

Agenda Report

April 14, 2025

TO: Honorable Mayor and City Council
FROM: Department of Housing
SUBJECT: PUBLIC HEARING: SUBMITTAL OF PUBLIC HOUSING AGENCY FIVE-YEAR PLAN (2025-2030) AND ANNUAL PLAN (2025) TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RECOMMENDATION:

It is recommended that the City Council and the Successor Agency to the Pasadena Community Development Commission, after a public hearing:

- 1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines per 15061 (b)(3), the "common sense" provision that CEQA only applies to projects that may have a significant effect on the environment; and
- 2) Approve the City's Public Housing Agency Five-Year Plan (2025-2030) and Annual Plan (2025), as attached to this report, and authorize the City Manager to execute any and all documents regarding its submittal to the U.S. Department of Housing and Urban Development.

BACKGROUND:

The U.S. Department of Housing and Urban Development ("HUD") requires that the City submit the Public Housing Agency Plan ("PHA Plan"), consisting of the Five-Year Plan and the Annual Plan, in order to receive funding for the continued operation of the City's federally funded Housing Choice Voucher ("HCV") Program. The HCV Program, commonly known as Section 8, has a current budget totaling \$20.5 million, which provides rental assistance to eligible very low-income households in the City and administrative funds to operate the program. The Annual Plan portion of the PHA Plan is submitted each year in April. The Five-Year Plan is submitted every fifth year prior to the beginning of the next five-year period. The last Five-Year Plan covered the years 2020-2025, so a new Five-Year Plan is due this year, covering 2025-2030.

The PHA Five-Year Plan (2025-2030) and Annual Plan (2025) provides information about the agency's rental assistance programs and services, its goals and objectives for the covered five-year period, and annual progress on goals and objectives set in the prior five-year plan. The PHA Plan consists of a HUD template and required attachments, and is not intended to be a broader plan to address housing issues.

The Annual Plan (2025) describes the City's progress on goals that were set in the Five-Year Plan (2020-2025), as well as any significant amendments or modifications to policies or procedures for the HCV program.

The HCV program administered by the City of Pasadena Housing Department ("CoPHD", the name used by HUD to identify the City's public housing agency) provides housing assistance to approximately 1,400 very low and low-income households. This represents assistance for approximately two and a half percent (2.5%) of the households residing within the City of Pasadena. For the current fiscal year 2025, the total federal appropriation for the HCV Program is approximately \$20.5 million.

FIVE YEAR PLAN OVERVIEW:

The Five-Year Plan (2025-2030) sets goals and objectives on which the CoPHD will report for the next five years in the Annual Plan. The objectives set for this five-year period are modest given the expected federal funding environment. These goals and objectives focus on protecting existing funding and on education about fair housing requirements, laws, and regulations. Objectives can be updated in a future Annual Plan should circumstances change or an unforeseen opportunity arise.

Some highlighted goals and objectives are:

GOALS:	OBJECTIVES:
Improve the availability of safe, decent, and affordable housing.	<ul style="list-style-type: none">• Strengthen outreach to the landlord community to increase awareness of the benefits and fair housing requirements to participate in rental assistance programs.• Increase the availability of rental vouchers by keeping abreast of funding opportunities and applying for new or special needs vouchers when available, and by working collaboratively with social service agencies and community-based organizations.• Protect the existing allocation of project-based and tenant-based vouchers by ensuring compliance with funding requirements and utilizing funding allocations.

<p>Promote fair housing and equal opportunity.</p>	<ul style="list-style-type: none"> • Provide training and information to property owners, program participants, and applicants about rights and requirements as set forth in local, state, and federal fair housing laws. • Ensure staff is up to date on changes to rental housing laws that impact access to housing for voucher holders.
<p>Ensure effective operations and program management.</p>	<ul style="list-style-type: none"> • Maintain Section 8 Management Assessment Program (SEMAP-Section 8 report card) High Performer status. • Utilize technology and best practices to improve program access.

A draft copy of the Five-Year Plan (2025-2030) is included as Attachment A.

ANNUAL PLAN OVERVIEW:

The Annual Plan (2025) describes the progress made on the goals and objectives set in the current Five-Year Plan (2020-2025). The table below summarizes progress on goals and selected objectives include the following:

GOALS:	OBJECTIVES:	PROGRESS:
<p>Improve the availability of safe, decent, and affordable housing.</p>	<p>Strengthen outreach to the landlord community.</p> <p>Increase the availability of rental vouchers by applying for special needs vouchers when available.</p>	<p>During the five-year period covered by the Five-Year Plan (2020-2025), 181 very low-income households experiencing homelessness were assisted to move into permanent housing using landlord incentive and security deposit funding.</p> <p>The CoPHD applied for five FYI vouchers in FY25 and these vouchers were awarded. We have received four referrals from the DCFS to date and three vouchers have been issued to eligible former foster youth.</p>
<p>Promote fair housing and equal opportunity.</p>	<p>Provide training to employees, owners, and</p>	<p>The CoPHD staff attended HUD-provided Fair Housing training. Annual</p>

	residents through workshops and mailers.	trainings for program participants and property owners are scheduled for April 2025.
Ensure effective operations and program management.	Utilize technology to improve program access.	The CoPHD began converting paper client files to digital, and are about 25% complete.

A draft copy of the Annual Plan 2025 is included as Attachment B. Section D of the Annual Plan 2025 does not contain any data because it is not required yet. It is a new section as of the Annual Plan 2022 reporting format and will be used to document strategies and actions to meet the goals outlined in the PHAs’ Assessment of Fair Housing (AFH). However, HUD has not yet provided guidance on the development of an AFH and has not required its submittal. Thus, the CoPHD is not required to complete this section.

COUNCIL POLICY CONSIDERATION:

The Five-Year Plan (2025-2030) and Annual Plan (2025) advances Policy HE-3.6 in the City's Housing Element (2021-2029), which calls for the City to “support the provision of rental assistance for residents earning lower incomes, including persons with special needs consistent with City preference and priority categories and fair housing law.”

The Five-Year Plan (2025-2030) and Annual Plan (2025) is also in agreement with the following City-approved program plans and documents:

- Five-Year Consolidated Plan (2020-2024)
- Rental Assistance Program Policies & Procedures

PUBLIC REVIEW AND COMMENTS:

The Five-Year Plan (2025-2030) and Annual Plan (2025) was reviewed by the Resident Advisory Board (RAB) at its meeting of April 2, 2025. The RAB, which is comprised of Section 8 HCV Program participants, recommended that the Five-Year Plan (2025-2030) and Annual Plan (2025) be approved by the City Council.

Copies of the Five-Year Plan (2025-2030) and Annual Plan (2025) have been made available to the general public on the Housing Department website for a public review and comment period beginning March 1, 2025 through the present, as required by HUD. Public notices of the City public hearing were posted on the Housing Department website on March 1, 2025, and published in the Pasadena Journal on March 27, 2025.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the “common sense” provision of CEQA which applies to activities which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The submittal of the Public Housing Agency Annual Plan to HUD will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

Submission of the Five-Year Plan (2025-2030) and Annual Plan (2025) will have no direct fiscal impact on the General Fund. Its submission will ensure compliance with HUD-stipulated regulations for the City's receipt of federal funds in excess of \$20.5 million to administer and provide HCV rental subsidies.

Respectfully submitted,



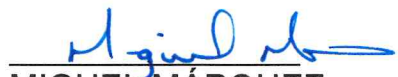
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Prepared by:



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Approved by:



MIGUEL MÁRQUEZ
City Manager

ATTACHMENT A: Draft Five-Year Plan (2025-2030)

ATTACHMENT B: Draft PHA Annual Plan (2025)