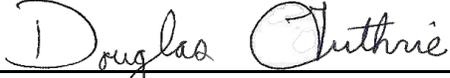


Report of the President & CEO

February 25, 2021

**RESOLUTION AUTHORIZING THE ALLOCATION OF ONE THOUSAND (1,000) SECTION 8
HOUSING CHOICE VOUCHERS FOR THE PERMANENT SUPPORTIVE HOUSING PROGRAM
COMPONENT OF THE PROJECT-BASED VOUCHER PROGRAM**


 Douglas Guthrie
 President & CEO


 Carlos Van Natter
 Director of Section 8

Purpose: To assist in the creation of permanent supportive housing for extremely low-income and very-low income homeless and chronically-homeless, special-needs, disabled individuals, families, transition-age youth (TAY), seniors, and veterans. HACLA proposes to make available Project-Based Vouchers (PBV's) to provide operating subsidy for eligible projects that will begin construction soonest and maximize applications for public capital funding.

Issues: The Permanent Supportive Housing (PSH) Program component of the PBV Program is designed to encourage developers to construct new or upgrade substandard rental housing for extremely low-income and very-low income homeless and chronically-homeless, special-needs, disabled individuals, families, TAY, seniors, and veterans. 1,000 PBVs would be allocated to the PSH-PBV Program.

In the PSH-PBV Program, HACLA works cooperatively with other City and County partners to leverage Measure HHH funding and other public resources in the form of capital and operating subsidies to build supportive housing units in the City of Los Angeles. On-site supportive services, provided by the developers or their partners, are based on the needs of the clients and are designed to enable individuals and families to be successful at independent living in permanent housing.

HACLA staff have consulted with the Los Angeles Housing and Community Investment Department (HCIDLA), Los Angeles County Development Authority (LACDA), Los Angeles County Health Departments and Los Angeles Homeless Services Authority (LAHSA) on this effort. With a large number of projects applying for HHH funding and No Place Like Home funding, coupled with the unavailability of Flexible Housing Subsidy Pool (FHSP) funding to be used as rental subsidy, HACLA anticipates a large number of responses to the next PBV NOFAs.

HACLA may provide project-based assistance for up to 20 percent of its Consolidated Annual Contributions Contract (ACC) authorized units, and may project base an additional 10% of their authorized units for projects serving the homeless. Currently HACLA has project-based 21.6% of its allocated units.

Current Request

In order to further assist the local collaborative effort to increase the number of Permanent Supportive Housing projects in the City, the Section 8 Department estimates that it has the capacity to commit 1,000 additional PBVs for projects that have capital funding committed and are in an advanced state of readiness. HACLA requests to allocate 1,000 vouchers for the PSH PBV program, and intends to make these PBVs available to developers in PBV Notices of Funding Availability (NOFAs) published in 2021. These PBVs will count toward satisfying the commitment made by HACLA in the Memorandum of Understanding (MOU) with HCIDLA and the L.A. County Health Departments to award up to 5,000 PSH-PBVs over a five-year period. Due to accelerated commitments and alignment with HCID's dashboard in the counting of units, HACLA will actually award 7,500 PSH-PBVs in four years rather than five. This is anticipated to be the final extent of HACLA's PSH PBV commitment taking into account the HUD mandated PBV cap and HACLA's own PBV needs, including public housing redevelopment.

Vision Plan: PLACE Strategy #4: Steward efforts to reduce and alleviate homelessness

With Board approval, this proposal will result in 1,000 permanent supportive housing units reserved for housing the homeless and chronically homeless.

PEOPLE Strategy #9: Increase access to mental health services including peer-to-peer support

HACLA requires owners of PBV projects to provide supportive services to all PBV participants as a condition of the award of PBVs to the project, which includes access to mental health services.

PEOPLE Strategy #12: Improve access to physical health services

HACLA requires owners of PBV projects to provide supportive services to all PBV participants as a condition of the award of PBVs to the project, which includes access to physical health services.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: Vouchers will be project-based from the existing allocation of 50,969 Section 8 Housing Choice Vouchers and paid for using Section 8 Housing Assistance Payments (HAP) funding.

Budget and Program Impact: The PBVs will provide monthly Section 8 Housing Assistance payments for 1,000 households for 20 years. Although the PBVs will be awarded to projects in 2021, HAP payments will not be made until the construction has been completed and the units are leased. The necessary funds will be available and included in the corresponding HACLA budget year.

Environmental Review: PBV projects are subject to environmental reviews conducted by the Responsible Entity for the City of Los Angeles, the Housing and Community Investment Department. Each project will be in compliance with NEPA and CEQA prior to the execution of AHAP contract.

Section 3: HACLA requires Economic Opportunity Plans (EOPs) in conformity with the requirements of its Section 3 Guide and Compliance Plan for the proposed projects during the NOFA submission. Developers must commit to comply with Section 3 requirements and work with general contractors who will fulfill their Section 3 requirements. Specific goals and targets will be agreed upon during hiring of the general contractor prior to project construction commencement.

Attachment: Resolution

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ALLOCATION OF ONE THOUSAND (1,000) SECTION 8 HOUSING CHOICE VOUCHERS FOR THE PERMANENT SUPPORTIVE HOUSING PROGRAM COMPONENT OF THE PROJECT-BASED VOUCHER PROGRAM

WHEREAS, HACLAs Permanent Supportive Housing Program (PSHP) component of the Project-Based Voucher (PBV) Program provides operating subsidies to extremely low-income and very low-income homeless and chronically-homeless, special-needs disabled individuals, families, transition-age youth, seniors and veterans combined with on-site supportive services;

WHEREAS, the PSHP PBV Program is designed to encourage developers to construct new or upgrade substandard rental housing for these populations, and 1,000 PBVs would be allocated to the program;

WHEREAS, HACLAs works cooperatively with other City and County partners to leverage Measure HHH funding and other public resources in the form of capital and operating subsidies to build supportive housing units in the City of Los Angeles;

WHEREAS, in the PSHP PBV Program, on-site supportive services, provided by the developers or their partners, are based on the needs of the clients and are designed to enable individuals and families to be successful at independent living in permanent housing;

WHEREAS, HACLAs desires to further assist the local collaborative effort to increase the number of permanent supportive housing units in the City;

WHEREAS, due to the unavailability of other sources of operating funding, HACLAs anticipates a large number of responses to the next PBV NOFAs;

WHEREAS, HACLAs satisfied the commitment made in the MOU with HCID and the L.A. County Health Departments to award up to 5,000 PSH-PBVs over a five-year period, meeting the goal in three years, and has chosen to increase that commitment to 7,000 PSH-PBVs; and

WHEREAS, a Housing Authority may provide project-based assistance for up to 20 percent of the Consolidated Annual Contributions Contract (ACC) authorized units, and may project base an additional 10% of their authorized units for projects serving the homeless, and HACLAs has project-based 21.6% of its allocated units.

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NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or his designee, to allocate one thousand (1,000) Section 8 Housing Choice Vouchers for the Project-Based Voucher Program.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
Ben Besley, Chairperson

APPROVED AS TO FORM:

BY: _____
James Johnson, General Counsel

DATE ADOPTED: _____