



- a) Data regarding the effectiveness of the programs administered by the Authority, including all of the following:
  - i. The total number of individuals housed in the preceding four years.
  - ii. The total number of households on the HCV program waitlist and average length of time on the wait list.
  - iii. The total number of tenancy terminations and evictions initiated by the Authority and total number of leases signed.
  - iv. The progress and success of the Authority in achieving the goals outlined in its five-year public agency plan.
  - v. The total number of vouchers committed to homelessness and percentage for homeless voucher programs.
  - vi. The data regarding the self-sufficiency of households receiving assistance, including earned income increases and efficacy of cash rewards.
  
- b) Data regarding properties managed by the Authority, including, all of the following:
  - i. The number of work orders received and completed, and the average time to complete work orders.
  - ii. The number of principal maintenance requests.
  - iii. The average vacant unit turn-around time.
  
- c) Information regarding employment with the Authority, including all of the following:
  - i. Total number of vacancies and number of vacancies filled by promotion.
  - ii. Number of new hires.
  - iii. Trainings offered to staff.

**COMMENTS:**

- 1) *Author's statement.* "Federally-funded voucher programs are lifelines to low-income families who would otherwise be priced out of the communities in which they have established their lives. That there is a lack of transparency regarding this programming is troubling for local elected officials, those on waiting lists, and those who cannot access information because the waiting lists are closed. It's imperative that the Housing Authority of Alameda County be more proactive in reporting programming data in order to establish public trust

and confidence in a critical social safety net, and that this data be easily accessible on their website.”

- 2) *PHAs and the Voucher System.* The HCV program is the largest rental assistance program in the country. More than 5 million people in over 2 million low-income households use vouchers nationwide, including 307,800 California households as of January 2022. The HCV program relies on private landlords to accept voucher recipients as tenants, and the federal government covers the portion of rent that exceeds 30% of the tenant's income. Because the amount of federal funding provided for the HCV program is limited, far more low-income people qualify for a voucher than actually receive one – and even fewer of those who receive one can successfully find a landlord in the private market willing to accept the voucher. While the voucher generally covers the portion of the tenant's rent that exceeds 30% of their income, payment standards for metro areas determine how much rent beyond 30% the HCV is allowed to cover. Payment standards are based on fair market rents (FMRs) that HUD calculates each year for middle-range housing units in an area, and generally units cannot exceed 110% of the FMR for the area without an "exception payment" allowance from HUD.

The HCV program is administered by PHAs, which are independent public entities created by state law and almost entirely funded by the federal government. This independence results in PHAs varying significantly from one region to the next. This variation stems from differences in funding, governance structures, and local policies. Moreover, the lack of collaboration with local governments leads to fragmented approaches to addressing housing challenges and limited integration with broader planning efforts.

- 3) *HCV usage in California.* Due to the mismatch between the number of eligible low-income households and the amount of HCVs available in each region, most PHAs require applicants to join a voucher waitlist, intended to filter people into the program as vouchers become available. In practice, because the HCV program is so impacted and there is such a lack of naturally occurring affordable housing (NOAH, or unsubsidized housing where rents are naturally affordable) in the state, many people wait years on a voucher waitlist, and some PHAs have had their waitlists closed for years and only open them for extremely brief periods of time due to overwhelming demand.

Given the high cost of housing in California, low payment standards across PHAs in California also contribute to the challenges voucher recipients face in finding and leasing a unit, as lower payment standards restrict the number of eligible units to those with asking rents that do not exceed roughly 110% of the

FMR. For example, the FMR for a two-bedroom rental in 2023 in the Los Angeles-Long Beach-Glendale metro area was \$2,222, while other private rental data aggregation sites suggest the average rent for a two-bedroom is much higher (\$2,870 according to Apartments.com, and \$2,781 across all unit sizes according to RentCafe). Even at 110% of two-bedroom FMR, which would be \$2,444, private rental market data suggests this is \$300 or more off average asking rents for similarly sized units in the area.

These and other factors can create discrepancies between a PHA's "utilization rate," generally the share of an agency's authorized vouchers in use on average over a calendar year, and their "voucher success rate," or the percentage of families that receive a newly issued voucher and are able to find and lease a unit. Utilization rates generally hover in the 80-100% range. The last HUD study of national success rates of PHAs conducted in 2000 found that the national average voucher success rate was 69%, while the average success rate in very tight housing markets was 61%, and in the City of Los Angeles was 47%. Only 27% of PHAs had success rates below 60%, the threshold that would be established in this bill to trigger mandatory adoption of SAFMRs.

Additionally, higher cost markets have long wait lists. Los Angeles County PHA's waitlist, for example, has been closed since 2009, and only 44.7% of voucher recipients are able to find housing with their voucher. In San Bernardino, one-third of families are forced to return their voucher to the PHA. A household's inability to use a voucher often means that the family will fall into homelessness or continue to live in unsafe, overcrowded, or uninhabitable living conditions. Further, because of the way the program is funded, failure to utilize all of the state's federally allocated vouchers can result in lower funding for PHAs in future years. This creates a delicate balancing act for PHAs to manage. Many PHAs significantly "over-issue" vouchers because they know they will not all successfully lease up, yet the PHA must get as close to possible to 100% of their budgeted authority in order to prevent funding reductions.

- 4) *Evaluating HCV in Alameda County.* In 2023, a San Francisco ABC-affiliated TV station analyzed HUD data, which found that households were waiting years for housing assistance and that Alameda County had "insufficient or unreliable waitlist time data."<sup>1</sup> The Authority web site currently states that it is not accepting applications for HCVs. The author is seeking to increase transparency regarding the Authority's programming and improve the function of their web site for low-income residents.

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<sup>1</sup> *There's nearly a decade-long wait for public housing in Oakland, per housing authority.* May 4, 2023. ABC Channel 7, San Francisco. Accessed here: <https://abc7news.com/ca-affordable-housing-oakland-choice-voucher-hud-department-of/13212762/>

This bill would require the Authority to conduct a data driven annual report, posted to the web site, specific to the efficacy of the programs it administers, as well as data concerning properties it owns and people it employs. Specifically, the efficacy reports must include information about the number of people housed, including how many people experiencing homelessness, and average length of time people spend on the waitlist.

**RELATED LEGISLATION:**

**AB 653 (Reyes, 2023)** — creates the Federal Housing Voucher Acceleration Program at HCD. *This bill is in the Senate Appropriations Committee.*

**FISCAL EFFECT:** Appropriation: No    Fiscal Com.: Yes    Local: Yes

**POSITIONS:** (Communicated to the committee before noon on Wednesday, March 13, 2024.)

**SUPPORT:**

None received.

**OPPOSITION:**

None received.

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