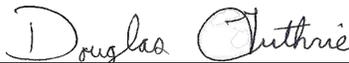


Report of the President & CEO

November 15, 2022

RESOLUTION AUTHORIZING THE ALLOCATION OF ONE HUNDRED (100) SECTION 8 HOUSING CHOICE VOUCHERS FOR THE PROJECT-BASED VOUCHER PROGRAM TO LEVERAGE THE CREATION OF LARGER SCALE AFFORDABLE HOUSING PROJECTS



 Douglas Guthrie
 President & CEO



 Carlos Van Natter
 Director of Section 8

Purpose: To assist in the creation of affordable housing for low-income individuals and families. HACLA proposes to make available Project-Based Vouchers (PBVs) to provide rental operating subsidies for eligible projects that will leverage the vouchers in the creation of larger scale affordable housing projects and maximize applications for public capital funding.

Issues: Under current law, a Public Housing Authority (PHA) is restricted in the percentage of their Housing-Choice Voucher (HCV) allocation it is permitted to project-base. 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 26.3% of its allocated units. More vouchers may become available through new allocations from the U.S. Department of Housing and Urban Development (HUD), or from current PBV awardees who surrender PBV commitments.

Due to the current limited capacity to project-base housing vouchers, HACLA desires to maximize the number of affordable housing units produced by strategically committing PBVs to larger affordable housing projects of 300 or more units that require PBVs for up to 25% of the total number of units in order to leverage limited PBV resources. The non-PBV units in the newly created affordable housing projects could be leased to families with Section 8 tenant-based vouchers as well.

Current Request:

In order to increase the number of affordable housing units in the City of Los Angeles, the Section 8 Department estimates that it has the capacity to commit 100 additional PBVs for projects that will leverage the vouchers to secure necessary capital funding for the creation of larger scale affordable housing

projects. HACLA desires to allocate 100 additional vouchers for the PBV program, and intends to make these PBVs available to developers in a PBV Notice of Funding Availability (“NOFA”) published in 2022.

Vision Plan: PEOPLE Strategy #11: Improve Community Stewardship

With Board approval, this proposal will result in 100 additional affordable housing units with project-based vouchers serving low-income individuals and families within larger, affordable housing projects.

PLACE Strategy #3: Improve and expand Section 8 program, policies, and efficiencies

The PBVs awarded will be leveraged to secure capital funding necessary for the construction of larger scale affordable housing projects serving low-income individuals and families. The non-PBV affordable units could be leased to families with tenant-based Section 8 vouchers.

PEOPLE Strategy #4: Steward efforts to reduce and alleviate homelessness

Increasing the supply of new affordable housing units helps address the affordable housing needs of low-income individuals and families, and contributes to the reduction of homelessness.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: Vouchers will be project-based from the existing allocation of 51,334 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 100 households for 20 years. Although the PBVs will be awarded to projects in 2022, 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--Housing and Community Investment Department. Projects will be in compliance with NEPA and CEQA prior to the execution of an AHAP contract.

Section 3: N/A.

Attachment: Resolution

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ALLOCATION OF ONE HUNDRED (100) SECTION 8 HOUSING CHOICE VOUCHERS FOR THE PROJECT-BASED VOUCHER PROGRAM TO LEVERAGE THE CREATION OF LARGER SCALE AFFORDABLE HOUSING PROJECTS

WHEREAS, HACLA proposes to make available Project-Based Vouchers (PBVs) to provide rental operating subsidies for eligible projects that will leverage the vouchers in the creation of larger scale affordable housing projects, and maximize applications for public capital funding;

WHEREAS, Public Housing Authorities are restricted in the percentage of their Housing Choice Voucher (HCV) allocation they are permitted to project-base and HACLA has nearly reached the statutory cap;

WHEREAS, HACLA wishes to maximize the number of affordable housing units by strategically committing PBVs to larger affordable housing projects that only require a small number of PBVs to leverage necessary funding;

WHEREAS, the non-PBV units in the newly created affordable housing projects could be leased to families with Section 8 tenant-based vouchers;

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. HACLA has project-based 26.3% of its allocated units; and

WHEREAS, HACLA's Section 8 Department estimates that it has the capacity to commit 100 additional PBVs for projects that will leverage the vouchers to secure necessary capital funding for the creation of larger scale affordable housing projects.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or his designee, to allocate one hundred (100) 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: _____
Cielo Castro, Chairperson

APPROVED AS TO FORM:

BY: _____
James Johnson, General Counsel

DATE ADOPTED: _____