

City of Culver City, California
City Council Agenda Item Report

Meeting Date: APRIL 10, 2006		Item Number: _____	
AGENDA ITEM: Conduct a Public Hearing and Approve the Submission of the Public Housing Agency (PHA) Annual Plan for the Section 8 Housing Choice Voucher Program (HCVP) to the United States Department of Housing and Urban Development (HUD).			
Contact Person/Dept.: Mona Karroum or Tevis Barnes		Phone Number: 310-253-5782	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☒		Action Item: ☒ Attachments: ☒	
Public Notification: Notice of Public Hearing was published in the Culver City News and Culver City Observer (02/16/06 & 02/23/06); Notice of Public Hearing was mailed to all Section 8 Owners and Participants (02/16/06); Master Notification List (02/16/06)			
Department Approval: Susan Evans (03/29/06)		CAO Approval: Jerry Fulwood	
City Controller Approval: Marlee Chang			
<u>RECOMMENDATION:</u> City Staff recommends that Council: 1. Conduct a public hearing to take comments on the Section 8 Housing Choice Voucher Program Public Housing Annual Plan (2006); 2. Approve the submission of the Section 8 Housing Choice Voucher Program Annual Plan to the U.S. Department of Housing and Urban Development. <u>PROCEDURE:</u> 1. Mayor seeks a motion to receive and file the affidavits of publication and posting of notices of this public hearing and correspondence received in response to the public hearing notices. 2. Mayor calls for a staff report and/or poses questions to staff, as desired. 3. Mayor declares the public hearing open and calls upon the public for comments. 4. Mayor seeks motion to close the public hearing after all public testimony has been received. 5. City Council discusses the matter and takes the appropriate actions concerning the recommendation, and specifically approves changes, if necessary.			

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BACKGROUND:

Quality Housing and Work Responsibility Act

In 1998, the U.S. Department of Housing and Urban Development (HUD) enacted the Quality Housing and Work Responsibility Act, which called for the creation of a Public Housing Agency (PHA) Annual Plan.

The purpose of the PHA Annual Plan is to provide details about the Public Housing Agency's immediate operations, policies, practices and procedures. Furthermore, the Annual Plan provides detail strategies for handling operational concerns, program participant concerns and needs, and programs and services for the upcoming fiscal year.

Submission of these Plans is a requirement of HUD for continued receipt of funding to support the Section 8 Housing Choice Voucher Program (HCVP).

Section 8 Housing Choice Voucher Program

The Section 8 HCVP is operated under the authority of the City Council of the City of Culver City which is the designated local public housing authority/agency established by the City in 1976. The Culver City Housing Agency provides 384 units of affordable housing to very low and low income households. This represents assistance for approximately 2.24% of the 17,130 housing units within Culver City. For fiscal year 2005-2006, the total expenditures for the Section 8 HCVP were \$2,364,168. Of the aforementioned Section 8 HCVP 2005-2006 expenditure, \$147,868 or 6.3% went to administrative and operating costs (e.g. salaries, benefits, postage, printing, supplies, etc.) and the remaining \$2.2 million was spent on the actual rental subsidy payment transmitted to property owners for the benefit of the Section 8 HCVP participants. The Section 8 HCVP provides an average of \$609.00 in rental subsidy per month to assist extremely low, very low and low income households live in decent, safe and sanitary housing.

DISCUSSION:

Public Housing Agency Plans

The PHA Annual Plan provides a framework for an easily identifiable source by which Section 8 HCVP participants and property owners, and other members of the community may locate basic PHA policies, rules, requirements concerning the PHA's operations, programs and services.

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Annual Plan

The Annual Plan details daily operations, policies, practices, and procedures of the Section 8 HCVP. How the Culver City Housing Agency (CCHA) manages its daily operations, policies, practices, and procedures continues to be impacted by the enactment of the 2006 Federal Fiscal Year (FFY) Appropriations Act (Act). This Act is a continuation of the 2005 FFY Appropriation Act which drastically modified allocation methods for calculating and distributing housing assistance payments (HAP) renewal funds and public housing agency (PHA) administrative fees.

2006 Appropriations Act

With this 2006 Act, HUD has mandated that with the continuation of reduced funding, housing agencies must continue to protect the most at risk families, manage utility costs and reduce Section 8 Program participants' rent contributions.

During Fiscal Year 2003-2004, CCHA was funded \$3 million to assist 384 extremely low to low income households. With the enactment of the 2005 FFY Appropriation Act, the CCHA was reduced to \$2,364,168 to assist 384 extremely low to low income households. With the 2006 Act, the CCHA has been reduced to \$2,294,892. This reduction in funding is occurring with escalating rental rates, a vacancy rate of less than two percent coupled with the burden of assisting the same number of households with less funding.

HUD has defined cost saving measures housing agencies should employ to reduce their program cost while also protecting at risk families, controlling utility costs, and reducing program participants' rent contribution. The CCHA continues to employ the following methods to reduce program cost:

- The minimum rent for CCHA voucher families has been increased from \$25.00 to \$50.00.
- A subsidy standard of two persons per bedroom regardless of sex or age has been established.
- CCHA is currently limiting port-outs (transfer of voucher to another jurisdiction) to high cost areas if the receiving housing agency plans to bill rather than absorb the family.

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- CCHA plans to use the same utility allowance. If there is a utility rate increase of ten percent (10%) or more and CCHA is experiencing financial difficulties, a waiver request will be sent to HUD Headquarters.
- CCHA will limit approval of incoming rent increase requests. Written notification has been sent to all existing HCVP owners stating that rent increases will not be granted due to limited funding. However, CCHA may approve rent increase proposals on a case by case basis.

Hurricane Assistance

Hurricane Katrina presented a challenge to Housing Agencies across the United States. In an attempt to assist sister agencies in the Gulf Region, the CCHA proactively developed a Plan of Action. This Plan of Action was developed to assist Section 8 participants, persons who may be distributed Emergency Housing Vouchers by HUD, and other persons who are displaced due to Hurricane Katrina. CCHA plan is outlined below:

- HUD announced the creation of the Katrina Disaster Housing Assistance Program (KDHAP). This program is only for households displaced by the hurricane and is a limited program for assistance for only eighteen (18) months. In order for a household to receive this assistance, they must be income eligible, register with FEMA and contact one of the nine (9) KDHAP Referral Call Centers (RCC). All RCCs are located in the Gulf region. The CCHA has registered with HUD to be listed as an agency willing to assist families displaced by Hurricane Katrina. The anticipated impact was minimal.
- According to HUD, the New Orleans HUD Field Office has relocated to Fort Wayne, Texas Regional Office and they have established an information number (866-641-8102) where the public can obtain information about housing. The CCHA will utilize this number and contacts at the HUD Central Office in Washington to obtain information.
- CCHA will not delay a person displaced by the Hurricane if it takes longer to verify information. We will gather information from the person and utilize information from Social Security (to determine location and date of birth), credit checks and criminal background information from the Police Department. The credit check and criminal background information will assist in determining if the person is from the impacted area. We understand that most people will not have access to birth certificates etc., so they will be given one (1) year to provide this information. Housing will seek other methods to verify all information provided by the displaced household. Our goal is to expedite the process and assist the

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household with securing housing as soon as possible. If it is found that the person is fraudulent, then they will be terminated from assistance and criminal charges will be aggressively pursued.

- Households that need assistance with security deposits to rent a unit will be provided this assistance through the use of Housing Set Aside Funds. These funds will be distributed directly to the property owner.
- CCHA staff will work with each household by providing them with listings of various service agencies (i.e. Department of Public Social Services, Unemployment, Job training/placement, low-cost state sponsored insurance, etc.) to assist with other areas of their lives where they may need help.
- CCHA staff will seek donations of Los Angeles City and County area Maps from the Automobile Club of America and each household will be given a map with a listing of services and the Housing Assistant will review the location of agencies that can assist the families. We will also assist with making telephone calls, making referrals, and appointments as necessary.
- Displaced persons that express a need for food or transportation will be given food vouchers/gift cards to local grocery stores and bus tokens through our Family Self Sufficiency Program. Housing staff will contact local property owners to determine if they have available units within Culver City or outside our area that displaced persons could rent.
- CCHA staff will work with Saint Joseph Center, and Beyond Shelter to find available units and shelters for families.
- For persons who are elderly and/or disabled, we will work with Alternative Living for the Aging (ALA) to assist with roommate matching.
- For persons with pets in need of rescue or who need homes, CCHA staff will work with the Humane Society and other animal rescue organizations to help locate pets or find foster care.
- CCHA staff will contact the police department to expedite the criminal background check process.

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- CCHA staff will distribute “welcome packets” to those persons seeking assistance. These packets at a minimum shall include:
 - List with address and contact information for social service providers such as DPSS, Unemployment etc.
 - Map of Los Angeles City and County
 - Information about Culver City
 - Food Voucher/gift card to local grocery store (as needed)
 - Bus Tokens (as needed)
 - Section 8 Participant Handbook
 - Listing of Housing Authorities

For non-Section 8 Program participants who have been displaced due to Hurricane Katrina, CCHA will offer the following assistance:

- Provide them of a comprehensive listing of social services and contact information
- Provide them with a map of Los Angeles and assist them with getting orientated around Los Angeles (AAA has donated maps to Housing)
- Allow these persons access to our telephone if they need to call social service agencies or a shelter (this is a case-by- case basis)
- Allow them to use the Housing laptop to access the internet if they need to apply for social services or personal information such as birth certificates, etc (this will be on a case-by-case basis)

The Housing Division has experienced very few persons displaced by the hurricane. In the few cases that we have encountered a displaced household, our goal has been and will remain to assist not just in the person's housing needs, but in all areas they may need assistance. We will not overwhelm these persons with processes and general “red-tape”. We will do what is necessary to help in their relocation.

To date, Housing has mailed out five (5) packets of information to non-Section 8 participants. Additionally, five (5) persons have come into the Housing Office seeking assistance. Of this number, two (2) were Section 8 participants.

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Property Owner Outreach

The CCHA has employed various methods to attract and retain property owners to the Section 8 program such as hosting an annual Owner Appreciation Dinner, providing \$25.00 gift cards to a local business for an owner who executes a new Housing Assistance Payments (HAP) Contract, and providing access to a \$500.00 Housing Quality Standard (HQS) Grant for properties with HQS violations.

To develop other methods to attract and retain property owners, CCHA will host a Roundtable Discussion and invite neighboring housing authorities to discuss ideas in attracting new property owners to the program. This roundtable discussion will be conducted in an effort to increase the lease-up rate as CCHA continues to pull people from the Section 8 HCVP waitlist. CCHA anticipates approximately twenty (20) to thirty (30) Housing Authorities from the region will be in attendance.

FISCAL ANALYSIS:

Submission of the Annual Plan to HUD will ensure compliance with HUD stipulated rules and regulations for receipt of federal funds in the amount of \$2.2 million for local rental assistance program activities.

ATTACHMENTS:

1. Public Housing Agency Annual Plan.

MOTION:

That the City Council:

1. Conduct a public hearing to take comments on the Section 8 Housing Choice Voucher Program Public Housing Agency Annual Plan; and
2. Approve the submission of the Section 8 Housing Choice Voucher Program Public Housing Agency Annual Plan to the U.S. Department of Housing and Urban Development.