



HOUSTON HOUSING AUTHORITY

Transforming Lives & Communities

CHANGES TO THE 2018 ANNUAL PLAN:

Changes to Admissions and Continued Occupancy Plan (ACOP)

Updated References

Changes were made to reference Section numbers that changed and references to procedures that had changed titles. The clean version will be reformatted to correctly re-number all sections.

Qualifying for Admissions List (PG 3)

Language was added to reflect HUD's new HOTMA rule. Now includes no household larger than 10 may be admitted and whose net family assets exceed \$100,000.

Withdrawing an Application from the Waiting List (PG 4)

Added with HHA and/or its representative. Number 5 now reads:

When an applicant fails to keep a scheduled interview with HHA and/or its representative.

Local Preference (PG 6)

Added income to site-based income preferences for Mixed Finance Properties (only).

Factors other than Preferences that affect selection of Applicants (PG 8)

Updated #1 to include has a verified reasonable accommodation. Now reads:

Accessible units: For Uniform Federal Accessibility Standards (UFAS) accessible units, resident and applicant families that include a member with a disability who has a verified reasonable accommodation to need the features of such units will be given preference for admission over a household that does not include a member with such a disability. Further, persons needing more features of a specific unit will be given preference over persons needing fewer features of the units available.

Applicant Screening Criteria (PG 9)

Number 2 added in the background check. Now reads:

The HHA is required to reject the application of a household if the HHA determines in the background check that:

Occupancy Guidelines: HUD Notice of Policy, Dec. 18, 1998 Federal Register (PG 10 & 11)

Changed apartments to units throughout the sections. Also added an approved reasonable accommodation to (2h) and an approved live-in aide to (3b).

Organizing the Applicant Waiting List (PG 12)

Removed the Community Waiting List because we have moved to all site based waiting list. Added in the conversion will entail housing families off of the community wide waiting list until that list is exhausted.

Accessible Units (PG 13)

Changed a non-accessible apartment must move within 10 business days when a current resident or an applicant with a disability needs the apartment. Used to allow 30 days.

Community Service Policy (PG 16)

Language was added to comply with HUD's new ruling stating that non-exempt household members are able to self-certify their community service hours. Non-exempt household members must complete the Community Service Certification Form. This form must be used to document the household member's community service or self-sufficiency activities.

Annual Income (PG 21)

Number 1 changed full amount to gross amount from earned income. Number 3 changed and added Net income, of any kind of real or personal property, interest, dividends, and other net income of any kind from real or personal property. Number 4 broke out to make clearer what annual income will include. Also added in zero income families.

Anticipating Annual Income (PG 22)

Broke into two sections to include HUD's new HOTMA rule.

In determining family income for initial occupancy or interim reviews based on a change to future income, HHA will use anticipated income for a 12 month period. If it is not feasible to anticipate income for a 12-month period, the Authority may use the annualized income anticipated for a shorter period, subject to an Interim Adjustment at the end of the shorter period. (This method would be used for tenants who are only paid for 9 months (ex. School bus drivers, classroom aids, etc.), or for tenants receiving unemployment compensation.)

Annual Recertification's HHA will use the income for the family for the preceding year. Preceding year's income may make other adjustments as it considers appropriate to reflect current income.

Medical Expense Deduction (PG 23)

Due to HUD's HOTMA rule increased from three percent to ten percent of annual income.

Elderly/Disabled Household Exemption (PG 24)

Due to HUD's HOTMA rule the exemption is increased from \$400 to \$525 per household.

Choice of Rent (PG 24)

Reworked section and relabeled this section to choice of rent with the two types of rent choice explanations to be below.

Flat Rents (PG 25-26)

Changed to Flat rent is determined by using the Fair Market Rents established under HCV or the amount housing monthly subsidy under the United States Housing Act. Also added in language on over-income families. Now reads:

Over income families residing in a dwelling unit

- a. They will pay the flat rent defined in A. 1*
- b. Define over-income families as 120% over the median income for the area will be required to pay the flat rent. They have to pay the flat rent for over two years then they will have six months to leave. 1st annual you pay flat rent over income 2nd annual continue to pay flat rent but must be out in 6 months. This is only for 120% and above.*

Interim Rent Adjustments: Modified Fixed Rent System (PG 29-30)

See updated table below. Also removed number 3 and number 6.

<u>INCOME CHANGE</u>	<u>HHA ACTION</u>
(a) Decrease in income for any reason greater than 10%. <u>except</u> for decrease that lasts less than 30 days or is subject to Imputed Welfare Income rules ¹ .	• HHA will process an interim reduction in rent if the income decrease is greater than 10%
(b) Decrease in income for any reason less than 10%.	• HHA will process an interim reduction in rent if the income decrease is less than 10%
(c) Increase in income that is greater than 10%.	• HHA will not conduct an Interim Redetermination.
(d) Increase in income (e.g. COLA adjustment for social security) that is less than 10%.	• HHA will not conduct an Interim Redetermination.
(e) Increase in income because a person with income (from any source) joins the household.	• HHA will conduct an Interim Redetermination of the household's income and process any change to rent.
(f) Increase in monetary or non-monetary income after Resident claimed zero income	• HHA will process an interim change to rent.
(g) Any income change within 3 months prior to the scheduled recertification	• HHA will not conduct an Interim Redetermination

Earned Income Disallowance (PG 31)

Added in background language to clarify what earned income disallowance is. Also clarified the guidelines section.

Types of Transfers (PG 33)

Added to (1b) In accordance with the HHA VAWA Policy.

Changes to Housing Choice Voucher Administrative Plan

Updated References

Changes were made to reference Section numbers that changed and references to procedures that had changed titles. The clean version will be reformatted to correctly re-number all sections.

Family Break-Ups (PG 17)

Added including matters consistent with the VAWA policy.

Number 2 now reads *if a family breaks up into two otherwise eligible families while receiving assistance, the Vice President of the Voucher Program may in limited circumstances, including matters consistent with the VAWA policy, issue a second voucher if removing a voucher would be detrimental to a family.*

Local Preferences for Admission (PG 20)

Added language to say that all local preferences for admission are contingent upon HUD funding.

Homeless Preference for Admission (PG 20)

Added other federal or local programs

Persons transitioning out of Shelter Plus Care/Supportive Housing Programs/Supported Housing Programs/Rapid Re-Housing/other federal or local programs into permanent housing will be included as a priority group as part of this preference.

Families who are Involuntarily Displaced by Government Action (PG 21)

Added owned by HHA or another unit.

An applicant is or will be involuntarily and permanently displaced if the applicant has vacated or will have to vacate a unit owned by HHA or another unit where the applicant lives because of activities carried on by Houston Housing Authority in connection with public improvements or development program.

Outreach to Potential Applicants before Opening the Waiting List (PG 25)

Removed some language regarding the pre application for the lottery pool.

Now reads The lottery pool will be opened periodically based upon the sole discretion of the Authority and the need for program applicants. The pre-application to be completed and submitted by the applicant will contain the following information:

- 1. Name, age, gender, and relationship of all family members;*
- 2. Current address and home, work and mobile telephone numbers of head of household, co-head and/or spouse;*
- 3. Amount family income;*
- 4. Whether the family contains a member with a disability;*

HHA Unit Size Subsidy Standards (PG 28)

Changed the standards used to issue Housing Choice Vouchers. A one bedroom can now have one or two people in it.

Standards Used to Issue Housing Choice Vouchers	
HCV Voucher Size (Subsidy Standards)	No. of Persons in Household
0-BR	1
1-BR	1 or 2
2-BR	2 or 3
3-BR	4 or 5
4-BR	6 or 7
5-BR	8 or 9
6-BR	10 or 11

Term of the Voucher and Extensions (PG 29)

The initial voucher term has been changed to 60 calendar days from 90 calendar days. The reduction of the initial voucher term was specifically recommended by HUD.

Inspections Policy (PG 33-37)

Due to the new HOTMA rule units may be initially be placed under contract in the Housing Choice Voucher Program if there are no existing emergency fails. Also the entire section was reworked. Anything that deals with inspections is now under the inspection policy section.

Rent Increases to Owners (PG 43)

Changed 60 days to 90 days that the owner must provide advance notice to the family and supply a copy to the Authority.

Interim Rent Decreases (PG 45)

Language was changed to reflect HUD's HOTMA new rule. Now States that decreases in earned or unearned income greater than 10%.

Termination Due to Funding Shortfall (PG 50)

Language was changed to say:

HHA shall review current and projected funding levels for the Housing Choice Voucher program on an ongoing basis. If HHA determines there is a projected or actual shortage of Housing Assistance Payments (HAP) funding to support HAP costs for current program participants, HHA shall first determine if any other reasonable and feasible actions can be taken to reduce program costs. If after undertaking any such actions to reduce program costs, HHA determines that there is insufficient funding to support HAP costs for current participants, HHA shall terminate the minimum number of HAP contracts necessary to reduce HAP costs to within the available budget. HHA shall inform the local HUD office prior to terminating any HAP contracts for this purpose.

In identifying the HAP contracts to be terminated as a result of insufficient funding, HHA shall use the following criteria:

- 1. Elderly and disabled families shall not be terminated.*
- 2. Families comprising the required number of special purpose vouchers (e.g. NED, VASH, FUP and MS5) shall be the last to be terminated.*
- 3. HHA shall utilize a last in, first out methodology whereby HAP contracts are terminated based on the date of the family's initial participation in the HCV program with the most recent participant(s) terminated first.*

Upon HHA's determination that sufficient funding is available to issue vouchers to some or all eligible families whose HAP contracts have previously been terminated due to insufficient funding, HHA shall use the following criteria:

- 1. Families shall be issued vouchers in chronological order based on the family's initial date of participation in the HCV program (prior to termination of the HAP contract), starting with the oldest date of initial participation.*

Termination Notification (PG 50)

Language was added to include except in the case of funding shortfall. Now reads:

In any case where the Authority decides to terminate assistance to the family, except in the case of funding shortfall, the Authority will give both the family and the owner a 30-day written termination notice which states:

Medical Expense Deduction (PG 66)

Due to HUD's HOTMA rule increased from three percent to ten percent of annual income

Elderly/Disabled Household Exemption (PG 66)

Due to HUD's HOTMA rule the exemption is increased from \$400 to \$525 per household.

Eligible Units/Cap on PBV Units (PG 68-69)

Due to HUD's HOTMA rule we added in Supportive Services Exception. Now reads as follows:

Supportive Services Exception

Units occupied by the disabled, elderly, or families receiving supportive services are exempt from this cap. The types of services that the HHA will deem eligible to qualify a project to meet HUD's definition of families receiving supportive services include, but are not limited to:

1. Meal service adequate to meet nutritional need;
2. Housekeeping Aid and Household Training (e.g.: homemaking, parenting skills, money management);
3. Personal assistance;
4. transportation services;
5. Health-related services such as Substance Abuse Treatment (counseling and treatment for substance abuse);
6. Educational and Employment services such as Job Training (preparation and counseling, job development and placement, follow-up assistance after job placement, completion of FSS "Contract of Family Participation) or Remedial Education (education for the completion of Secondary or post-secondary education);
7. Self Sufficiency Services and Resources (appropriate to assist families to achieve economic independence and self-sufficiency); other services designed to help the recipient live in the community as independently as possible;
8. It is not necessary that the services be provided at or by the project, if they are approved services. The HHA will require owners of such projects to submit an Annual Progress Report to ensure compliance with the supportive service exemption on the number of units per building. Failure to submit Annual Progress Reports may result in abatement of the HAP payment.

Small Project Exception

For developments under 100 units HHA will allow up to 25 units of PBV

Low Poverty Exception

For developments in Census Tracts with a poverty rate below 20%, HHA may allow in its sole discretion greater than 25% of the units awarded PBV assistance.

Proposal Selection Procedures for the Request for Proposal Method (PG 74-75)

Changed from 15 years to 20 years.

HHA may now enter into a HAP contract for an initial term up to maximum of twenty (20) years contingent upon annual appropriations. HHA may extend the HAP contract with one or more extensions for up to an additional twenty (20) years.

HAP Contract including initial term and extensions may be up to forty (40) years.

Contract Termination and Expiration

Upon termination or expiration, a household is entitled to receive a tenant-based voucher (the voucher that was previously tied to the property). In addition, the household must have the option to remain in their home with the tenant-based voucher, and the owner may not terminate the household's tenancy.

Structures Owned by HHA (PG 75-76)

HHA may attach PBVs to projects in which the HHA has an ownership interest or has control of, without following a competitive process, in cases where the PHA is engaged in an initiative to improve, develop, or replace a public housing property or site. The HHA will use this process if planning rehabilitation or construction on the project with a minimum of \$25,000 per unit in hard costs. The HHA will detail in an addendum to the administrative plan what work it plans to do on the property or site and how many units of PBV it is planning on adding to the site.

Definitions of Terms Used In This Administrative Plan (PG 77-81)

Removed the following:

- Affiliated Individual
- Dating Violence- removed because VAWA is a separate attachment
- Domestic Violence- removed because VAWA is a separate attachment

Other Notable Components

Mixed Finance or Development

New Construction of 154 units located at 306 Crosstimbers in Independence Heights. A portion of the units will receive the benefit of ACC Subsidy.

As part of its mission to expand affordable housing, HHA is reviewing several opportunities to purchase land in opportunity areas and to acquire units at existing tax credit developments whereby 10-20% of units therein would be converted to ACC. Included is the acquisition of a parcel of land containing over 754 units at 201 Wiriest, approximately 10% of the units will receive ACC subsidy.

The Houston Housing Authority may commit public housing operating reserves, including but not limited to the proceeds from the disposition of public housing properties, with HUD's approval under the Operating Fund Financing Program for eligible mixed finance development transactions or Replacement Housing Fund (RHF).

HHA has entered into contract with Texas General Land Office (GLO) to develop tax credit and mixed finance units using CDBG disaster recovery funds. During the FY 2017 plan year, HHA anticipates more disaster recovery money and intends to pursue a number of new mixed finance development using CDBG disaster recovery funds in the plan year and beyond.

Demolition and/or Disposition

HHA has been approached by TXDOT to explain their interest in taking all of Clayton Homes (270 units) and a portion of Kelly Village (approximately 50 Units) for the expansion of nearby freeways. The process may be conducted through TXDOT's eminent domain authority.

Conversion of Public Housing

HHA has submitted a letter of interest in the RAD program and is pursuing a feasibility analysis for conversion of its entire portfolio through RAD. Upon selection for the waiting list HHA will have a short timeframe to apply for the applications. The HHA is amending its PHA Plan because it expects to be a successful applicant in the Rental Assistance Demonstration (RAD). RAD was designed by HUD to assist in addressing the capital needs of public housing by providing HHA with access to private sources of capital to repair and preserve its affordable housing assets.

Project Based Vouchers

In 2017 HHA may issue an RFP or non-competitively select PBV proposals for up to 1000 units through the process outlined in the Housing Choice Voucher Administrative Plan. HHA will consider proposals in areas of the city that promote fair housing and deconcentration of poverty.