

Memorandum

TO: BOARD OF COMMISSIONERS

FROM: Leslye Krutko
Executive Director

SUBJECT: SECTION 8 WAITING LIST

DATE: March 16, 2006

Approved

Deanne Satna

Date

3/20/06

Council District: All
SNI: All

RECOMMENDATION

It is recommended that the Board of Commissioners for the Housing Authority of the City of San José, submit a letter to the Housing Authority of the County of Santa Clara, requesting that 100 Section 8 vouchers per year, be allocated for the chronically homeless.

BACKGROUND

The Housing Authority of the County of Santa Clara (HACSC) administers the Section 8 program on behalf of the City of San José's Housing Authority.

The Section 8 Housing Choice Voucher Program provides assistance to very low-income families, the elderly, and the disabled to help them afford decent, safe, and sanitary housing in the private market. In general, the family's income cannot exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. Seventy-five percent of vouchers must be provided to applicants whose income does not exceed 30% of the area median income (i.e., extremely low-income). Public housing authorities have the discretion of establishing a system of preferences for the selection of families that are eligible for the program, which must be based on local housing needs and priorities.

In 1976, the City, acting as the City of San José Housing Authority, entered into an agreement with the HACSC, designating it to administer and manage the Section 8 Voucher program and public housing programs within the City of San José. In April 1996, this agreement was re-structured into a one-year agreement that automatically extends annually unless a written notice is provided one-year prior to the termination of the agreement. The agreement requires the HACSC to consult with the City and obtain City approval regarding significant policy decisions concerning administration of the programs. The agreement also indicates that the HACSC can take actions that are convenient or desirable to manage and administer the City's public housing programs. Lastly, the agreement also states that the HACSC agrees to follow HUD policies that permit a preference for people who live or work in the City of San José.

The HACSC receives Section 8 vouchers from the U.S. Department of Housing & Urban Development, of which approximately 40% are allotted for the City's Housing Authority. The balance is allotted to the County, although a significant number of the County's vouchers are used in San José. Currently, vouchers are distributed on a first-come, first served basis, using a list that was developed in 1999. Each month, approximately 80 vouchers become available due to the turnover from voucher recipients that no longer need the assistance.

The HACSC last opened the Section 8 waiting list in 1999 and closed the list with over 27,000 names. Now that the list has fewer than 1,000 names, the HACSC plans to open up the waiting list in the spring of 2006. The HACSC is currently in the process of updating its Annual Plan, which will establish the preferences and method that will be used to distribute Section 8 vouchers.

ANALYSIS

In 2003, the City adopted a 10-Year Plan to End Chronic Homelessness, which proposed an aggressive program to eliminate chronic homelessness by developing permanent housing and "wraparound" services. In addition, the City co-sponsored "The 2004 Santa Clara County Homeless Census and Survey," which estimated that over 20,000 persons were homeless in the County at some point during 2004. Of this number, it is estimated that there are approximately 2,000 chronically homeless in San José. The City defines the chronically homeless as an individual or family who has either been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years.

Section 8 vouchers present one of the few options for providing housing for this population, given that most have little or no income. In recent years, the City has provided funding for the construction of 965 units that are affordable to extremely low-income households. However, since many of these units have a minimum income requirement, the chronically homeless often do not qualify for those units. The "2004 Santa Clara County Homeless Census and Survey" found that 48% of respondents indicated they had no income. For this reason, Section 8 vouchers are a critical tool for moving towards the goal of ending chronic homelessness.

The Housing Authority is recommending that a letter be submitted to the HACSC requesting that a preference be made for the chronically homeless and that 100 Section 8 vouchers per year be designated for this population. City staff has coordinated with the HACSC in developing this recommendation to ensure consistency with federal requirements. In addition, the HACSC has agreed to assist with processing applicants for the waiting list at the City's second Project Homeless Connect event in April. This event is a countywide effort to assist the chronically homeless population by connecting them to medical and mental health services, housing information and referral, financial assistance, as well as other services.

When the Annual Plan is updated in 2007, City staff and the HACSC will review the efficacy of vouchers for the chronically homeless population and assess whether a higher number should be designated in future years. In order to create a preference for this population, the HACSC must incorporate the proposed modification in its Annual Plan, which is currently being updated. If

this change is adopted by the HACSC, the change would go into effect for the opening of the waiting list this spring.

OUTCOME

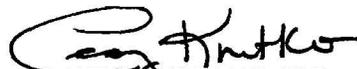
By making this recommendation, 100 Section 8 vouchers may be made available to San José's chronically homeless population on an annual basis. The HACSC Board of Commissioners are expected to adopt the Annual Plan in April, which will determine the method used to distribute Section 8 vouchers. In addition, the HACSC will begin to distribute Section 8 vouchers from the new list in the summer of 2006.

PUBLIC OUTREACH

City staff has met with the HACSC to develop this recommendation and ensure that it is consistent with federal requirements. The HACSC will be hosting a public hearing on March 23, 2006 to discuss the Annual Plan. In addition, the HACSC Board of Commissioners will vote to adopt the Annual Plan in April.

COORDINATION

This memo has been coordinated with the Housing Authority of the County of Santa Clara and the City Attorney's Office.


LESLYE KRUTKO
Executive Director