

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 13, 2016



Contra
 Costa
 County

Subject: REPORT ON THE STATUS OF THE HOUSING AUTHORITY'S RENTAL ASSISTANCE DEMONSTRATION APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT F

RECOMMENDATIONS

ACCEPT report on the status of the Housing Authority's Rental Assistance Demonstration application to the U. S. Department of Housing and Urban Development for Las Deltas in North Richmond.

BACKGROUND

If final approval is received from the United States Department of Housing and Urban Development (HUD), the Housing Authority's (HACCC) Rental Assistance Demonstration (RAD) application would convert all 214 public housing units into RAD project-based voucher (PBV) units. The RAD PBV subsidy for these units is expected to be worth approximately \$288 million over the next 30 years. Because of the current vacancy rate at Las Deltas, over half of this money will not be received from HUD if the RAD conversion is not completed.

III. REASONS FOR RECOMMENDATION/BACKGROUND

As has been reported to the Board previously, HUD awarded the maximum number of units permitted by Congress under the RAD program several years ago and HACCC's remaining

Action of Board On: **09/13/2016** APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Mary N. Piepho,
 Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 13, 2016

Joseph Villarreal, Executive Director

ABSENT: Fay Nathaniel,
 Commissioner
 Jannel George-Oden,
 Commissioner

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

two RAD applications for Las Deltas had been placed in the bottom two tiers of HUD's RAD wait list along with applications for over 20,000 units nationwide. Staff had been told it would be at least a year, and probably longer, before HACCC's applications would come off the wait list. In response, staff began working with HUD's San Francisco field office to convince HUD's Washington staff that HACCC's four total applications (two were approved in March 2015) were part of one whole project and, therefore, must be consolidated in order to move the RAD conversion forward effectively. The proposed Las Deltas project

BACKGROUND (CONT'D)

appears to be unique nationally and it has required staff to explain the project in detail to HUD staff at various approval levels.

These efforts have paid off and HACCC's final two RAD applications received approvals on August 16, 2016. The Board should be aware that all RAD awards are conditional and will require dozens of further HUD approvals before the final conversion of Las Deltas public housing units to RAD is complete. That said, the conversion of the first 22 RAD units was signed off by HUD's Assistant Secretary last week, so this process has begun. It is expected that the total conversion of Las Deltas will take 2-3 years to complete.

Attached are the two approval letters received from HUD.

FISCAL IMPACT

If final approval is received from the United States Department of Housing and Urban Development (HUD), the Housing Authority's (HACCC) Rental Assistance Demonstration (RAD) application would convert all 214 public housing units into RAD project-based voucher (PBV) units. The RAD PBV subsidy for these units is expected to be worth approximately \$288 million over the next 30 years. Because of the current vacancy rate at Las Deltas, over half of this money will not be received from HUD if the RAD conversion is not completed.

CONSEQUENCE OF NEGATIVE ACTION

None. Information item only.

CLERK'S ADDENDUM

ATTACHMENTS

RAD update attachment 1

RAD PBV Awards Attachment 2