



## Legislation Text

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**File #:** 15-0140, **Version:** 1

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Health and Human Services Agency, Community Services Division, recommending the Board, acting as the Governing Board of the El Dorado County Public Housing Authority, approve and authorize the Chair to sign Amendment 1 to Housing Assistance Payment Contract V00052-PBV-001 with Mercy Housing California, XXI, a California Limited Partnership, to extend the term by ten years to March 20, 2025, for the continued designation of forty-two Housing Choice Voucher Program project-based units at White Rock Village Apartments in El Dorado Hills.

**FUNDING:** Federal Housing Choice Voucher Program.

**Fiscal Impact/Change to Net County Cost**

Federal funding for the Project-Based Vouchers is provided by the Federal Department of Housing and Urban Development (HUD) for payments to landlords on behalf of program participants and is included in the annual Health and Human Services Agency budget for the Housing Choice Voucher Program.

**Background**

The El Dorado County Public Housing Authority (PHA) provides eligible participants with rental assistance vouchers to offset rental housing costs through the Housing Choice Voucher (HCV) Program (formally known as Section 8). This Federally funded program provides eligible individuals and families with safe and sanitary housing in the private housing market. Program eligibility is determined by the PHA and is based on the family's total annual gross income and family size. In general, the family's income may not exceed 50% of the median income for the County or metropolitan area in which the family chooses to live. To encourage development of affordable housing for households earning at or below 50% of the median income, the PHA can elect to reserve "project-based" vouchers for a specific development selected through a Request for Proposal process. The total amount of "project-based" vouchers may not exceed 20% of the PHA's annual authorized budget allocation from HUD. Project-based vouchers are considered "attached to the structure" and provide designated affordable housing for participants in the HCV program.

Through the Housing Assistance Payment (HAP) Contract V00052-PBV-001, the PHA has contracted with Mercy Housing California, XXI, a California Limited Partnership since 2005 for 42 project-based voucher units at the White Rock Village Apartments in El Dorado Hills. Under the HAP Contract, the PHA pays Mercy Housing California XXI a portion of an eligible family's rent, in accordance with HUD requirements. The family is responsible for the remainder of the rent, if applicable. Additionally, the rent may not exceed reasonable rent charged for comparable units in the private (unassisted) market and all designated apartment units comply with the HUD housing quality standards.

HAP Contract V00052-PBV-001 was first executed in March 2005 with a ten-year term. Amendment 1 to HAP Contract V00052-PBV-001 extends the term by ten years, to end March 2025.

**Reason for Recommendation**

Approval of Amendment 1 to HAP Contract V00052-PBV-001 is essential to ensure continuation of

the Project-Based Assistance Housing Choice Voucher Program for eligible families.

Failure to approve Amendment 1 to HAP Contract V00052-PBV-001 would result in the loss of designated housing for the HCV program. Currently the rent at White Rock Village is below the Fair Market Rate set by HUD for the area and costs to the PHA could potentially increase if the HCV participants at White Rock Village choose to move to housing with higher rent once their voucher is no longer attached to the unit. Additionally, if the contract expires, the PHA would have to conduct a new competitive selection process and receive HUD approval to reserve HCV vouchers as project-based again.

**Clerk of the Board Follow Up Actions**

1. Clerk of the Board to obtain signature of the Chair on two (2) original Amendment 1 to Housing Assistance Payment Contract V00052-PBV-001.
2. Clerk of the Board to forward one (1) fully executed Amendment to HHSA at 3057 Briw Road.

**Contact**

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**Concurrences**

County Counsel and Risk Management