



SAN DIEGO
HOUSING
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San Diego Housing Commission (SDHC) Project-Based Housing Vouchers Overview Presentation to the SDHC Board of Commissioners October 13, 2022

Azucena Valladolid
Executive Vice President of Rental Assistance &
Workforce Development
San Diego Housing Commission

Emily S. Jacobs
Executive Vice President of Real Estate
San Diego Housing Commission



SDHC – Project-Based Housing Vouchers

Introduction

- 17,350 Section 8 Housing Choice Voucher (HCV) rental assistance households (June 30, 2022)
 - 106% voucher utilization rate
 - Average annual income (HCV Families): \$19,960
 - 63% of families are elderly or disabled
 - 37% of families are Work-Able
- Section 8 Waiting List: More than 128,000 families
 - Wait time: Approximately 12 years
- Project-Based Housing Voucher Waiting List: More than 74,000 families
- Landlords
 - 5,196 participating landlords in Fiscal Year 2022
 - \$215.2 million paid to landlords on behalf of HCV participants (Fiscal Year 2022)



Section 8 Housing Choice Voucher participant Ivette and her family



SDHC – Project-Based Housing Vouchers

Introduction (Continued)

- **Project-Based Housing Vouchers (PBVs):** Awarded to specific affordable housing developments to provide rental assistance linked to their units. When a tenant moves on, the rental housing voucher remains with the affordable housing unit to help another household with low income or experiencing homelessness.
- 3,096 PBVs committed
 - 770 for households with low income
 - 2,231 for households that experienced homelessness
 - 95 Veterans Affairs Supportive Housing (VASH) vouchers for veterans who experienced homelessness
- PBVs are allocated from Section 8 tenant-based voucher funding.
- SDHC conducts an annual analysis to determine how many PBVs SDHC will allocate each year.



*San Ysidro Senior Village residents
John (above) and Veronica (below)*



SDHC – Project-Based Housing Vouchers Competitive Process

- PBVs are awarded through a competitive process – SDHC’s Capital Funds and Vouchers Notice of Funding Availability (NOFA)
 - Affordable or Permanent Supportive Housing PBVs
 - Must pass two-phase review under NOFA criteria/panel. Requirements include, but not limited to:
 - Demonstrated experience administering vouchers and/or affordable housing
 - Demonstrates voucher need for specific population and funding sources do not create barriers to referral, selection or leasing plan
 - Voucher request in proportion to all units
 - Appropriate location, including proximity to transit, services and amenities
 - Supports SDHC's poverty deconcentration efforts
 - Comprehensive service plan and budget (as applicable)
 - Financial structure and resources support the project and voucher commitment term



SDHC – Project-Based Housing Vouchers Competitive Process (Continued)

- If Permanent Supportive Housing (PSH) PBVs, additional requirements include:
 - Population: Households experiencing homelessness
 - Housing First Principles
 - Supportive Services
 - Homeless Management Information System (HMIS)
 - Coordinated Entry System (CES)



*Keeler Court resident Todd
Veterans Affairs Supportive Housing (VASH) PBV*



SDHC – Project-Based Housing Vouchers Additional Requirements

- PBV award contingent on the developer/development abiding by the following:
 - Subsidy Layering Review
 - National Environmental Policy Act (NEPA) Clearance/Environmental Review
 - Prevailing wages/Davis Bacon (if nine or more vouchers are awarded)
 - Section 504
 - Section 3
 - Housing Quality Standards (HQS) Inspections
 - HUD PBV regulations
 - Title 24 Code of Federal Regulations (CFR) 943
 - Title 24 CFR 982
 - SDHC Section 8 Administrative Plan
 - Housing Assistance Payment (HAP) Contract terms



SDHC – Project-Based Housing Vouchers

Fiscal Year 2023 Notices of Funding Availability

	Permanent Supportive Housing NOFA	Affordable Housing NOFA
Funding Available	\$13,000,000	-
Funding Sources	HOME Funds City of San Diego Affordable Housing Fund	-
Vouchers Available	100	100
AMI	Capital Funds: Up to 60% Vouchers: Up to 80%	Up to 80%
Term	55-year affordability	-
	Residual Receipt Loans	-
Open Date	August 29, 2022	August 29, 2022
Closing Date	October 31, 2022	October 31, 2022



SDHC – Project-Based Housing Vouchers Real Estate Division Analysis

- Review for financial reasonableness
 - Pro forma
 - Sources and Uses of Funds
 - Development Budget
 - Estimated Operating Assumptions
 - Cash Flow Projections
 - Leverage
- Developer Capacity
 - Third-party review of project's financial gap needs and developer's capacity to complete the project based on financial status and history of projects completed to date.
 - Confirm developer is in good standing with prior SDHC loans and with Compliance Monitoring Unit.
- Determine environmental review required, and ensure all requirements have been met.



SDHC – Project-Based Housing Vouchers

Example: Saint Teresa of Calcutta Villa



- 403 affordable housing units
 - 270 units for people who experienced homelessness
- SDHC awarded 270 PBVs
 - 16 VASH PBVs
- SDHC awarded \$11.5 million loan
- SDHC authorized \$115 million Multifamily Housing Revenue Bonds



SDHC – Project-Based Housing Vouchers

Example: Tizon



Former hotel undergoing rehabilitation to create affordable rental housing units for seniors

- 175 affordable housing units for seniors
- SDHC awarded 44 PBVs to help pay rent for seniors with annual income at or below 40 percent of AMI, currently \$36,450 for an individual.
- SDHC awarded \$4.5 million loan
- SDHC authorized \$24.9 million Multifamily Housing Revenue Bonds



Questions & Comments

