

MEMORANDUM



DATE: January 21, 2018
TO: Board of Commissioners
FROM: Pam Tietz, Executive Director
SUBJECT: Housing Choice Voucher Administrative Plan Revisions
Resolution #693

The Board of Commissioners is requested to adopt Resolution #693.

Background

The Housing Authority is required to adopt and follow policies for the administration of the Housing Choice Voucher Program. This policy is known as the Housing Choice Voucher Administrative Plan. The Department of Housing and Urban Development (HUD) intermittently amends regulations applicable to the Housing Choice Voucher Program and said revisions must be incorporated into SHA's Administrative Plan to ensure continued compliance with program regulations. To assure regular updates occur, SHA subscribes to an Administrative Plan format and revision service provided by Nan McKay and Associates.

The revisions proposed in Chapters 1-18 of the Administrative Plan are primarily the result of new legislation adopted and implemented by HUD in stages over the past 12-18 month period:

- The [Housing Opportunity Through Modernization Act of 2016](#) (Public Law 114–201) was enacted July 29, 2016.
- On October 24, 2016, HUD's [initial implementation guidance](#) was published in the Federal Register.
- HUD published an [implementation notice and request for comment](#) in the Federal Register on January 18, 2017.
- [Technical corrections](#) to the January 18, 2017, notice were published in the Federal Register
- Implementation Guidance on the new legislation from HUD trickled out through October of 2017.

Plan Revisions

The revisions include dozens of small technical or grammatical corrections that are not substantive. In addition, there are substantive changes to the plan. Here are the highlights:

Minimum Rent Policy (Chapter 6-33) - HUD requires SHA to adopt a minimum rent threshold between \$0-\$50 but requires SHA to waive the minimum rent if the participant meets a Hud-Defined Hardship (Chapter 6-34). SHA's policy has been to require a \$50 minimum rent of all voucher participants. The reality is that almost everyone that has a minimum rent requests a hardship waiver and the definitions leave very little choice but to approve the waivers.

Reviewing and tracking the follow-up on these requests has become an administrative burden and staff is recommended we change the minimum rent to \$0 for that reason.

Student Rule – Changes the definition of “*Independent Student*,” adding a definition for “*Vulnerable Youth*” (those who may be exiting foster care, who have been wards of the court at any time when the individual was 13 years of age or older, or who are orphans) can be considered an independent student for the purposes of eligibility (page 3-15, 3-17, 7-21,) or income calculations (page 11-15).

Violence Against Women Act Updates – References throughout the Administrative Plan up form references, notice references and language regarding what the PHA may ask for or require from a victim of domestic violence and provide guidance for emergency transfers for victims of domestic violence, including how to address a VASH voucher when it is the Veteran who is the perpetrator (Chapter 3-2, 3-28, 9-9, 10-2, 12-11, 12-12, 12-13, 16-27, 16-33-36, 16-39-80

Order of Selection for Appropriation Shortfalls – Policy statement added to outline the order that vouchers will be frozen in the case of appropriation shortfalls. This addition is the result of a State Auditor’s Office (SAO) recommendation (Chapter 4-13, 10-4).

Portability – Clarifies portability billing procedures between agencies (Chapter 10, Part II, starts on page 10-7)

Income Reexamination Timing and Subsidy Determinations – Updates language on adding adult household members prior to an annual recertification to require it 60 days prior to annual reexam (Chapter 11-5), and adds a requirement for staff to make specific attempts to collect information before determining it is a households delay providing information (Chapter 11-6, 11-10,).

Shared Housing – Updates shared housing payment standards and utility calculations (Chapter 15-9 & 10) and Mobile Home Space Rent (Chapter 15-10)

Homeownership Program – Clarifies that the voucher program can be only used for housing assistance payments (not down payment assistance) until such time as Congress allocates funding (Chapter 15-12)

Hearings – Adds a policy to allow the hearing officer to ask the family for additional information prior to making a final decision (Chapter 16-14)

Project-Based Voucher (PBV) Program – Administrative Plan Chapter 17 – HOTMA made significant improvements to the PBV regulations, including:

- Expands the cap on the number of vouchers that a Public Housing Authority (PHA) can project-base to specific buildings/units from by an additional 10% (from 20%-30%) if the additional 10% are units for specific populations (elderly/disabled/homeless) and the projects provide supportive services.
- Redefines PHA-owned unit. This is the result of PBV allocations in tax-credit units owned by limited partnerships where the Housing Authority is the General Partner. NOTE: I requested clarification on this definition from HUD Headquarters several months ago because it is still very unclear but have not heard back from them.

- Changed the income mixing requirements for PBV in census tracts where the poverty rate is below 20% from 25% to 40% and clarified exceptions to the income mixing requirements for permanent supportive housing projects.
- Authorized PHA's to project-base Family Unification Program (FUP) and Veterans Affairs Supportive Housing (VASH) vouchers without additional HUD approval.
- Clearly states that Rental Assistance Demonstration PBV do not count towards your 30% cap.

Rental Assistance Demonstration (RAD) Program – Chapter 18 – Chapter 18 of the plan addresses how RAD and PBV are to be operated and this Chapter is entirely new.

Public Hearing

A public hearing was held on the policy revisions on January 8. No comments were received.

Policy Committee Review

The SHA Policy Committee, which includes two SHA Board members and Executive Team staff reviewed the policy on February 13th.

Conclusions/Recommendation

Policy Committee recommends adoption of Resolution #693.

Exhibits

The electronic file for plan revisions is too large to be emailed; therefore a master copy will be available at least 30 minutes prior to the Board meeting for review to be distributed or available at the public Board Meeting.