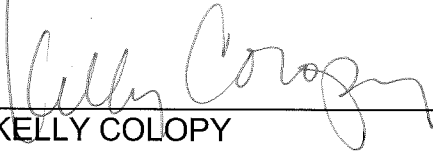
FISCAL IMPACT

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% increase in Per Unit Cost (PUC) for the zip code areas affected until the new fiscal year beginning October 1, 2015. The estimated cost of the 10% increase is approximately \$240,000 for the period of April through October 1, 2015.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KELLY COLOPY
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:



PATRICK H. WEST
EXECUTIVE DIRECTOR

Attachments

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 8,
2015

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, Payment Standards for purposes of administration of the HCV
Program must be ninety percent (90%) to one hundred ten percent (110%) of the
published Fair Market Rents; and

WHEREAS, currently the Payment Standards in the City of Long Beach are
one hundred percent (100%) of the HUD Small Area Fair Market Rent; and

WHEREAS, increasing the Payment Standards to one hundred ten percent
(110%) 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 8, 2015,
attached hereto as Exhibit "A" and made a part hereof.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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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.

I certify that the foregoing resolution was adopted by the Housing Authority of the City of Long Beach, California, at its meeting of _____, 2015, by the following vote of the qualified members of the Authority:

Ayes: Commissioners: _____

Noes: Commissioners: _____

Absent: Commissioners: _____

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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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 _____, 2015 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 _____, 2015.

(Signature)
LARRY HERRERA-CABRERA
CITY CLERK

2015 Payment Standards/Small Area Fair Market Rents (FMRs)

Zip Code	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	7 Bedroom
90802	\$825	\$1,001	\$1,309	\$1,793	\$2,013	\$2,314	\$2,617	\$2,918
90803	\$1,056	\$1,287	\$1,683	\$2,310	\$2,585	\$2,972	\$3,361	\$3,748
90804	\$830	\$1,010	\$1,320	\$1,810	\$2,030	\$2,334	\$2,639	\$2,943
90805	\$780	\$960	\$1,250	\$1,710	\$1,920	\$2,208	\$2,496	\$2,784
90806	\$760	\$930	\$1,210	\$1,660	\$1,860	\$2,139	\$2,418	\$2,697
90807	\$880	\$1,070	\$1,400	\$1,920	\$2,150	\$2,472	\$2,795	\$3,117
90808	\$1,030	\$1,270	\$1,650	\$2,260	\$2,530	\$2,909	\$3,289	\$3,668
90810	\$750	\$920	\$1,200	\$1,640	\$1,840	\$2,116	\$2,392	\$2,668
90813	\$770	\$946	\$1,232	\$1,694	\$1,892	\$2,176	\$2,460	\$2,743
90814	\$860	\$1,050	\$1,370	\$1,880	\$2,100	\$2,415	\$2,730	\$3,045
90815	\$1,232	\$1,507	\$1,969	\$2,695	\$3,025	\$3,478	\$3,933	\$4,386
90822	\$880	\$1,070	\$1,400	\$1,920	\$2,150	\$2,472	\$2,795	\$3,117

EXCEPTION PAYMENT STANDARD AREAS

90802

	SA FMR	AVG RENT	AVG RENT BURDEN
0	\$750	\$1,021	42.8%
1	\$910	\$1,166	48.4%
2	\$1,190	\$1,696	61.2%
3	\$1,630	\$2,376	53.8%
4	\$1,830	\$2,430	63.0%

90803

	SA FMR	AVG RENT	AVG RENT BURDEN
0	\$960	\$1,057	30%
1	\$1,170	\$1,360	37.1%
2	\$1,530	\$2,000	30.5%
3	\$2,100	\$2,926	33.7%
4	\$2,350	\$3,280	N/A
5	\$2,702	\$4,298	N/A

90807

	SA FMR	AVG RENT	AVG RENT BURDEN
0	\$880	\$972	N/A
1	\$1,070	\$1,115	45.5%
2	\$1,400	\$1,463	42.8%
3	\$1,920	\$2,009	42.07%
4	\$2,150	\$2,312	N/A

90813

	SA FMR	AVG RENT	AVG RENT BURDEN
0	\$ 700	\$810	34.7%
1	\$ 860	\$918	46.0%
2	\$ 1,120	\$1,176	63.3%
3	\$1,540	\$1,553	64.1%
4	\$1,720	\$1,874	73.2%
5	\$1,978	\$1,773	71.1%

90815

	SA FMR	AVG RENT	AVG RENT BURDEN
0	\$1,120	\$1,478	35.9%
1	\$1,370	\$1,391	N/A
2	\$1,790	\$1,742	37.2%
3	\$2,450	\$2,295	N/A
4	\$2,750	\$2,966	N/A