

# CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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April 5, 2016

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 Veterans Affairs Supportive Housing Project-Based Vouchers (VASH PBV) and/or Project-Based Vouchers (PBV) 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 and/or 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. (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 approved PBV development was Anchor Place, which provides 75 rental units for special needs, homeless veterans. Three additional project-based voucher developments, American Gold Star Manor, Long Beach and 21st Street, and Cabrillo Gateway were added to the Housing Authority inventory last summer. These developments ensure that affordable housing opportunities exist for those who cannot afford market rate rent.

This new RFP is designed to help increase the number of affordable housing units. 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.

The appropriate development will have up to 38 affordable units of permanent Veteran housing with supportive services for persons who are VASH eligible and those discharged or released from service under conditions other than dishonorable. 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 Gary J. Anderson and by Budget Management Officer Victoria Bell on March 18, 2016.

# **TIMING CONSIDERATIONS**

Housing Authority Commission action is requested at the April 5, 2016 meeting in order to allow staff to move forward with the release of an RFP.

# FISCAL IMPACT

HUD approval of the selected VASH PBV development would provide for additional grant funding for 15 years for up to 38 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:

PĂTRICK H. WEST

**EXECUTIVE DIRECTOR**