

LONG BEACH HOUSING AUTHORITY

June 15, 2021 Presentation To The Long Beach City Council

BRIEF BACKGROUND ABOUT THE
LONG BEACH HOUSING
AUTHORITY

PROPERTIES OWNED BY THE HOUSING AUTHORITY

- Channel Park Homes
 - 108 units in the complex
 - 500 residents
 - Purchased by the Long Beach Housing Authority in 1971
- 415 National Boulevard
 - 66 units in the 6 story building
 - 69 residents
 - Senior housing
 - Purchased by the Long Beach Housing Authority in 1973

PROPERTIES OWNED BY THE HOUSING AUTHORITY

- 35 East Broadway
 - 66 units in the 6 story building
 - 69 residents
 - Senior building
 - Purchased by the Long Beach Housing Authority in 1972
- 175 West Broadway
 - 66 units in the 6 story building
 - 70 residents
 - Senior building
 - Purchased by the Long Beach Housing Authority in 1973

PROPERTIES OWNED BY THE HOUSING AUTHORITY

- 225 West Park Avenue
 - 72 units in the 5 story building
 - 80 residents
 - Senior building
 - Purchased by the Long Beach Housing Authority in 1979

NUMBER OF UNITS AND NUMBER OF RESIDENTS

- The Housing Authority administers 266 senior units;
 - 108 Public Housing Channel Park Homes
 - 389 Section 8 vouchers
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- The Housing Authority has approximately 788 residents

LONG BEACH HOUSING AUTHORITY BOARD MEMBERS

- The Long Beach Housing Authority is governed by a Board of Commissioners that consist of seven (7) members
- Five (5) Board members are selected by the City Manager
- Two (2) Board members are elected by the residents of the Housing Authority – one representing Channel Park Homes and one representing the Senior Buildings

WHAT IS REPOSITIONING AND
HOW WILL IT AFFECT THE
RESIDENTS

DIFFERENT REPOSITIONING PROGRAMS

- R.A.D. – Rental Assistance Demonstration
- Section 18
- Streamlined Voluntary Conversion

WHAT DOES REPOSITIONING MEAN?

Unit is taken out of the federal public housing inventory and converted from public housing Section 9 to Section 8.

WHAT DOES REPOSITIONING MEAN?

- Repositioning by the Long Beach Housing Authority would convert the affordable housing units to a project-based Section 8 program, providing an opportunity to obtain the necessary financing to improve the units and improve the buildings that will ultimately improve the standard of living for the residents of the Long Beach Housing Authority
- Repositioning would permit the Housing Authority to leverage public and private debt and equity in order to reinvest in the Authority's property
- Repositioning raises the reimbursement rates from HUD to increase the Authority's income enabling the Authority to perform necessary repairs

HOW DOES A REPOSITIONING AFFECT THE RESIDENTS

- The tenants will not pay any additional money because of the conversion
- Tenant rent will be based **SOLELY** upon gross income earned by the tenant and family living in the rental unit
- Tenant rent will remain at thirty percent (30%) of income
- Even though the cost to the tenant will not increase, the residential units will be improved, including improvements to long-delayed repairs and renovations within the units and in the buildings because the Housing Authority will be able to receive a higher reimbursement rate from HUD and obtain financing for long-term, expensive projects

WHAT HAPPENS IF THERE IS A VACANCY AFTER REPOSITIONING

- If a tenant moves out of a residential unit, the replacement tenant **MUST** qualify for affordable housing under the New York State and HUD guidelines
- The Housing Authority will continue to be an affordable housing agency
- Any new tenant will be selected off of the Authority's wait list that has been established for years
- The Senior Buildings will continue to be for seniors only who qualify based upon income and assets
- Channel Park Homes will continue to be for single individuals and families who qualify based upon income and assets

WHAT IS THE CURRENT LEGAL
RELATIONSHIP BETWEEN THE CITY
OF LONG BEACH AND THE LONG
BEACH HOUSING AUTHORITY

LONG BEACH HOUSING AUTHORITY DOES NOT PAY PROPERTY TAXES

- N.Y. Public Housing Law Section 52.3. exempts a Housing Authority from local and municipal taxes
- As a result of this statute, the Long Beach Housing Authority does not pay real property taxes on its property to Nassau County or the City of Long Beach

COOPERATION AGREEMENT

- There is a 1965 Cooperation Agreement between the City of Long Beach and the Long Beach Housing Authority that requires the Long Beach Housing Authority to pay annual payments in lieu of taxes (“PILOT”) to the City of Long Beach in the amount of ten percent (10%) of the rent roll
- Under federal law, the Housing Authority deducts the cost of providing to the residents electricity, gas, heat and other utilities from the rent roll to determine the proper payment to be made to the City of Long Beach (“Adjusted Rent Roll”)
- In 2020, the Long Beach Housing Authority paid approximately \$100,000 to the City of Long Beach

HOUSING AUTHORITY PAYS FOR SANITATION SERVICES FOR 225 WEST PARK AVENUE

- In addition to the PILOT, the Long Beach Housing Authority pays to the City of Long Beach for sanitation services for 225 West Park Avenue
- The agreement to pay for sanitation services resulted from an agreement between the City and the Housing Authority as part of the Housing Authority's agreement to rehabilitate 225 West Park Avenue in the 1980s
- There is no formal agreement between the City and the Authority regarding the payment of sanitation services

WHAT THE HOUSING AUTHORITY IS ASKING FOR FROM THE CITY OF LONG BEACH

- As part of the repositioning, the Long Beach Housing Authority wants to formalize and memorialize the agreement between the City of Long Beach and the Long Beach Housing Authority
- Under federal law (42 U.S.C. Section 1437d(d)), the maximum amount the Housing Authority can pay in a PILOT to the City of Long Beach is ten percent (10%) of the Adjusted Rent Roll
- The Housing Authority wants to memorialize the obligation to pay for sanitation services for 225 West Park Avenue

THANK YOU FOR GIVING US THE
OPPORTUNITY TO PROVIDE THE CITY
COUNCIL WITH AN UPDATE ON THE
LONG BEACH HOUSING AUTHORITY

QUESTIONS AND COMMENTS