

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: December 12, 2017



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. 5208 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: **12/12/2017** ☒ 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 12, 2017

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

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)

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

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

HACC shall designate and create smoking areas outside the restricted areas as funding permits. The Housing Authority will ensure that the area is accessible for persons with disabilities in accordance with the Housing Authority's obligations under Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and the Fair Housing Act.

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) 2016, 2017, and 2018 capital fund grants:

- \$1,441,000 for relocation costs during the RAD disposition of Las Delas in North Richmond.
- \$427,000 for non-routine maintenance repairs (ordinary maintenance items such as window and flooring replacement or electrical repair where the scope of damage is beyond the scope of day-to-day maintenance) at various properties.
- \$336,000 for site improvements to all properties, including ADA and landscape modernization.
- \$229,000 for unscheduled and emergency unit modernization and site improvements at various properties.
- \$220,000 for agency-wide replacement of smoke detectors in all public housing units.
- \$143,000 for landscape repair at Alhambra Terrace in Martinez.
- \$70,000 for office, networking and computer equipment for on-site management offices at various properties.
- \$62,000 for new appliances at various properties.
- \$30,000 for construction and rehabilitation of on-site management offices at various properties.

As required by the Housing Opportunity Through Modernization Act of 2016 (*HOTMA*), the following changes are proposed to HACCC's Administrative Plan:

- Revise 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. Additionally, add the new classification of a vulnerable youth and what would define them as being eligible for assistance as resident student provided:
 - Add 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;
 - Add language regarding what constitutes life-threatening violations of the Housing Quality Standards required by HUD of all assisted units;
 - Add 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;
 - Add language to align the definition of what constitutes the actionable definition of an elevated blood lead level to be less than or equal to 5 µg/dl. (micrograms per deciliter) which is consistent with HUD regulations and the Centers for Disease Control and Prevention.
 - Revise 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;
 - Add language that defines when HACCC will 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.
- Update language requiring that families whose assistance is being terminated be provided with a Notice of VAWA Rights and HUD Form 5832. These are new form references for all VAWA activity;
 - Re-define 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.
 - Add 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;
 - Clarify HACCC's policy to indicate that sign and language interpreters will be provided at HACCC's expense when needed for an informal hearing. Currently, HACCC policy states that it will be at the family's expense;
 - Add language adopting an Emergency Transfer Plan and Request for Emergency Transfer form for victims of domestic violence under the VAWA statutes. Also proposed adding a reference to 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.
 - Change the method of calculating maximum PBV assistance from 20% of budget authority for the project-based property to 20% of the Authorized Units for the voucher program;
 - Add the ability to project-base an additional 10% of authorized PBV units for units targeted to homeless, veterans or units providing supportive services, and also for units in census tracts with a poverty rate of less than 20%;
 - Specify 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 toward the PBV 20% threshold, 100% of the units in the project can receive project-based voucher assistance;
 - Clarify 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;
 - Change 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;
 - Revise 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 removes units targeted to the disabled as an exception for new contracts executed after April 2020.
 - Changes 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;
 - Grants HACCC authority to extend the initial term of existing PBV contracts to 20 years prior to exercising an extension of HAP Contract option;
 - Removes the three-year limit on adding additional PBV assisted units to an existing PBV project subject to proper HUD notification and project program limitations on assistance.
 - Revises the list of PBV-assisted properties to include recent activity;
 - Creates 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;
 - Removes 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;
 - Adds 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.
 - Removes language that referenced old regulations whereby an owner of a project-based voucher property could refer applicants to HACCC when the waiting list was depleted. This is no longer the case since the regulations for the PBV program now require that all referrals to PBV units MUST come from the site-based PBV waiting list.
 - Adds language that permits the use of the County's Coordinated Entry System (CES) for referrals to PBV units that are designated as set asides for homeless families. This effectively eliminates any existing waiting list for these units since referrals are generated and made to the property whenever a vacancy comes up. The affected units will be identified in the Administrative Plan.

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

- Clearly HUD-required language regarding portability billing to reflect the 90 day deadline for billing the initial PHA.
- Add language to clarify that an informal hearing is not required when a port-in family's other expenses outweigh the family leasing a unit.
- Clarify 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.
- Strike language that requires a PHA to request a hearing by Congress. To date, such funding has not been allocated and thus only monthly assistance may be offered.
- Strike language that requires a PHA to request 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).
- Add language clarifying that when an owner provides appliance information, the PHA is responsible for either maintaining the appliance if it malfunctions, or removing it from the unit. If they remove it, the unit must be repaired to reflect the reduction in services;
- Remove language prohibiting HUD assistance to projects with poverty rates of 75% or more.
- A complete copy of the proposed PHA Plan and attachments as well as the HUD Administrative Plan and ACOP are available for review at HACCC's main office.

No direct financial impact.

No direct financial impact.

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.

ATTACHMENTS

ACOP 2018

Goals 2018

HCV Admin Plan 2017 Changes - Redlined Pages

PHA Plan