

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: May 9, 2017



Contra
Costa
County

Subject: HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN UPDATES

RECOMMENDATIONS

CONSIDER Approving revisions to 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 maintain an Administrative Plan that stipulates how HACCC interprets discretionary HUD guidelines and the policies that have been adopted to implement these discretionary guidelines.

The U. S. Department of Housing and Urban Development ([HUD](#)) recently published the Housing Opportunity through Modernization Act (HOTMA). HOTMA had a significant number of changes and HACCC's Administrative Plan needs to be updated in order to comply with these changes.

The Administrative Plan will be updated as follows:

- Revised the definition of an Independent Student for the purposes of determining if a student would qualify for housing assistance independent of their parent(s) income. In

Action of Board On: **05/09/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis,
 Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner

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: May 9, 2017

Joseph Villarreal, Executive Director

ABSENT: Fay Nathaniel,
 Commissioner
 Jannel George-Oden,
 Commissioner

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

addition, added the new classification of a vulnerable youth and what would define them as being eligible for assistance as an independent student;

- Added a topic to the applicant and resident briefing provided prior to issuance of the Housing Choice Voucher that requires HACCC to explain the advantages of moving to a low-poverty area;

BACKGROUND (CONT'D)

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- Added language regarding what constitutes life-threatening violations of the Housing Quality Standards required by HUD of all assisted units;
- Added language that specifies that HACCC must complete a risk assessment of a dwelling unit within 15 days after receiving a notification from a public health department or other medical provider of elevated blood lead of a child 6 years old or less living in an assisted unit;
- Revised the definition of PHA-Owned Units for the purpose of determining whether a PHA has an ownership interest in a project-based voucher (PBV) assisted project and requires the use of a third-party independent entity to conduct selection, rent reasonableness and inspections of PHA-owned units;
- Added language that defined when HACCC would deny a portability transaction due to insufficient funding. HACCC can delay, but shall keep the transfer open indefinitely until such a time as funding is available to permit the transfer.
- Updated language requiring that families whose assistance is being terminated be provided with a Notice of VAWA Rights and HUD Form 5382. These are new form references for all VAWA activity;
- Re-defined the payment standard for manufactured homes to be the lesser of the family unit size or the size of the dwelling unit rented by the family. This aligns with the definition of the payment standard for all other housing types under the Housing Choice Voucher Program;
- Added the monthly payment made to amortize the initial loan borrowed to purchase a manufactured home to the items included in determining the Space Rent for the manufactured home;
- Clarified HACCC's policy to indicate that sign and language interpreters will be provided at HACCC's expense when needed for an informal hearing. Previously the policy stated that it would be at the family's expense;
- Added language adopting an Emergency Transfer Plan and Request for Emergency Transfer form for victims of domestic violence under the VAWA statutes. In addition, referenced the new VAWA Notice of Occupancy Rights, VAWA Certification of the tenant, Tenant Statement Form HUD-5832 and Sample Notice to Housing Choice Voucher Owners and Managers Regarding the VAWA Act and committed to posting these documents on HACCC's website and as exhibits to chapter 16 of the Administrative Plan;
- Changed the method for calculating the maximum PBV assistance from 20% of budget authority for the Voucher program to 20% of the Authorized Units for the

voucher program;

- Added the ability to project-base an additional 10% of authorized PBV units for units targeted to homeless, veterans or units providing supportive services with the assistance and also for units in census tracts with a poverty rate of less than 20%;
- Specified under what circumstances PBV assisted units cannot be counted against the 20% cap on total PBV-assisted units. These include RAD units, formerly public housing, HUD Project Based Rental Assistance (PBRA), HUD 811, HUD 202, Rent Supplement and Rental Assistance Program (RAP) housing units. In addition, for all such properties, 100% of the units can be assisted with PBV assistance;
- Further clarifies that for units exempt from the 20% threshold that are New Construction, they must be replacing housing, that was assisted within five years from the project selection date and on the site of the original project. In addition, former residents must be provided a preference for returning to the site, the project was specifically identified as replacement housing for the original site and if the PBV assistance is for more than the original number of units at the site, the added units cannot be considered for the exception to the 20% exception threshold;
- Adds HUD VASH PBV Set-Aside units to the list of excepted units when determining the 20% of assisted units threshold for PBV assistance;
- In projects that are exempt from being counted towards the PBV 20% threshold, 100% of the units in the project can receive project-based voucher assistance;
- Clarified language about what HACCC must do prior to issuing a Request For Proposals for PBV assistance or awarding PBV assistance based on a non-competitive selection;
- Changed the maximum number of units that can be assisted with PBV assistance from 25% of a project to the greater of 25 units or 25% of the units in the project;
- Revised language regarding what constitutes proper exceptions to the 25 unit or 25% of total unit maximum threshold. Now includes only units targeted to elderly, units providing supportive services or units located in a census tract with a poverty rate of 20% or less. This change removed units targeted to the disabled as an exception for new contracts executed after April 18, 2017;
- Changed the initial term of PBV HAP Contracts from 15 years to 20 years with a maximum possible extension of 20 years. The cumulative total years of assistance cannot exceed 40 years;
- Granted HACCC authority to extend the initial term of existing PBV contracts to 20 years prior to exercising an extension of HAP Contract option;
- Removed the three-year limit on adding additional PBV assisted units to an existing PBV project subject to proper HUD notification and project and program limitations on assistance;

- Revised the list of PBV-assisted properties to include recent activity;
- Created a new preference for homeless applicants who wish to apply for units converted from the McKinney Moderate Rehabilitation Single Room Occupancy (SRO) program to RAD PBV;
- Removed language that mandated supportive services participation for exception units. Families must be offered services but HACCC can no longer require participation. Families who were receiving mandated services and no longer wish to participate in the services shall not be terminated from their housing assistance;
- Added protections for victims of domestic violence to keep their assistance when they must terminate their lease prior to the expiration of the initial 12-month term of the PBV lease. Ordinarily this would prevent any further assistance.

In addition to the HOTMA required changes, staff proposes to update the Administrative Plan as follows:

- Clarified HUD-required language regarding portability billing to reflect the 90 day deadline for billing the initial PHA;
- Added language to clarify that an informal hearing is not required when a port-in family's voucher expires without the family leasing a unit;
- Clarified that although the Homeownership program permits for a monthly assistance payment or a single down payment assistance grant, HACCC cannot offer the single down payment assistance grant unless funding is allocated by Congress. To date, such funding has not been allocated and thus only monthly assistance may be offered;
- Struck language that required a resident who requested an informal hearing to present to HACCC any documents relevant to the hearing at least one day prior to the scheduled hearing (they may now be provided at the hearing);
- Added Language clarifying that when an owner provides appliances to a unit, they are responsible for either maintaining the appliance if it malfunctions, or removing it from the unit. If they remove it, the unit rent will be reduced to reflect the reduction in services;
- Removed language prohibiting PBV assistance to projects with poverty rates of 75% or more.

The proposed updates are attached. A complete copy of the proposed Administrative Plan is 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 changes to the Administrative Plan, HACCC will be out of compliance with HUD requirements. HUD may also impose additional sanctions.

ATTACHMENTS

Proposed Changes to Section 8 Admin Plan