

DATE: May 2, 2023

TO: Honorable Members of City

Council c/o City Clerk City Hall, Room 395

ATTN: Nithya Raman, Chair

Housing and Homelessness Committee

FROM: Douglas Guthrie, President and CEO, HACLA Douglas Outhrie

Margarita Lares, Chief Programs Officer, HACLA Margarita Carlos Van Natter, Director of Section 8, HACLA Carlos

SUBJECT: AMENDMENT TO REPORT BACK ON EXPEDITING LEASING OF HACLA'S

EMERGENCY HOUSING VOUCHER PROGRAM – Council File (CF) 23-0148

SUMMARY

This is an amendment to the report back submitted on March 24, 2023 in response to Council File (CF) 23-0148. This amendment provides responses to additional questions raised by the Housing and Homelessness Committee members following receipt and review of HACLA's March 24th report on the Emergency Housing Voucher (EHV) Program from the United States Department of Housing and Urban Development (HUD).

BACKGROUND

In July 2021, HUD distributed 70,000 EHVs to housing authorities across the country to assist homeless individuals and families with housing. HACLA received 3,365 EHVs, the second largest allocation in the nation. This award increased HACLA's overall allocation of rental assistance to almost 60,000 with over 44% targeted to assist the homeless in various Permanent Supportive Housing (PSH) programs.

The current EHV program statistics as of April 28, 2023 are as follows:

Total Allocation of EHVs	3,365
Number of EHVs Issued	4,344
Number of EHV's Actively Searching	1,919
Number of EHV's Leased	1,763
Number of EHV's in Process of Leasing	432

Over-Issuance of Vouchers: HACLA closely monitors EHV voucher holders out searching for units to ensure that an appropriate number have been issued vouchers to account for the success rate and to issue new vouchers as issued vouchers expire. It is a fine balancing act to issue the appropriate number of vouchers so that the full allocation is utilized while avoiding the problem of overissuing vouchers that later need to be rescinded due to full utilization of the allocation, as has happened at

Housing Authority of the City of Los Angeles

some other housing authorities, such as the Los Angeles County Development Authority (LACDA). HACLA reaches out to those voucher holders close to expiration to provide additional property listings and assistance. HACLA gives voucher holders an opportunity to request an extension. Extension periods range from 30 days and beyond in cases approved as a reasonable accommodation. Simultaneously, HACLA is reviewing applications to issue additional vouchers from the pool of excess referrals, currently 2,032, previously submitted by LAHSA and its partners. Based on the current lease up activity, HACLA has determined that 300 additional vouchers will be issued in the next 60-90 days from that pool. And HACLA will continue to issue increments of vouchers through September 30, 2023, based on the success rate of voucher holders and expiring vouchers as needed. This will mean that HACLA will have ultimately issued more than 5,000 EHVs for its allocation of 3,365.

Over-Referrals from LAHSA: HACLA received 7,478 referrals from LAHSA for an allocation of 3,365 EHVs. As noted above, 2,032 referrals remain in the pool and HACLA will issue EHVs to additional referrals but based on the allocation will not be able to issue to all. HACLA is working with the Los Angeles Homeless Service Authority (LAHSA) to identify other housing resources including HACLA's Continuum of Care, Homeless Preference and Tenant-Based Supportive Housing programs, which are similar to the EHV program, for the excess referrals. LAHSA will need to connect individuals to other appropriate resources for the excess.

LACDA Clients: HACLA is accepting participants with an LACDA EHV that secured housing in the City of Los Angeles. Most of these referrals were homeless individuals and families in the city of Los Angeles from the beginning but were referred by LAHSA to LACDA for an EHV. In these cases being sent to HACLA, the LACDA completed the lease up with the voucher holder and property owner/landlord, and is simply porting the participant to HACLA. Participants in voucher programs, including EHV, have "Portability" rights to move to any housing authority in the country. The "incoming" housing authority must accept the voucher holder, as required by HUD. Approximately, 84 County participants have ported to the City (HACLA) as of April 24th. We understand that there may be up to 300 voucher holders leased in the City of Los Angeles that will be ported to HACLA. These referrals will be absorbed by HACLA into its EHV allocation.

Time-Limited Subsidies: LAHSA was responsible for prioritizing all referrals to HACLA. It is our understanding that those receiving assistance through a time-limited subsidy were prioritized; however, that information was not included in the referral application to HACLA. HACLA processed the applications in the order of receipt.

Meetings with LAHSA: HACLA has several standing meetings with LAHSA. The Housing Central Command (HCC) takes place twice per month on the first Thursday and third Wednesday. The weekly EHV workgroup meetings which began in 2021 have now transitioned to a bi-weekly schedule on Thursday afternoons. Additionally, ad hoc meetings will continue to take place to address challenges and tasks that may arise.

Streamlining Leasing Processes: HACLA has adjusted its internal process to negotiate the rent immediately upon receipt of the Request for Tenancy Approval (RFTA), prior to inspection rather than after, to reduce delays and more efficiently process the work. Prior to this change, rent discussion with the owner took place after the unit was inspected by the inspections team. Many times, the inspection

Page 3 of 3

was fruitless because the owner was not in agreement with the rent offer. Or, an additional inspection was warranted in order to validate additional information provided by the owner, such as additional amenities. This new process is being piloted with the EHV program and if proven to be successful, HACLA intends to expand it to other voucher programs.

Every rent offer made to an owner must be supported by a comparable rent. HACLA is increasing its flexibility in negotiating fair rental agreements with landlords by adjusting the parameters of obtaining comparable rents that support the rent amounts being requested by landlords. Rent comparables are conducted throughout the course of the day using a vendor provided software. This is in place for all proposed units across all programs.

Housing Quality Standards (HQS): The average time period from receiving an inspection request to scheduling the inspection is 3 days, with the shortest being 1 day and the longest being 12 days. Primary reason for delay is inability to reach the owner to schedule the inspection. The average time period from scheduling the inspection to conducting the inspection is 4 days, with the shortest being 2 days and the longest being 14 days. Primary reason for delay is units not ready for inspection (unit not vacant, preparation for re-rental not complete, utilities not turned on). Almost 50% of units must be reinspected to correct deficiencies cited in the initial inspection and the time periods are similar.