

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

January 14, 2020

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 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 agreement(s) to enter into Housing Assistance Payment contract(s) for 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 17 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 September 11, 2018.

The PBV Program in Long Beach has been designed to meet affordable housing needs in opportunity areas within the City as required by the statute. To date, the HACLB has 662 project-based units and has committed an additional 86 units within the next two years. These developments ensure that affordable housing opportunities will exist for decades to come.

This new RFP is designed to further deconcentrate poverty and expand housing economic opportunities for low income families. This monumental task takes the collaboration of many entities to provide appropriate housing alternatives. Therefore, the HACLB is looking to partner with property owners through the PBV Program to construct and/or upgrade affordable housing units.

The selected development(s) will have up to 150 affordable units of permanent housing. To begin construction and/or rehab of the development(s), the HACLB and the owner(s) must execute an agreement to enter into a Housing Assistance Payment (HAP) contract. The HAP contract between the HACLB and the owner(s) establishes the initial rents for the units and describes the responsibilities of the HACLB and the owner(s). Once work is completed, the HACLB and the owner(s) will execute a HAP contract for a 20-year term.

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After the initial 20-year term expires, future contracts may be renewed subject to the availability of continued HUD funding and the developer's good standing with the HACLB.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on December 18, 2019 and by Revenue Management Officer Geraldine Alejo on December 21, 2019.

TIMING CONSIDERATIONS

Housing Authority Commission action is requested at the January 14, 2020 meeting, order to allow staff to move forward with the release of an RFP.

FISCAL IMPACT

HUD approval of the selected PBV development(s) would provide for additional grant funding for 20 years for up to 150 rental units, including administrative funding to administer the contract. An increase in appropriations is not requested at this time because funding amounts are currently unknown. If appropriation is needed once funding amounts are known, the HACLB will inform the Commission and request for an increase in appropriation from the City Council, offset by grant revenues. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KELLY COLOPY

ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

THOMAS B. MODICA

ACTING EXECUTIVE DIRECTOR