



DATE: April 8, 2025

TO: Justin Hess, Executive Director

FROM: Patrick Prescott, Assistant Executive Director/Community Development Director

VIA: Simone McFarland, Assistant Community Development Director,
Housing and Economic Development
Maribel Leyland, Housing Authority Manager

BY: Odet Ayvazyan, Housing Specialist

SUBJECT: Adoption of A Resolution Approving the Burbank Public Housing Agency Five-Year Plan (Fiscal Years 2025-2030), Annual Plan (Fiscal Year 2025-2026), and Proposed Administrative Plan Updates

RECOMMENDATION

Adopt A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF BURBANK APPROVING: 1) THE PUBLIC HOUSING AGENCY FIVE YEAR PLAN FOR FISCAL YEARS 2025-2030 AND ANNUAL PLAN FOR FISCAL YEAR 2025-2026; 2) UPDATES TO THE SECTION 8 ADMINISTRATIVE PLAN; AND 3) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE CERTIFICATIONS REQUIRED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Attachment 1).

BACKGROUND

The Burbank Housing Authority (BHA) administers the Section 8 Rental Assistance Program (Program), which is funded by the Federal Department of Housing and Urban Development (HUD) for the purpose of providing rent subsidies to extremely low-income and very low-income tenants. The Program is critical to communities across the nation as it assists the most needy and vulnerable households in the community with lower incomes who are at risk of becoming homeless. The Program takes existing units in the private market and makes them affordable, furthering the City Council goal of providing affordable housing in the community.

The mission of the BHA is working together for a safe, beautiful, and thriving community. This mission aligns with HUD's purpose of providing affordable housing and economic opportunities to the community. The BHA will implement this mission within the limits of funding availability to assist as many households as possible by encouraging and supporting family self-sufficiency and economic stability. The BHA will continue to expand this support along with rental subsidies to participant households. To receive funds for the Program, HUD requires the BHA to develop a Five-Year Plan, Annual Plan, and Administrative Plan that includes information on operations, programs and services. This report is to provide information on the plans and highlights proposed administrative changes (Attachment 2).

DISCUSSION

During the last five-year period, the BHA assisted between 850 to 1,000 extremely-low and very-low income households annually including households that pay a disproportionate share of their income on rent, those that are homeless, and veteran households within the available funding for the Program. Highlights of the 2020-2025 Five-Year Plan are noted below. The BHA:

1. Received an allocation of 20 Permanent Supportive Housing Vouchers (PSH) targeted for chronically homeless with a disability.
2. Received an additional 13 vouchers through the Consolidated Appropriations Act 2022 increasing the Housing Choice Voucher (HCV) allocation to assist individuals and/or families who are survivors of domestic violence, homeless or at risk of homelessness.
3. Applied for and received a total of 15 Veteran Affairs Supportive Housing (VASH) vouchers for homeless veterans.
4. Received an allocation of 67 Emergency Housing Vouchers through the American Rescue Act of 2021. All of the allocated vouchers were utilized.
5. Implemented Project Based Vouchers in administrative and policy documents to utilize that tool in future developments.
6. Continued educating landlords and Section 8 participants on housing quality standards.
7. Continued to administer the Family Self Sufficiency (FSS) Program.¹ The FSS program continues to assist participants in obtaining employment that allows them to become self-sufficient, not depending on welfare and Section 8 assistance. In the last five years, a total of four participants successfully graduated from the program. There are currently four remaining of the original 50 allocated FSS participants.

¹ The FSS program started in 1993. Through the years, circumstances can change dramatically for households in the program. Therefore, if a household is not able to meet the requirements of the program and "graduate," staff has enrolled subsequent households and is working toward the allocation of 50 participant households.

8. Continued to distribute information on housing opportunities throughout the City of Burbank and communicated updates regarding new City and State laws to landlords and tenants. Updates, including information on the State's Tenant Protection Act and the City's local ordinance,² are being distributed through online services and mailed to participating landlords and tenants.

Five-Year Plan and Annual Plan

The Five-Year Plan describes the overarching mission, goals, and objectives for the next five years and will continue the efforts described in the previous section. The goals and objectives continue to meet the requirements of the Section 8 Program. The Annual Plan provides updates, if any, to the Five-Year Plan goals and objectives. As this is the first Annual Plan to the Five-Year Plan, both documents are consistent with the same information. Should any changes happen in the coming year, those would be reported in the next fiscal year Annual Plan.

Administrative Plan

Housing authorities are also required to adopt a written Administrative Plan that establishes local policies and procedures for administering the Section 8 Program in accordance with HUD regulations and requirements. Furthermore, HUD allows the Administrative Plan to include local policies on matters for which the BHA has discretion. Finally, the Administrative Plan, and any updates to it, must be adopted by the Housing Authority Board, and staff must administer the Program in accordance with the Administrative Plan.

Staff is proposing updates to the Administrative Plan to comply with HUD regulations and requirements (Attachment 3). One of HUD's mandated updates is the Housing Opportunity Through Modernization Act (HOTMA) of 2016. HOTMA brought important amendments to Sections 3, 8, and 16 of the United States Housing Act of 1937. These amendments include significant updates to income calculation, net family assets, and income reviews, all aimed at improving the efficiency and fairness of housing assistance programs. The rule was formally published in the Federal Register on February 14, 2023, and it revises HUD regulations. In response, the BHA's administrative plan has been updated to ensure compliance with key HOTMA provisions. It is important to note that there will be additional provisions that will be addressed at a later date as per HUD guidance.

Furthermore, staff is proposing one local policy change related to new special-use vouchers. One additional chapter has been included in the Administrative Plan that

² Local tenant protections and rent cap provisions in accordance with the State's Tenant Protection Act apply to Section 8 participants renting market rate units without affordability restrictions on the property. However, there are several rental types/circumstances that are exempt from these provisions. The exemptions can be found in California Civil Code section 1946.2(e) and 1947.12(d), respectively.

outlines the proposed processes and procedures of implementing “Special Purpose Vouchers.” This new proposed change will allow the BHA to apply for and administer Foster Youth to Independence (FYI) initiative vouchers under the category of Special Purpose Voucher programs.

The FYI initiative vouchers provide vital support to youth transitioning out of foster care, helping those who are homeless or at risk of homelessness. Through a partnership between Public Housing Authorities (PHAs) and Public Child Welfare Agencies (PCWAs), the program offers rental assistance for up to 36 months to eligible youth aged 18 to 24 with a history in foster care. In addition to housing support, youth are provided with life skills training, career counseling, and educational guidance, including access to workforce development programs and the Family Self-Sufficiency (FSS) program, which can extend assistance for up to 24 months. Detailed information can be found on page 19-7 of the Administrative Plan.

The remainder of the proposed changes are ministerial in nature to streamline the implementation of the Section 8 Program, such as adding clarifying language in some instances and defining terms in the Glossary. The new chapter on Special Purpose-Voucher Programs, and the minor updates, will comply with and clarify HUD regulations and requirements. The proposed 2025-2026 Amended Administrative Plan is included in redline format for ease of reference (Attachment 3).

Resident Advisory Board and Public Notices

Housing Authorities are required to establish a Resident Advisory Board (RAB) to enable residents to provide recommendations on document development. The membership consists of individuals who reflect and represent the residents assisted by the Program. The current membership is carried over annually, along with new requests received from Program participants seeking to be a member. The RAB makes recommendations regarding the development of the Five-Year plan and the Annual Plan and may suggest amendments or modifications to the Administrative Plan. Residents can ensure that their needs are being addressed and become more involved in issues that directly affect them. Through their involvement in this process, residents are more aware of the procedures that housing authority staff undergoes to carry out Program activities.

RAB members reviewed the draft Five-Year Plan, Annual Plan, and Administrative Plan at a public meeting held on February 18, 2025. The meeting was advertised on the City’s website, published in the Los Angeles Times, and 950 post card invitations were mailed to Program participants. A total of 58 members of the public attended the in-person meeting. In addition, five of the 10 RAB members attended the meeting. There were no recommendations, comments, questions or feedback to the draft Five-Year Plan, draft Annual Plan or Administrative Plan. However, there were questions from meeting attendees on the general process and procedures of the Section 8 Program (Attachment

4). Finally, staff published the required public notice for this public hearing. The draft Five-Year Plan, Annual Plan and proposed changes to the Administrative Plan were available for public review at the Housing Authority public counter and online on the City's website beginning on February 12, 2025. As of the writing of this report, no public comments have been received.

Payment Standards (Subsidy Amounts for Program Participants)

HUD allows flexibility in payment standards (subsidy levels) for Program participants between 90% to 110% of the fair market rents (FMRs) for a metropolitan area (published annually by HUD). Each year, staff must analyze the HUD-published FMRs along with expected funding levels to determine subsidy levels for program participants. In October of 2024, the BHA updated the payment standards based on new published FMRs.³

Starting January 1, 2025, the BHA implemented Small Area Fair Market Rents (SAFMRs) as required by HUD. SAFMRs are calculated at the zip code level to assist families in accessing housing in higher-opportunity, low-poverty areas by offering rental assistance aligned with local market conditions. These standards will apply to all tenant-based vouchers, including special programs such as HUD-VASH. These changes will provide greater flexibility in meeting the diverse needs of participants while ensuring housing opportunities across the BHA's jurisdiction (Attachment 5).

2025 Program Funding

As of the writing of this report, the BHA has not received the final Program budget from HUD for housing assistance payments in Fiscal Year 2025-26. However, based on last year's expenses, staff is budgeting \$1,700,000.00 for administrative costs, and \$13,400,000.00 for Housing Assistance Payments (HAP) to participant households. This figure includes an additional amount awarded to the BHA to cover expenses through a "Shortfall Application."⁴ Based on the subsidy levels that went into effect December 2024, staff estimates that the BHA will be able to assist 900 households during fiscal year 2025-26. Variation in utilization (the number of Vouchers the BHA funds), is primarily due to the total funding received for the Section 8 Program. In addition, changes in subsidy levels (rental assistance) and attrition (households that voluntarily leave the Program, move to other communities, or participant deaths) also affects voucher utilization.

ENVIRONMENTAL REVIEW

The proposed adoption of the Resolution is categorically exempt from environmental review under the California Environmental Quality Act (Public Resources Code Section

³ HUD publishes FMRs each October for the following year. Staff will analyze payment standards again in October 2025.

⁴ A "short fall" is insufficient funding. Staff was directed to suspend issuance of vouchers to applicants, cease absorbing portable vouchers, implement cost saving measures and apply for set aside funding. Staff has been working with HUD's Shortfall Prevention Team ensuring the BHA is complying with all cost saving measures to prevent termination of assistance to families. Under HUD guidelines, the BHA applied for Set Aside funding and was approved for additional disbursement of funds. HUD continues to monitor BHA's shortfall throughout the year and may adjust allocated funds as needed.

21000 et seq.) (“CEQA”) pursuant to §§ 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment, because there is no possibility that it may have a significant effect on the environment, and because it is not a “project” as that term is defined in § 15378 of the State CEQA Guidelines.

FISCAL IMPACT

There is no fiscal impact to the City’s General Fund. The Federal Section 8 Program is funded by HUD allocations to the Program. For the program to receive these funds, the Resolution approving the Five-Year Plan, Annual Plan and proposed Administrative Plan must be submitted to HUD by April 17, 2025.

CONCLUSION

The mission of the BHA of working together for a safe, beautiful, and thriving community aligns with HUD’s purpose of providing affordable housing and economic opportunities to the Burbank community. Staff will continue to implement the Program equitably and effectively within funding constraints and parameters to provide rent subsidies to extremely-, low-, and very-low-income tenants. Staff recommends the Housing Authority Board adopt the resolution approving the Five-Year Plan, Annual Plan and proposed Administrative Plan. If approved, staff will submit to HUD as required by April 17, 2025.

ATTACHMENTS

Attachment 1 – BHA Resolution

Attachment 2 – Summary of Proposed Updates to the Administrative Plan
Correspondence

Attachment 3 – Proposed 2025 Amended Administrative Plan (Redline)

Attachment 4 – Resident Advisory Board Comments

Attachment 5 – Payment Standard Analysis and Small Area Fair Market Rates
Correspondences