

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: December 6, 2016



**Contra
Costa
County**

Subject: PUBLIC HOUSING AGENCY ANNUAL PLAN FOR FISCAL YEAR 2018

RECOMMENDATIONS

OPEN the public hearing on the Housing Authority's Annual Plan for fiscal year 2018, RECEIVE testimony, and CLOSE the public hearing.

ADOPT Resolution No. 5203 titled the "PHA Certification of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan" approving the Public Housing Agency (PHA) Annual Plan for fiscal year 2018, including revisions to the Admissions and Continued Occupancy Plan and the Section 8 Administrative Plan.

BACKGROUND

Any local, regional or state agency that receives funds to operate a federal public housing or housing choice voucher (Section 8) program must submit a Public Housing Agency (PHA) Plan. The PHA Plan is a template that outlines public housing agency policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the Five-Year Plan, which each PHA submits to the U.S. Department of Housing and Urban Development (HUD) once every fifth PHA fiscal year, and the Annual Plan, which is submitted to HUD every year.

Action of Board On: **12/06/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 6, 2016

Contact:
925-957-8028

Joseph Villarreal, Executive Director

By: , Deputy

cc:

The Five-Year Plan describes the agency's mission and the long-term goals for achieving that mission over the subsequent five years. The Annual Plan provides details about the PHA's current programs and the resident population served, as well as the PHA's strategy for addressing the housing needs of currently assisted families and

BACKGROUND (CONT'D)

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the larger community. The Annual Plan also serves as the PHA's yearly request for grants to support improvements to public housing buildings (through the Capital Fund Program).

As required by HUD, Housing Authority (HACCC) staff provided public notice of this hearing in the Contra Costa Times on October 8 and 10, 2016. Staff met with the agency's Resident Advisory Board (RAB) on October 5, 2016, October 12, 2016, November 21, 2016, and November 29, 2016 to discuss the proposed Plan. The RAB approved the proposed changes to the Annual Plan.

The following sections discuss the major changes proposed by staff to the Annual Plan, its elements and to HACCC's policies.

Public Housing

The changes proposed to HACCC's Admissions and Continued Occupancy Plan are as follows:

- All VAWA references will be modified to include the addition of "sexual assault" and "affiliated individual" where required pursuant to VAWA 2013
- All references to a disabled person will be modified to read person with a disability.
- All references to race, color, creed, religion, sex, national origin, age, disability, familial status or sexual orientation will be modified to include the addition of gender identity or sexual orientation.
- Public Housing properties being converted to Project Based Rental Assistance (PBRA) under the Rental Demonstration (RAD) program will follow the HUD Multi-family Housing program rules and guidance provided in Occupancy Requirements of Subsidized Multifamily Housing Programs (4350.3).
- The income disallowance applies for a straight 24 month period with a clear start and end date, regardless of whether a family maintains continual employment during the 24-month period. A tenant can only use the earned income disallowance benefit once in his or her lifetime.
- EID is portable. If the tenant leaves housing where rent is subsidized by an EID-covered program and moves to other housing where rent is also subsidized by an EID-covered program, the benefit continues to be available to the tenant with the same rules applying as if the tenant remained in their original housing.
- HACCC has set its flat rents to 90% of the applicable FMR.
- Changed screening language to read: Is subject to screening for suitability and

criminal activity as set forth in §2.14 and §2.15 of this ACOP;

- Revised language about when Flat Rents must be documented and when HACCC can opt to re-examine resident's income.
- Added the following language: **Hearing Officer:** A person selected in accordance with 24 CFR §966.53 and this Section to hear grievances and render decisions with respect thereto.
- Changed language to read: Any violent criminal activity or drug-related criminal activity on or off HACCC premises as defined and incorporated in the Lease; or
- Modified language to read: Complainant, using the Formal Hearing Notice form, of the date and time of the hearing. Such notice shall also explain the procedure to be used during the grievance hearing.
- Removed the CFR reference on when a family fails to request an informal hearing
- Revised transfer policy to allow for reimbursement of moving expenses for families forced to move from their unit to make an accessible unit available to a disabled family
- Modified language regarding when a hearing must be scheduled and clarified that written notification must be give about the time, place and procedures governing the hearing
- Removed the reference to a Hearing Panel from the following language: The hearing officer(s) may render a decision without proceeding with the hearing if they determine that the issue has been previously decided in another proceeding.
- Modified the language regarding who must attend a hearing: The hearing shall be attended by the resident, a representative of HACCC, the hearing officer(s) and any witnesses.
- Added the following language: If any of the above persons fail to appear at the scheduled hearing, the hearing officer(s) may postpone the hearing for no more than five business days or make a determination that the party's request for relief should be denied.
- Changed record retention language to read: HACCC shall retain a copy of the decision in the Complainant's folder. HACCC shall maintain a log of all hearing officer decisions and make that log available upon request of the hearing officer, prospective Complainants, or a prospective Complainant's representative.
- The decision of the hearing officer(s) shall be enforced unless within 30 business days of said decision the HACCC Board of Commissioners determines that:
- HACCC will notify the complainant of any such determination.
- Modified the hearing decision language to read as follows: A decision by the

hearing officer(s) or Board of Commissioners which denies the relief requested by the Complainant in whole or in part shall not limit in any way the Complainant's legal rights in any subsequent court proceeding or judicial review.

- Added the following language: The formal review will be heard by the Hearing Officer(s), who are appointed by the Executive Director or designee in accordance with the ACOP.
- Revised the transfer priority order to reflect the renewed priority of RAD and Demo/Dispo-related development activity.
- Added RAD and Section 18 Demo/Dispo-related development activity to the list of authorized reasons to transfer from public housing units.
- Added language indicating that for RAD and Section 18 Demo/Dispo-related transfers only HACCC shall consider other Public Housing units and/or Housing Choice Vouchers for relocation of the families.
- Added clarifying language that RAD and Section 18 Demo/Dispo-related transfers will not be limited to only one transfer

Capital Fund

The Capital Fund program provides PHAs with annual funding from HUD for public housing development, financing and modernization as well as for management improvements and security costs. Capital fund dollars cannot be used for luxury improvements, direct social services, costs funded by other HUD programs or any other ineligible activities as determined by HUD on a case-by-case basis. PHAs must report annually on how they plan to use outstanding capital funds as part of the PHA Plan process.

The proposed PHA Plan shows ongoing and planned capital fund activity. The following projects have been drafted for HACCC's Federal Fiscal Year (FFY) 2015, 2016, and 2017 capital funding in the proposed PHA Plan:

- \$1,441,000 for relocation costs during the RAD disposition of Las Deltas in North Richmond.
- \$414,000 for non-routine maintenance repairs (ordinary maintenance items such as window and flooring replacement or electrical repair where the scale of damage is beyond the scope of day-to-day maintenance) at various properties.
- \$391,000 for site improvements to all properties, including ADA and landscape modernization.
- \$214,000 for unscheduled and emergency unit modernization and site improvements at various properties.
- \$120,000 for roof replacement at Vista del Camino in San Pablo.

- \$97,000 for phased unit exterior modernization at Kidd Manor in San Pablo.
- \$90,000 for office, networking and computer equipment for on-site management offices at various properties.
- \$81,000 for phased interior modernization at Hacienda in Martinez.
- \$75,000 for phased unit exterior modernization at Casa de Mañana in Oakley.
- \$59,000 for new appliances at various properties.
- \$50,000 for phased interior modernization at Elder Winds in Antioch.
- \$25,000 for metal roofing repairs at Casa de Serena in Bay Point.
- \$20,000 for construction and rehabilitation of on-site management offices at various properties.

Housing Choice Voucher

The Administrative Plan will be updated as follows:

- Refined the definition of a reasonable accommodation - it is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to the HCV program.
- Clarified that for families requiring a higher payment standard, HACCC can make reasonable accommodations to the FMR for a disabled person/family up to 120 % of the Fair Market Rent.
- Revised Wait List process to reflect that the wait list will open every 24 months and purged after 24 months so that a new wait list can be created.
- Clarified that for families requiring a higher utility allowance, HACCC can make a reasonable accommodation to the Utility Allowance for a disabled person/family to use the actual size of the family's unit rather than the family's voucher size.
- Removed the reference to "common law" marriage as an example of a marriage partner.
- Clarified language about when a child under 6 years of age must document and disclose their SSN - within 90 days of the effective date of the initial HAP contract.
- Removed the reference to "arrests" as a reason for denying an applicant assistance. Language refers only to convictions but can use arrests to investigate whether applicant or participant engage in criminal activity.
- Modified the language regarding the admission preference of formerly homeless families working with designated homeless providers throughout the County of Contra Costa to permit up to 50 households to be assisted as a set aside.
- Added language to clarify how a Residency Preference on the waiting list can be verified
- Revised the language to reflect HUD's new policy on the Earned Income Disregard (EID). Now permits that 100% of earned income be disregarded for first 12 months and 50% of earned income be disregarded for second 12 months. New regulations limit the lifetime use of EID to a 24 month period.
- Revised language to state that college tuition and fees are defined in the same

manner in which the Department of Education defines tuition and fees.

- Clarified that staff must only make copies of original documents when completing a family's certification. If the original document is not available, then staff can use secondary verification to authenticate a copy.
- For families with fixed income sources, inserted language that HACCC shall be using the cost of living adjustment or current rate of interest to the previously verified or adjusted income amount to determine the new amount. Fixed income sources include SSA, SSI, SDI, Federal, state, local, or private pension plans; annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or any other source of income subject to adjustment by a verifiable COLA or current rate of interest. However, every 3 years, 3rd party verification is required.
- Assets under \$5,000 can be self-certified by the family. However every third year , third party verifications are required.
- Added clarifying language that HACCC shall not charge owners for HQS inspections and will not use alternative inspection standards.
- Revised language regarding when rent reasonableness is required to state: whenever there is a 10% reduction in the published FMR in effect 60 days before the contract anniversary. This is an increase from the previous amount of 5 %.
- Added language to the plan regarding the regulations governing Enhanced Vouchers which permit the payment standard for a unit in a property where the owner is opting out of the HUD Multi-Family Subsidy Program to be the new increased rent the owner has requested of the family. This permits the family to remain housed in their existing unit without any financial hardship.
- Clarified that when the FMR changes, it will be effective 60 days after the effective date of the new HUD FMR publication by HUD. For FMRs that results in Payment Standards that are outside the HUD permitted range, adjustments will be made to the payment standard within 60 days of the FMR effective date for all New Contracts. For all other transactions, the pre-adjusted higher Payment Standard will remain in place as long as the family continues to live in the same unit.
- Clarified the language regarding utility allowance schedules: Single Family Dwellings - no shared walls; Duplex/Townhouse/Row House - one or more shared walls; Apartments - 3 or more units in a building; and Manufactured Homes.

A complete copy of the proposed PHA Plan and attachments as well as the Administrative Plan and ACOP are available for review at HACCC's main office.

FISCAL IMPACT

No direct financial impact.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to approve the PHA Plan, HACCC will be out of compliance with HUD requirements and may not receive any funding via HUD's Capital Fund program until the PHA Plan has been submitted to, and approved by, HUD. HUD may also impose additional sanctions beyond the withholding of Capital Fund moneys.

CLERK'S ADDENDUM

By unanimous vote, the Board accepted additional material into the record: Letter from the National Housing Law Project and Bay Area Legal Aid, commenting on the Relocation Plan. Having received several communications about the Relocation Plan for the Las Deltas public housing site, the plan will be removed from today's consideration and brought back to the Board at a later date. CLOSED the public hearing; and ADOPTED Resolution No. 5203 titled the "PHA Certification of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan" approving the Public Housing Agency (PHA) Annual Plan for fiscal year 2018, including revisions to the Admissions and Continued Occupancy Plan and the Section 8 Administrative Plan.

ATTACHMENTS

HA Resolution No. 5203_HUD 50077

Form 50075

Attachment A

Attachment B

Attachment C

Attachment R

Plan Checklist CA0117

Plan Checklist CA0116

RAD Las Deltas Relocation Plan

HUD 50075-1