Housing







DIVISION SUMMARY HOUSING

Mission Statement

The City of Pasadena Housing Department is dedicated to providing affordable housing and community development opportunities for low and moderate income persons to enhance and strengthen our community. The department's core values: Decent, safe, affordable housing as an equal right for all Pasadena residents; transparency; program expertise; professionalism; excellent customer service; teamwork and collaboration; and social and economic diversity.

Program Description

The Housing Department implements a variety of affordable housing initiatives where financial assistance is made available directly or indirectly to very low, low, moderate, and workforce income households. The department's revenue sources are comprised primarily of locally generated monies (redevelopment tax increment funds and inclusionary housing funds) and federal entitlements (e.g., Section 8 Housing Choice Voucher Program, Community Development Block Grant, Home Investment Partnerships, Emergency Shelter Grant, and Supportive Housing funds). In addition, the Housing Department receives grant and loan funds through State programs on a competitive basis. Activities include the assessment of community housing and economic needs, provision of goods and services by local businesses and non-profits, provision of affordable/workforce housing opportunities, and the monitoring of these activities to determine their success in meeting housing and community development needs. These efforts are directed toward creating neighborhood vitality, livability and an improved quality of life for residents while also fostering economic prosperity for the City, its residents and businesses.

Departmental Relationship To City Council Goals: Maintain Fiscal Responsibility and Stability

- Implement division-level tracking of department operating budget on a regular, periodic basis.
- Maintain system of sound fiscal management and control practices.

- Comply with funding regulations for all revenue sources (local, state, federal).
- Take conservative approach to revenue projections.
- Utilize strategies and mechanisms which promote/support department programs and projects with no or minimal fiscal impact on Housing funds.
- Identify alternative permanent funding sources for Housing projects and programs.
- Monitor and evaluate progress, effectiveness and regulatory compliance of programs and projects funded by the department.

Improve, Maintain and Enhance Public Facilities and Infrastructure

- Capital improvement of facilities and City Code Enforcement activities benefiting low income persons are funded by the department's Community Development Block Grant program,
- To the extent feasible, notable historic homes on sites identified for affordable housing development should be relocated and rehabilitated or integrated into the new development (e.g., Fair Oaks Court project).
- Ensure that proposed affordable housing projects assisted by the department are compatible with and enhances the existing character of the neighborhood within which the project is located and contribute to the neighborhood's stability.

Increase Conservation and Sustainability

- Create housing opportunities that allow people who work in Pasadena to be able to live here.
- Greater incorporation of "green" building practices in new affordable housing projects.
- Identify opportunities in existing, older affordable housing projects to improve energy and water conservation (e.g., assisting Euclid Villa project in FY 2010 to obtain County rehab funds for "greening" improvements).
- Provide direct funding for "green" programs (e.g., CDBG-R).
- Collaborate with Water & Power to more effectively utilize that department's conservation programs which target lower income persons.

Improve Mobility and Accessibility Throughout the City of Pasadena

- Where feasible, new affordable housing developments should be located within walking distance of major thoroughfares, providing access to bus lines and to the Gold Line light rail system.
- Encourage department-assisted projects and program to incorporate amenities that improve mobility and accessibility (e.g., senior housing projects and Emergency Shelter Care programs that include van service so that residents and clients can have direct access to goods and services).

Support and Promote the Quality of Life and the Local Economy

- The programs administered by the department target resources to meet community needs and enhance the quality of life.
- Affordable housing projects provide homeownership opportunities and suitable and safe rental housing.
- The construction of affordable housing projects provide local employment opportunities through coordination with the City's first source hiring ordinance.
- Section 8 rental subsidies allow families to allocate more of their household income to other critical quality of life needs such as healthcare, food, and transportation.
- Community-based agencies funded with Community Development Block Grants (CDBG) serve a wide range of needs including economic development, educational and counseling programs, food assistance, basic health care, youth diversion, social services, and housing rehabilitation.
- A number of CDBG-funded agencies provide job training, counseling, and technical assistance to enhance the employability of residents and the vitality of the community and local economy. These programs expand opportunities for small businesses to create and retain jobs while assisting in the development of new micro-enterprises.
- Quality of life issues for the homeless population are addressed through the bad weather and emergency shelter programs, transitional and permanent supportive housing projects, and rental certificates. These programs provide family stability and are necessary to get the family back on track.

Ensure Public Safety

 The design of department-assisted affordable housing projects should address safety concerns of the intended resident

- population (e.g., security lighting, signage, visibility).
- Implementation of the City's Homelessness Strategy, which
 prioritizes moving homeless persons quickly to housing through
 street outreach and housing with services in order to improve
 their well-being and decrease the impact of homelessness on the
 community.

Major Accomplishments

During fiscal year 2010, the Housing Department accomplished the following:

Housing Production

- 1142 N. Allen project commenced construction in December, 2009 (4 affordable for-sale units)
- Parke Street Apartments project re-structured and commenced rehabilitation in January, 2010 (8 affordable rental units)
- 1350 N. El Molino project re-designed and resubmitted for plan check in April, 2010 (4 affordable for-sale units)
- Nehemiah Court project anticipated to advance to plan check phase in May, 2010 (6 rental units of permanent supportive housing)
- Completed handicapped-accessibility common-area improvements at Centennial Place (serving 22 disabled tenants) utilizing \$80,000 in State grant funds.
- Provided technical assistance on funding application for Euclid Villa project resulting in award of over \$1.11 million from the County of Los Angeles for "green" rehabilitation (15 affordable units of transitional housing for families)
- Hudson Oaks project advanced through plan check phase with building permit issued in March, 2010 and received award of \$1.4 million from County of Los Angeles Industry Fund (44 affordable rental units for seniors)
- Completion of 3 Inclusionary Housing projects which provide 75 affordable units:
 - Westgate Apartments (67affordable rental units in project phases 1-5 by end of fiscal year)
 - · Haskett Court (6 affordable for-sale units)
 - Fair Oaks Garden (2 affordable for-sale units)
- Provided homebuyer loan assistance for 2 low and moderate income families through the Homeownership Opportunities
 Program

 Foreclosure counseling and intervention services provided by Pasadena Neighborhood Housing Services for 29 Pasadena homeowners of which 6 cases resulted in positive outcomes (e.g., loan modification, lender forbearance agreement, short sale).

Rental Assistance Program

- Implemented the Section 8 Housing Choice Voucher Program (1,315 low income households assisted)
- Implemented the Section 8 Project-based Rental Assistance Program (205 rental units)
- Implemented the Public Housing Authority (PHA) Annual Plan 2010
- Implemented the Section Eight Management Assessment Program (SEMAP)
- Launched the Pasadena Housing Resource Center (www.PasadenaHousingSearch.com) to assist Section 8 voucher holders connect with Section 8 landlords.
- Implemented conversion of Centennial Place into permanent supportive housing including adding 116 Project Based Vouchers.
- Committed 44 Project Based Vouchers to Hudson Oaks.

Supportive Housing Program

- Implemented Supportive Housing Program (208 low-income households assisted)
- Implemented the Homeless Prevention Program (200 households assisted).
- Implemented the Shelter Plus Care Program (73 homeless households with disabilities housed and provided services.

Community Development

- Implemented Human/Public Services (19 projects)
- Implemented Neighborhood Housing Rehabilitation Programs (31 Major/Minor Rehabs completed)
- Implemented Emergency and Bad Weather Shelters (1,500 households assisted)
- Implemented Economic Development Programs (four programs/100 jobs created or retained)
- Implemented the Code Enforcement Inspections (4,000 inspections performed and 500 investigations conducted)
- Implemented Tenant Protection Ordinance

Summary of Appropriations and Revenues	FY 2008 Actual	FY 2009 Actual	FY 2010 Adopted	FY 2010 Revised	FY 2011 Adopted
FTEs	26.050	26.050	22.000	22.000	19.000
Appropriations	19,606,411	20,820,809	28,045,441	33,866,087	23,181,561
Sources by Fund					
Rental Assistance Program	11,206,341	11,978,200	10,960,722	10,960,722	11,833,689
Supportive Housing Programs	1,679,677	1,746,746	3,242,407	3,242,407	2,694,393
Community Development Block Gr	ant 1,614,341	1,566,800	3,154,228	3,154,228	2,756,767
Affordable Housing	5,106,052	5,529,063	9,318,289	9,318,289	5,779,956
Fund Balance (various funds)	_	_	1,369,795	7,190,441	116,756
Total Sources by Fund	19,606,411	20,820,809	28,045,441	33,866,087	23,181,561

Performance Measures		FY 2009 Actual	FY 2010	FY 2010 Mid-Year	FY 2011			
HOU	JSING		Actual	Target	IVIIU-T Edi	Target		
Council Goal:		(1) Maintain fiscal responsibility and stability; (2) Improve, maintain and enhance public facilities and infrastructures (3) Increase conservation and sustainability; (4) Improve mobility and accessibility throughout the city; (5) Support and promote the local economy and (6) Ensure public Safety.						
Obje	ective A.	To build viable urban communities with decent h opportunities, for persons of low, moderate and				mic		
1.	completed \	mber of affordable housing rental units with long-term City rent restrictions rentory: 1,516 units) - Housing Production	N/A	N/A	N/A	5 8		
2.	Increase number of affordable housing for-sale units completed or assisted with long-term City resale or equity share restrictions (current inventory: 229 units) - Housing Production		N/A	N/A	N/A	16		
3.	Number of very low income households assisted with monthly rental payments so they can be adequately housed - Rental Assistance Program		N/A	N/A	N/A	1,250		

N/A

N/A

N/A

150

4. Number of homeless individuals in transitional or

permanent housing - Supportive Housing Program

Note: "N/A": Performance measures were different from prior fiscal years 2008-2010.

Performance Measures		FY 2009	FY 2010	FY 2010	FY 2011	
		Actual	Target	Mid-Year	Target	
HOU	ISING					
Cou	ncil Goal:	(1) Maintain fiscal responsibility and stabilit(3) Increase conservation and sustainability;(5) Support and promote the local economy	(4) Improve mobility a	nd accessibility t		
5.		rvices and short-term financial assistance to s to help prevent homelessness - Supportive rogram	N/A	N/A	N/A	180
6.	persons w	cial services to low or moderate income ith 60% demonstrating improvement in n which they received services - y Development	N/A	N/A	N/A	3,200
7.	improve liv	income homeowners with repairs to vability, remove blight, and conserve water y - Community Development	N/A	N/A	N/A	50

Changes from Prior Year

- Cost Changes: The net decrease is \$10,684,525 from the fiscal year 2010 Revised Budget. The variance is attributable to a decrease of \$146,680 in personnel expenses due to managed savings and adjusting budget salaries to reflect actual salaries, transferring one FTE Information Technology Analyst II to the Department of Information Technology, offset by the removal of the vacancy factor. The Services and Supplies category is reduced by \$7,543,749 due to one time re-appropriation of the FY2009 budget of \$5,820,639, and decrease of \$1,723,110 attributed primarily to one-time federal stimulus money that is budgeted in FY2010 (and not in FY 2011) as well as reduction in housing production activities. The reduction of \$1,924,503 in the principal and interest category is due to the estimated debt obligation for FY2011. The housing department paid back a State HELP loan in the full amount of \$1,182,564 in FY2010 which is not included in the FY2011 budget, and other outstanding interests and loans (including Fannie Mae) will be reduced in FY2011 based on the FY2011 repayment schedule. The transfer out category is reduced by \$1,069,593 primarily due to transferring funds of \$1,181,785 from the Housing Production fund to the Debt Service fund to pay off the outstanding State HELP Loan in FY2010, offset by an increase of \$112,192 as a result of transferring one FTE
- Information Technology Analyst II to the Department of Information Technology. No State Loans will mature in FY2011; however the final debt service payment on the Fannie Mae Ioan is scheduled to be made.
- FTE Changes: There is a net decrease of 1.0 FTEs due to the transfer of 1.0 Information Technology Analyst II to the Department Of Information Technology.

Future Outlook

The economic recession and downturn in housing development activity will result in a steep decline in receipt of Inclusionary In-Lieu fees, which has been a key revenue source for the City's housing programs. Only half of the allowable Inclusionary In-Lieu fees for administrative costs will be budgeted for such expenditures in FY 2011 in order to work towards getting under the 10% administrative cap. In a departure from past years, Inclusionary revenues will not be used to fund homeless services. Instead, for FY 2011, these services will be supported with a combination of Supportive Housing - Homeless Prevention program funds (generated from the sales proceeds of the Casa Maria property) and CDBG funds. The allocation of CDBG funds for homeless services will decrease the availability of funding assistance for community development projects and public service programs as well as

reduce the department's administrative capacity. The collapse of the housing and credit markets may also jeopardize the feasibility of existing affordable housing projects in the pipeline. While the infusion of FY 2010 American Recovery and Reinvestment Act funds may mitigate some of these impacts, it is clear that the Department will need to adapt to the new economic environment if it is to effectively implement the City's housing vision. Areas of focus will include better use of technology to improve organizational and programmatic effectiveness; utilizing strategies and mechanisms which promote affordable housing with no or minimal City fiscal impact (e.g., modifying the Inclusionary ordinance); targeting City Housing funds to greatest need (e.g., very low income rental housing); requiring projects to achieve

greater leveraging of non-City housing funds; utilizing Project
Based Section 8 vouchers to support affordable housing
development, put idle City-owned land to use for affordable
housing (e.g., Heritage Square); identifying and securing funds
from sources which may not have been considered previously;
and de-obligating City Housing funds from projects that are not
performing. Greater incorporation of "green" building practices in
affordable housing projects will continue to be an important
objective. Moving forward, the Housing Department will continue
to adhere to the practice of strategic planning, monitoring progress
and making adjustments as may be necessary to meet challenges
and take advantage of opportunities.

