# CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HOUSING AUTHORITY of the City of Long Beach

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

March 11, 2014

HONORABLE HOUSING AUTHORITY COMMISSION City of Long Beach California

#### RECOMMENDATION:

Authorize the Executive Director, or designee, to release a Request for Proposals (RFP) advertising the availability of a Veterans Affairs Supportive Housing (VASH) Project-Based Voucher (PBV) Program that serves the Veteran homeless population and solicit participation in the program from interested property owners of affordable units; and

Authorize the Executive Director, or designee, to negotiate and execute an agreement to enter into a Housing Assistance Payment contract for VASH PBV assistance in accordance with Housing and Urban Development (HUD) guidelines for qualified proposals submitted in response to this RFP and also approved by HUD for VASH Project-Based Voucher Program (VASH PBV). (Citywide)

## **DISCUSSION**

Chapter 21 of the Housing Authority of the City of Long Beach (HACLB) Administrative Plan regarding Project-Based Voucher Rental Assistance was established and approved by the Housing Authority Commission on October 12, 2002 and revised on June 9, 2009.

The Project-Based Voucher (PBV) Program in Long Beach has been designed to meet special housing needs within the City as confirmed in the City's Consolidated Plan. The most recent PBV development was the Palace Hotel which provides 13 rental units for youth aging out of the foster care system. This has been a very successful outreach to an underserved population. This PBV was initiated in a completely renovated historical structure on Anaheim Boulevard in central Long Beach. Project-based vouchers are also being set aside for two pending new construction developments. The Cabrillo Gateway Development, which will provide 80 units of affordable housing for homeless families on the Westside of our City, and the Long Beach and 21<sup>st</sup> Senior Apartments located in central Long Beach, which will provide 41 units of affordable senior housing, with 15 of those units utilized as permanent supportive housing units through the Project-Based Voucher PBV Program.

## HONORABLE HOUSING AUTHORITY COMMISSION March 11, 2014 Page 2

This new RFP is designed to help meet the special Housing needs of Homeless Veterans, and will enhance the efforts to end Veteran homelessness in Long Beach. Such a monumental task takes the collaboration of many entities to provide appropriate affordable housing alternatives. Therefore, the HACLB is looking for property owners with affordable units, or control of a site to construct affordable units, to partner with the HACLB and the Long Beach Veterans Affairs Medical Center in Long Beach (VAMC) in providing the first VASH PBV development.

An appropriate development will have up to 75 affordable units of permanent housing with supportive services for Veterans. HUD approval of the selected development will be needed before the VASH PBV funding is approved. To begin construction and/or rehab of the development, the HACLB and the owner must execute an Agreement to enter into a Housing Assistance Payment Contract (AHAP). The AHAP between the HACLB and the owner establishes the initial rents for the units, and describes the responsibilities of the HACLB and the owner. Once work is completed, the HACLB and the owner will execute a Contract (HAP) for a 15-year term. After the initial 15-year term, future contracts may be renewed subject to availability of continued HUD funding.

This matter was reviewed by Deputy City Attorney Linda Vu on February 20, 2014 and by Budget Management Officer Victoria Bell on February 25, 2014.

## TIMING CONSIDERATIONS

Housing Authority Commission action is requested at the March 11, 2014 meeting in order to allow staff to move forward with the release of an RFP for the VASH PBV Program, and to apply for the special HUD Notice of Funding Availability for VASH PBV funding.

### FISCAL IMPACT

HUD approval of the selected VASH PBV development would provide for additional grant funding for 15 years for up to 75 rental units, including administrative funding to administer the contract. There are no appropriations for this program and HUD does not allocate special funding for PBV assistance. Instead, funding for PBV comes from funds already obligated by HUD to a Housing Authority under its annual contributions contract. The Housing Authority will inform the Commission and request appropriation from the City Council once the funding amounts become known.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KELLY COLOPY
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

/ PATRICK H. WEST EXECUTIVE DIRECTOR