

Glossary of Relevant Terms

1. **Affordable Housing** - housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.
2. **Bridge Housing** - provides an interim residence to participants while they work with housing navigators to become document ready and matched with appropriate permanent housing.
3. **Diversion/Prevention** programs divert persons who are at imminent risk of losing their housing from entering the homeless system.

Prevention programs offer assistance that leverages other income and provides support to keep clients at risk in their current housing situation or move them rapidly to alternate housing. The assistance is temporary and may be in the form of rental housing assistance, or [utilities arrears].

Diversion is a case management approach that focuses on helping clients utilize other housing options within their personal network rather than enter the shelter system. This generally involves mediation between friends or family to locate an alternate to entering the homeless system.

4. **Emergency Shelters** are temporary shelter and services designed to facilitate homeless individuals and families transition from the streets to appropriate housing. Emergency Shelter is provided free of charge for a maximum of ninety (90) days per client. On a case-by-case basis, clients may remain for a period longer than ninety days if they require a longer period to accomplish a specific goal. Funding may be discontinued if more than 25% of the clients remain in the project longer than 90 days.

The shelters are typically in a dormitory style with communal bathrooms and beds are assigned on a first come, first served basis; however, many clients use the same shelter frequently and may have a "regular" bed. Shelters funded by the Los Angeles Homeless Services Authority may use a 14-hour (clients must leave shelter each day) or 24-hour model and provide two or more meals. Beds, sheets, and blankets are provided, and bathroom facilities are available.

5. **Functional Zero Homelessness** is achieved when the resources available to house and provide services to the homeless exceeds the need of the population requiring those services. Achieving functional zero would not mean there are no homeless on the street, but that they are housed within a short period of time (ie within 30 days).
6. **Housing First** is an approach that offers permanent housing as quickly as possible for people experiencing homelessness, particularly for people with long histories of homelessness and co-occurring health challenges, while providing the supportive services people need to keep their housing and avoid returning to homelessness.

Income, sobriety and/or participation in treatment or other services are voluntary and are not required as a condition for housing. The guiding philosophy of the Housing First approach is that housing provides people with a foundation from which they can pursue other goals. Tenants are assisted in developing or improving skills for independent living while they live in permanent housing instead of requiring them to complete a transitional residential program first.

7. **Permanent Supportive Housing (PSH)** is housing with indefinite rental assistance and supportive services to assist homeless persons with a disability achieve housing stability. Use of services by PSH tenants is purely voluntary and a tenant may not be evicted for lack of use of

such services. Tenants must have a written lease which can only be terminated for cause. Tenants pay a portion of the monthly rent based on their income.

- Homeless individuals may live in converted hotels or Single Room Occupancy (SRO) units (one unit/bed) with kitchenettes, or in houses with individual bedrooms and shared kitchen facilities.
 - Family housing is dependent on family size and is usually one or two bedroom apartments.
 - The [SRO units or apartments can be scattered site (in the community) in a building dedicated to homeless persons or mixed buildings housing multiple income levels, or project based congregate housing.]
- 8. Rapid Re-Housing (RRH)** connects homeless individuals and families [from emergency shelters or the streets] to permanent housing through the provision of time-limited financial assistance and targeted supportive services. Component services and assistance generally consist of short-term and medium-term rental assistance, [rental arrears], rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. Living arrangements are typically SRO units, non-SRO apartments or project based permanent supportive housing.
- 9. Subsidized Housing** - government sponsored economic assistance program aimed towards alleviating housing costs and expenses for people in need with low to moderate incomes. Forms of subsidies include direct housing subsidies, non-profit housing, public housing, rent supplements and some forms of co-operative and private sector housing.
- 10. Transitional Housing (TH)** provides homeless individuals and families with the interim stability and support to successfully move into and maintain permanent housing. Transitional housing may be used to cover the costs of up to 24 months of housing with accompanying supportive services, but clients can be charged a portion of the rental cost up to 30 percent of adjusted gross income. Transitional housing can be facility based at the project site or community based in apartments (scattered site or transition in place models). The living arrangement is up to 24 months after which the client must move to another apartment or it may "transition in place" where the client remains in the unit and takes over the lease. Under the United States Department of Housing and Urban Development regulations, clients are still considered homeless, but they lose their chronically homeless status that affects their ability to move on to PSH or RRH.
- 11. Veterans Affairs Supportive Housing (VASH)** is a joint program administered the United States Departments of Veterans Affairs and Housing and Urban Development which allows veterans to receive housing choice voucher that offset the cost of housing for veterans and ensure no more than 30 percent of a VASH participant's income goes to housing.
- 12. Winter Shelter** - provides a place to stay or bed to sleep in overnight if you become homeless or otherwise experience a housing crisis and have no place to go. This is limited to winter months for 90 days, usually from November 1 to February 28/29 in the City and County of Los Angeles.



HACLA HOMELESS INITIATIVES SEPTEMBER 2015

The Housing Authority of the City of Los Angeles (HACLA) has committed permanent supportive housing (PSH) assistance to more than 16,600 households of formerly homeless and chronically homeless individuals and families through the following rental assistance subsidy programs:

Waiting List Limited Preference: Homeless Program

The goal of the program is to provide permanent affordable housing for homeless individuals and families while insuring them access to supportive services to maintain independent living. The Homeless Program's allocation of 4,111 housing choice vouchers, targets homeless individuals and families living in transitional housing, emergency shelters, and the streets. The HACLA currently works with 19 non-profit and public agency partners located throughout the City of Los Angeles.

Waiting List Limited Preference: Tenant-Based Supportive Housing Program

The Tenant Based Supportive Housing program (TBSH) provides affordable, permanent, supportive housing for high-service-need chronically homeless individuals and families by providing rental subsidies and supportive services through the collaborative effort of the Authority and local service providers. The intensive supportive services enable chronically homeless individuals and families to stabilize their living conditions and remain successfully housed for the length of time that they are on the program. The TBSH program currently has 800 housing choice vouchers. The HACLA currently works with nine non-profit and public agency partners located throughout the community.

Permanent Supportive Housing Project-Based Voucher Program

The Permanent Supportive Housing (PSH) Project-Based Voucher (PBV) Program provides long term rental subsidy contracts that facilitate development of housing for homeless and chronically individuals and families, targeting a variety of special needs populations. Under federal regulations, a public housing authority may choose to provide Section 8 PBV rental assistance for up to 20% of its units under the Housing Choice Voucher Program (HCVP). Initial rents in PBV properties are set at the Section 8 Existing Fair Market Rents (FMRs) or Voucher Payment Standard (VPS), whichever is higher.

The Housing Authority selects projects for PBV through a competitive Notice of Funding Availability (NOFA) issued jointly with the Los Angeles Housing Department and the Los Angeles County Health Departments as the Permanent Supportive Housing Program (PSHP). Upon Housing Authority project award and HUD approval, the HACLA executes an Agreement to enter into a Housing Assistance Payments (AHAP) Contract with the developer. When the project is ready for occupancy, a 15 year HAP Contract for rental subsidy is executed. The Housing Authority currently has 54 PSHP PBV projects online or in development, consisting of 2,533 units.

HUD-VASH Program

VASH stands for Veterans Affairs (VA) Supported Housing. The HUD-VASH Program is a partnership that was developed by the VA with the Department of Housing and Urban Development (HUD) to provide permanent housing and supportive services to homeless and chronically homeless veterans. The program partners the Housing Authority of the City of Los Angeles and the Los Angeles Veterans Affairs Medical Center (VAMC). The HUD-VASH goal is to combine Section 8

rental assistance vouchers with case management and clinical services provided by the VA at its medical centers to enable homeless and chronically homeless veterans and their families to re-integrate in the community, remain in stable housing, and lead healthy, productive lives. HACLA has been allocated 3,669 HUD-VASH vouchers since 2008.

Waiting List Limited Preference: Homeless Veterans Initiative

S8 increased the Waiting List Limited Preference for Homeless by 500 vouchers to support the Homeless Veterans Initiative which will target homeless veterans who are not VA healthcare eligible, a population currently not being assisted. HACLA's non-profit and public agency partners will provide supportive services which will enable the veterans to maintain independent living and remain successfully housed. These vouchers will help to meet the Mayor's goal of housing all homeless veterans by the end of this year.

Shelter Plus Care (Continuum of Care Rental Assistance) Program

The Shelter Plus Care Program was created under the McKinney Homeless Assistance Act and is designed to promote permanent housing with supportive service to persons with disabilities coming from the streets and emergency shelters. Shelter Plus Care grants require a supportive services match and leverage equal to, or greater than, the amount of rental assistance funded by HUD. HUD selects projects for Shelter Plus Care funding in a national Continuum of Care (CoC) competition based on regional and national homeless assistance goals. The Housing Authority chooses projects to include in an application to HUD through a Request For Proposals (RFP) process coordinated with the Los Angeles Homeless Services Authority (LAHSA). Selected applicants receive one-year rental assistance grants on behalf of homeless tenants. The grants provide for a variety of rental housing components: Tenant-Based (TRA), Sponsor-Based (SRA) and Project-Based (PBA). To be eligible for the program, a person must be homeless or chronically homeless with a mental illness, substance abuse or HIV/AIDS issue, and must be referred by the community-based organization that provides the required supportive services.

In January 2015, HACLA was awarded almost \$13 million from the 2014 CoC completion. The award from HUD will provide funding for 747 chronically homeless individuals and families, including veterans. The award also included 547 units for the Permanent Supportive Housing component of the competition and was the largest award in that category in the country. The HACLA has participated in the Shelter Plus Care program since 1992 and has a current allocation of 3,932 units.

Moderate Rehabilitation Single Room Occupancy (SRO) Program

The Moderate Rehabilitation Single Room Occupancy (SRO) Program was created under the Stewart B. McKinney Homeless Assistance Act of 1987. The Section 8 rental assistance provided under this program is designed to bring more SRO units into the local housing supply to assist homeless persons into permanent housing. HUD's strategy is to convert existing housing, a rundown hotel, or even an abandoned building into safe and decent housing. HUD selects applicants for Moderate Rehabilitation SRO funding in the national CoC competition based on regional and national homeless assistance goals. The HACLA first chooses projects to include in an application to HUD through a Request for Proposal (RFP) process in coordination with LAHSA. Selected SRO projects (owners) receive rental assistance on behalf of a homeless tenant for ten years. The rental subsidy in the Moderate Rehabilitation SRO Program is attached to the building or unit as Project-Based rental

assistance. The HACLA currently has an allocation of 1,107 SRO Moderate Rehabilitation units with four non-profit developers.

HACLA HOMELESS INITIATIVE TOTALS

Program	Allocation
Homeless Program	4,111
Tenant Based Supportive Housing Program	800
Permanent Supportive Housing PBV Program	2,533
Homeless Veterans Initiative	500
HUD-VASH Program	3,669
Shelter Plus Care Program	3,932
Moderate Rehabilitation SRO Program	1,107
TOTAL	16,652

Moving On Program

HACLA has made it possible for formerly homeless residents in the Shelter Plus Care program who have stabilized their lives and no longer need the level of supportive services provided by that program to transfer to the Housing Choice Voucher program and move on with their lives. This provides people with maximum independence and mobility, and frees the highest-impact, highest-service provision units for chronically homeless individuals who need them. This innovative program has assisted more than 400 formerly chronically homeless individuals to reintegrate into the community.

Home For Good

HACLA is a leader in Home For Good, L.A.'s plan to end veteran and chronic homelessness. The Home For Good Funders Collaborative aligns public and private, City and County resources in a seamless NOFA process that supports shared goals, timing of grants and a continuum of funding to extend the reach of all partners working to end homelessness. HACLA has aligned vouchers from the Tenant Based Supportive Housing program, Permanent Supportive Housing PBV program, Homeless Veterans Initiative and Moving On program with the Funders Collaborative. The Home For Good Coordinated Entry System (CES) focuses outreach and housing navigation assistance on LA's most vulnerable homeless, matching them for prioritized access to available PSH units. The Home For Good Standards of Excellence are a community-driven set of standards and best practices that have been adopted to enrich the provision of supportive services and outreach for the homeless. HACLA performs a valued leadership role in each of these core Home For Good initiatives.

Potential Revenue Glossary

1. **Assessed Valuation:** The valuation for real estate and certain personal property in the City is determined by the County Assessor as a basis for levying property taxes.
2. **Business (Gross Receipts) Tax:** The tax rate is based on taxpayer classification and varies from \$1.01 per \$1,000 (0.101 percent) to \$4.75 per \$1,000 (0.475 percent) of gross receipts for the 2016 tax period. Two more reductions to the highest tax rate are approved for the 2017 and 2018 tax periods, reducing annual revenue by approximately \$16.1 million and \$16.5 million, respectively.
3. **Documentary Transfer Tax:** A tax imposed on all real property sales within the City. The tax is \$2.25 per each \$500 of the sale of real property sold within the City (0.45 percent).
4. **General Tax:** General taxes include property, sales, business, utility users and parking occupancy taxes that, combined with various City fees, constitute General Fund revenue. Use of general tax revenue is unrestricted.
5. **General Obligation (G.O.) Bond:** A G.O. bond is backed by the full faith, credit, and taxing power of the City, and is paid from an ad valorem levy on property.
6. **Oil Production Tax:** The proposed tax would require oil producers to pay a tax per barrel of oil extracted from land located in the City. The tax is assessed by other cities within Los Angeles County.
7. **Parking Occupancy Tax:** The 10 percent tax on parking rates is collected from customers and remitted to City by parking lot operators.
8. **Property Tax:** Under Proposition 13, properties are valued and assessed at one percent of the market value, with the addition of ad valorem property taxes and direct levies. Annual tax increases of assessed value are restricted to growth of inflation and may not exceed 2 percent per year. The City and other overlaying local jurisdictions are entitled to their pro rata share of the County collection per formula.
9. **Property Tax – Ad Valorem:** Ad valorem tax measures are restricted to the financing of infrastructure projects through general obligation (G.O.) bonds and may not be used to finance operating expenses, such as salary or administrative costs. The tax rate that is applied to the assessed value, which is adjusted annually to generate sufficient revenue to pay G.O. bond costs. A new ad valorem tax measure will require the approval of two-thirds of City voters.
10. **Property Tax – Direct Levies:** Direct levies are calculated according to methodologies other than assessed value, such as parcel size or cost of service. A *parcel tax* may be used to fund a variety of local government services, including operating costs such as salaries or administrative expenses. A parcel tax is typically set at a fixed amount per parcel, per room or per square foot, and revenue is restricted to the program for which the tax was approved. A new parcel tax measure will require the approval of two-thirds of City voters. An *assessment* is based on the cost of service and, with the passage of Proposition 218, may only fund improvements that benefit real property (e.g. street lighting). An assessment cannot be levied for facilities or services that provide general public benefits, such as schools, libraries, and public safety, even though these programs may increase the value of property. An assessment must be approved by a majority of property owners, with votes weighted according to the amount of assessment.

- 11. Residential Development Fee/Dwelling Unit Construction Tax:** The fee is \$300 tax imposed on each new dwelling unit constructed within the City with revenue deposited in the General Fund. Similarly, the dwelling unit construction tax is a \$200 fee deposited in the Parks and Recreation Sites and Facilities Fund.
- 12. Sales Tax:** The sales tax is a tax on retail sale or consumption of tangible personal property. The statewide tax rate is 7.5 percent, and an additional 1.5 percent is collected in Los Angeles County for a total rate of 9 percent. State law currently allows local jurisdictions to assess up to a total of 2 percent in local sales transaction taxes. Currently, two Los Angeles County transportation initiatives-Propositions A and C account for 1 percent. (Measure R was excluded from the 2 percent cap.) The City has the ability to increase the local sales transaction tax by another 1 percent, raising the total sales tax rate to 10 percent in the City. Voter approval for a general tax measure would require approval of 50 percent of voters plus one. Voter approval for a special tax measure would require approval of two-thirds of voters.
- 13. Special Tax:** Tax receipts that are legally restricted to expenditures for specified purposes.
- 14. Transient Occupancy Tax:** The transient occupancy tax is a 14 percent tax (13 percent general fund revenue and 1 percent special fund) levied on the rent of hotel or motel rooms. The tax is collected from transient occupants (individuals who occupies space for 30 days or less) and remitted to the City by hotel or motel operators. Currently, owners/occupants of private residences who are hosting guests via short-term rentals may not be remitting this tax.
- 15. Utility Users' Taxes:** The use tax is imposed as a percentage of utility charges made for the use of natural gas, electricity, and communication (a.k.a. telephone) services. Rates natural gas and residential electricity, commercial and industrial electricity, and communication services are 10 percent, 12.5 percent and 9 percent, respectively.