

# HOUSING AUTHORITY of the City of Long Beach

### CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

March 8, 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 Veterans Affairs Supportive Housing (VASH) Program, effective March 9, 2016, for all zip code areas in Long Beach. (Citywide)

#### DISCUSSION

On November 10, 2015, the Housing Authority Commission approved a request to raise the Housing Authority Payment Standard to 110 percent of the Proposed HUD Fair Market Rent Schedule published on October 1, 2015. As rental costs continue to rise and vacancy rates hover between 2.5 and 3.0 percent, voucher-assisted clients face additional challenges in obtaining stable housing, particularly our veteran population. With the recent submission of our City's certification that we have reached functional zero for veteran homelessness, it is the City's goal to support veterans in their housing stability and join neighboring housing authorities by increasing the payment standard to 120 percent for Long Beach veteran families. Approval of this increase will adjust the Long Beach Payment Standards specifically for this population so that existing veteran families can remain housed, new veteran families may lease up and owners will be compensated closer to the current market rate.

Fair Market Rents (FMR) are published by HUD for each metropolitan standard statistical area and change annually. The FMR is the maximum monthly subsidy for an assisted family. The Payment Standard for each housing authority is based on 90 to 110 percent of the published FMR for the housing authority jurisdiction. HUD field office approval is required for exception payment standards from 110 to 120 percent and HUD approval has been obtained for the exception payment standard at 120 percent for the VASH Program. The Long Beach Housing Authority is in the fifth and final 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 regionwide or countywide.

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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. New referrals, and those in the move process, are not able to find suitable affordable housing with the long awaited voucher. Funding for this change is within our current HUD budget and would assist in negotiating new rents for rental assistance participants.

This matter was reviewed by Deputy City Attorney Linda T. Vu on February 24, 2016 and by Budget Management Officer Victoria Bell on February 22, 2016.

#### **TIMING CONSIDERATIONS**

Housing Authority Commission action is requested on March 8, 2016, in order for the updated Long Beach Payment Standard to be effective March 9, 2016.

#### FISCAL IMPACT

As noted in the Financial and Operational Performance Report for the month of December, 2015, excess HAP HUD funding levels are available to absorb the 10 percent increase in Per Unit Cost (PUC) for all zip code areas affected.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KELLY COLOPY

ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

PATRICK H. WEST

EXECUTIVE DIRECTOR

Attachments:

Exhibit A - Resolution

Exhibit B - HUD VASH Exception to Payment Standards

# EXHIBIT "A"

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF LONG BEACH, CALIFORNIA, APPROVING A REVISED VOUCHER PAYMENT STANDARD SCHEDULE FOR THE VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM, EFFECTIVE MARCH 9, 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 Fair Market Rents for all zip codes in Long Beach; 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 HUD field office approval is required for exception payment standard amounts from one hundred ten percent (110%) to one hundred twenty percent (120%) of HUD Fair Market Rents; and

WHEREAS, as rental costs continue to rise and vacancy rates hover between 2.5% to 3.0%, voucher assisted clients face additional challenges in obtaining stable housing, particularly the veteran population in Long Beach; and

WHEREAS, with the recent submission of the City's certification that the City has reached functional zero for veteran homelessness, it is the City's goal to support

veterans in their housing stability and join neighboring housing authorities by increasing the Payment Standards to one hundred twenty percent (120%) for Long Beach veteran families; and

WHEREAS, HUD field office approval has been obtained for exception payment standard at one hundred twenty percent (120%) for the Veterans Affairs Supportive Housing (VASH) Program;

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

The Housing Authority adopts the revised Payment Standard Section 1. Schedule for its Veterans Affairs Supportive Housing (VASH) Program effective March 9, 2016, for all zip codes in Long Beach, attached hereto as Exhibit "A" and made a part hereof.

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

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

l cer	tify that the foregoing	g resolution was adopted by the Housing Authority
of the City of Long	g Beach, California, a	it its meeting of, 2016,
by the following vo	ote of the qualified m	embers of the Authority:
Ayes:	Commissioners:	
Noes:	Commissioners:	
Absent:	Commissioners:	
		City Clerk

## OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 33 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

#### 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



Health and Human Services 521 E. Fourth Street Long Beach, CA 90802 Tel 562 570-6153 Fax 562 499-1061

### HUD-VASH EXCEPTION PAYMENT STANDARDS AS OF 03/09/2016

	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm	6 Bdrm	7 Bdrm
Zip Code								
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