

# Overview of Draft Modifications to Agency Plan Related Documents

## Document 1: Santa Cruz County Agency Plan (text in blue is new)

Page 2, B.2. New Activities

Project Based Vouchers:

The Housing Authority of the County of Santa Cruz has a Request for Proposals posted on the website to support the Agency's goal of expanding the supply of affordable housing. In the coming year, the Housing Authority projects expanding our current number of 196 PBV units with an additional 115 PBV units with projects currently under development (48 at Sunrise Senior Apartments in Hollister, 33 at Water Street Apartments in Santa Cruz, 11 at Jardines del Valle, and 23 at Villas del Paraiso). While 115 additional project based units are planned, the Housing Authority may elect to project base additional units up to HUD limits, as allowed by program regulations. Project based units may be located anywhere in the jurisdiction of the Housing Authority. Project basing units is consistent with our PHA plans as it expands the opportunity for low-income, affordable housing throughout our jurisdiction.

Page 3, B3, Progress Report

Goal: Expand the supply of assisted housing

- The Housing Authority has project based 31 units at Pippin Orchards Apartments in Watsonville and 11 units at Sycamore Commons and 2 units at La Playa Apartments in Santa Cruz. The Housing Authority has conditionally approved project based vouchers for 33 units currently under development on Water Street in Santa Cruz and 48 units under development for seniors at Sunrise Senior Apartments in Hollister.
- The Housing Authority is exploring the possibility of developing affordable housing units on our parcel on Natural Bridges Drive.

Goal: Increase assisted housing choices

- The Housing Authority has worked with local jurisdictions to expand the Landlord Incentive Program. This incentive program offers up to \$2,500 to landlords who claim expenses beyond security deposits for tenant damages, vacancy loss, legal fees and other costs when a Housing Choice Voucher (HCV) tenant vacates a unit. This risk-mitigation program proactively addresses landlord fears they might be left with greater expenses from voucher-assisted tenants. In the coming year, the program will be available to all Section 8 landlords, regardless of their tenant's length of tenancy (subject to funding limitations).
- The Housing Authority also manages several Security Deposit Programs, funded by various jurisdictions within the County. The security deposit programs have made a big difference in assisting low income families in getting leased-up. Security deposit assistance makes more housing choices available to low-income families. Currently the Housing Authority is exploring a partnership with the City of Watsonville to expand the reach of security deposit programs.
- To keep pace with rising market rents, the Housing Authority is utilizing Fair Market Rents (FMR) approved by HUD, based on ad hoc FMR studies conducted at our own expense. The more accurate local data is the foundation for our Payment Standards. These real-data payment standards directly increase housing choices for households with assistance.

- The Housing Authority applies for all new voucher funding opportunities. This year, our Agency was awarded 50 new Mainstream Vouchers to serve non-elderly persons with disabilities, 29 new VASH vouchers for homeless veterans, and 58 new Family Unification Program (FUP) vouchers to reunite parents with their children or prevent the out-of-home placement of children.

Goal: Promote self-sufficiency and asset development of families and individuals

- The Housing Authority has expanded participation in the Family Self-Sufficiency Program beyond minimum program levels to assist more households develop more independence and financial security.
- The Housing Authority partners with agencies that promote self-sufficiency including community colleges, workforce development centers, mainstream benefit government, public libraries and economic justice organizations.

Goal: Improve agency and program management

- The Housing Authority has continued to maintain high performer status on both the Section 8 Management Assessment Program (SEMAP) and the Public Housing Assessment System (PHAS).
- This year, the Housing Authority surveyed eight agencies that partner with us on voucher applicants for special programs. The agencies included the VA, the County of Santa Cruz Health Services Agency, Encompass Community Services, the Homeless Services Center, Dignity Health Medical Group-Dominican, Housing Choices, Families In Transition, and the Health Projects Center. The agencies answered key questions regarding what our partnership accomplishes, what is working well, and what can we improve. The results demonstrated how essential access to housing assistance is to the clients of our respondents; great communication between our agency and theirs; and suggestions for improvements - which we are acting on this year, including making presentations to agency staff on housing authority programs.

**Document 2: Santa Cruz County Housing Choice Voucher Administrative Plan (Text in blue is new)**

#	Page	Proposed Wording	Explanation
1	5	<p><u>Number of Waiting Lists</u></p> <p><u>Sunrise Senior Apartments</u> – Sunrise Senior Apartments is located at 580 Westside Blvd. in the City of Hollister. It is a complex of 49 one-bedroom apartments with 48 of the units designated for Project Based Vouchers. CHISPA is the housing developer and property management company. The entire Sunrise Senior Apartment development is for seniors age 62 or older. Five units will be designated for seniors in the VASH program. The Housing Authority will administer a site-based waiting list for the remaining 43 units.</p>	<p>Describe Project Based Voucher Program developments that will be coming online in 2019; specifies which will use site-based waiting list and which will use the Section 8/ Housing Choice Voucher waiting list.</p>

		<a href="#">Water Street Apartments</a> – Water Street Apartments is located at 708-720 Water Street in Santa Cruz City. It is a complex of 50 units with 33 designated for Project Based Vouchers. For the Future Housing is the housing developer and property manager. Of the PBV units, eight will be for persons with disabilities who will most benefit from supportive services at the complex; these will be referrals through the Housing Choices Coalition/SARC. The remaining PBV units will be offered to eligible applicants from the existing Section 8 Housing Choice Voucher waiting list.	
2	5	<u>Waiting List Preferences for Designated Groups on the Housing Choice Voucher Waiting List</u>  With the exception of these waiting list preferences, all other applicants on the Housing Choice Voucher waiting lists will be assisted by <a href="#">either date of placement</a> or random number sequence lottery.	The Housing Authority will use Date of Placement on the existing waiting list, and will start use Random Number Sequencing – Lottery Numbering - for the new Section 8 Housing Choice Voucher waiting list in both SCC and Hollister/San Juan Bautista.
3	6	<u>Waiting List Preferences for Designated Groups on the Housing Choice Voucher Waiting List</u>  <u>Disabled and Medically Vulnerable Homeless Persons (DMV)</u> The Homeless Services Center and/or Smart Path, the Coordinated Entry System for persons experiencing homelessness, (as administered by the County Human Services Department) provide referrals for persons who meet all of the following criteria.  <del>A maximum of 15% of new vouchers issued will be dedicated to applicants receiving this preference.</del>	Adds an acknowledgement of the new coordinated entry system, titled Smart Path that is used for all homeless persons to access housing and services throughout the county.  Deletes a restrictive directive and allows the Housing Authority flexibility to issue as appropriate.
4	7	<u>Disabled Transitioning from Institutions (DTI)</u>  On a case by case basis, the Housing Authority may issue a DTI voucher to an individual who is at imminent risk of death or who will not be able to receive lifesaving medical care without housing. Such cases will be approved by the Executive Director.	Adds flexible language to allow the Housing Authority to assist persons that are at risk of death without housing assistance but who do not fall exactly within the definition of transitioning or disabled.
5	7	<u>Mainstream Vouchers for Non-Elderly Persons with Disabilities</u>  <u>The Housing Authority has received 50 Mainstream Non-Elderly Disabled (NED) Vouchers. These Mainstream NED Vouchers are for the Housing Authority service area, both Santa Cruz County and the Cities of Hollister and San Juan Bautista. The Mainstream NED Vouchers differ from the original Mainstream Vouchers in these ways:</u> <ul style="list-style-type: none"> <li><u>The person with disabilities <i>doesn't</i> have to be the head of household or spouse.</u></li> </ul>	Adds new Mainstream Vouchers, recently awarded by HUD. HUD has provided guidance stating that these new vouchers work as a waiting list preference, with voucher being issued to top eligible applicants based on date of placement or lottery number. This program differs from the previous Mainstream program in that it

		<ul style="list-style-type: none"> <li>The person with disabilities <i>does</i> have to be between the ages of 18 and 62. <u>Applicants on either the Santa Cruz County or Hollister / San Juan Bautista Section 8 waiting lists may benefit from this waiting list preference. Assistance will be offered to applicants eligible for the preference based on date of placement or lottery number. If the waiting lists do not contain a sufficient number of eligible households, the Housing Authority may open the lists for persons eligible for this preference. Eligible persons include those who are transitioning from institutions, at serious risk of institutionalization, homeless or at risk of homelessness.</u></li> </ul>	doesn't require the Head of Household to have the disability – anyone in the household age 18 – 62 with a disability could qualify the household.
6	8	<p><u>Opening and Closing the Waiting list</u></p> <p><del>Although applications are typically maintained in order of the date of pre-application, the Housing Authority may use computerized random selection to randomly sequence the applications received during a finite period of time after the waiting list reopens. Such random selection may be used to avoid any potentially unsafe situations arising from the perception of urgency to be the first in line when the list opens. After this finite period of time, the Housing Authority will continue to maintain applications in order of the random number sequence lottery assigned by the database to each application.</del></p>	Deletes a section that planned the change from Date of Placement to Lottery; since this has occurred, the sentences about planning for it are no longer necessary.
7	10	<p><u>Issuing or Denying Housing Choice Vouchers, Terms of the Housing Choice Voucher and Extensions or Suspension of the Term</u></p> <p>All Housing Choice Vouchers are issued with an initial term of at least 60 days <b>and extensions of at least an additional 60 days will be considered.</b></p>	Adds that extensions will be at least 60 days.
8	11-12	<p><u>Special Purpose Programs</u></p> <p><u>Family Unification Program (FUP)</u> The Family Unification Program (FUP) vouchers are reserved for families for which lack of adequate housing is a primary factor in the imminent placement of their a child or children in out-of-home care or in the delay of discharge of a child or children to the family from out-of-home care, <b>and for youth, 18-24 years old, who left foster care, or will leave foster care within 90 days, and are homeless or at risk of becoming homeless.</b> To be considered for Family Unification assistance, families can self-identify or will be identified through the County Human Services Department (HSD). <del>and community service providers.</del></p> <p>A family will be certified as eligible if it is determined that (1) the children are at imminent risk of placement in out-of-home care or at risk of having their discharge to the family from out-of-home care delayed (2) the lack of adequate housing is a primary factor in the risk of placement or delay of discharge and (3) the family meets all other eligibility</p>	<p>Adds youth who were former foster children to eligible population as required in new funding (NOFA).</p> <p>Deletes direct referrals from community service providers as the new funding requires referrals to come through the Public Child Welfare Agency, which is the Human Services Department in Santa Cruz County.</p> <p>Adds youth eligibility definition as specified in new funding.</p>

		<p>requirements for Section 8 assistance; youth will be certified as eligible by age, foster care history, and homelessness risk. Youth will also be identified through the county coordinated entry system. The Santa Cruz County Consortium of Care (CoC) titled Homeless Action Partnership launched the Coordinated Entry System titled Smart Path to Housing and Health. Smart Path is now under the lead agency the County HSD, who will use it to assist in identifying youth who were previously on a child welfare caseload and may be eligible for FUP. Eight (8) vouchers were set aside for former foster youth ages 18 – 24 as referred by the Santa Cruz County HSD; now with the additional 2018 voucher award, more vouchers can be allocated to youth.</p> <p>Responsibilities for administering the Family Unification Program are as follows: The Housing Authority will be responsible wholly or in part for</p> <ol style="list-style-type: none"> <li>1. accepting referrals from HSD</li> <li>2. sorting the HCV waiting list to identify applicants who may qualify</li> <li>3. certifying HCV voucher eligibility and issuing vouchers</li> <li>4. providing orientation to the Section 8 Housing Choice Voucher Program</li> <li>5. offering training to HSD and other HSD-subcontract agencies on HCV procedures</li> <li>6. convening regular meetings with HSD and the Consortium of Care (CoC) Homeless Action Partnership</li> <li>7. approving rental agreements for FUP and processing HAP contracts</li> </ol> <p>The Human Services Department will be responsible wholly or in part for</p> <ol style="list-style-type: none"> <li>1. seeking and identifying eligible families and making referrals to the Housing Authority</li> <li>4. offering training on HSD referral procedures to the Housing Authority and HSD-subcontractors.</li> </ol> <p>The Continuum of Care Homeless Action Partnership will be responsible for</p> <ol style="list-style-type: none"> <li>1. utilizing the Smart Path to Housing and Health, Coordinated Entry System (CES) to identify youth, including those who were previously on a child welfare caseload, who may be eligible for FUP</li> <li>2. using Smart Path CES, provide assessments and referrals.</li> </ol> <p>All FUP families and youth will be offered the opportunity to join the Family Self Sufficiency program.</p> <p>HSD will be responsible for a Transitional Independent Living Plan developed with each FUP-Youth as well as providing basic life skills, counseling, providing assurances to property owners, job preparation, and educational advancement opportunities.</p>	<p>Adds specific responsibilities for the Housing Authority.</p> <p>Adds specific responsibilities for the Human Services Department.</p> <p>Adds another responsible agency, the Continuum of Care Homeless Action Partnership, as specified in new funding.</p> <p>Adds emphasis on Family Self Sufficiency Program as compliment to FUP.</p> <p>Adds responsibility for HSD to develop a Transitional Independent Living Plan for each youth in FUP.</p>
9	14	<u>Section 8 Moderate Rehabilitation Program</u>	Deletes optional activity. The Housing

		<del>However, if the Housing Authority is unable to refer a sufficient number of interested applicants on the waiting list to the owner within 30 days of the owner's notification to the Housing Authority of a vacancy, the owner may advertise or solicit applications from low income families and refer such families to the Housing Authority to determine eligibility.</del>	Authority will utilize the waiting list until sufficient applicants are accepted to fill the units.
10	14-16	<u>Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program</u>	Deletes the entire section about this program, as it is not a Housing Choice Voucher program and therefore is not applicable in this plan. Readers can review the deleted text on pages 15 – 16 of the Administrative Plan.
11	18	<u>Standards for Denying Admission or Terminating Assistance:</u>  The Housing Authority has the discretion to consider all factors in the case, including the seriousness of the case, the extent of participation or culpability of individual family members, past history, <b>recency of criminal activity, age at time of criminal/drug or alcohol activity, mitigating factors such as treatment and character references,</b> and the effects of denial or termination of assistance on other family members who were not involved in the action.	Adds factors the Housing Authority will consider when determining admission or termination of assistance for families with criminal activity, or drug and alcohol abuse.
12	18 - 19	<u>Encouraging Participation by Owners Outside Areas of Low-Income Concentration</u>  To expand the number of rental property owners participating in the Section 8 Housing Choice Voucher Program, the Housing Authority mails promotional material to property management agencies on an as-needed basis, conducts landlord briefings on an <b>at-least</b> annual basis. The Housing Authority <b>encourages property owners throughout the county including in areas of lower poverty rates to accept Housing Choice Vouchers.</b> <del>maintains statistics on the concentration of low income residents. When such areas are identified, the Housing Authority will conduct additional outreach to property owners outside those areas.</del>	Clarifies outreach activities the Housing Authority does to encourage landlords and owners to participate in S8/HCV program.
13	20-21	<b>Payment standards are based on the lower of either voucher size or unit size</b>  <b>HUD may award the Housing Authority with Enhanced Vouchers to provide continued assistance to families adversely impacted by the termination of an affordable housing contract.</b>	Additional wording was added to explain voucher size and enhanced vouchers
14	24	<u>Informal Review Procedure</u>	Adds information the Housing Authority

		<p><u>Notice to Applicant</u> The Housing Authority must give an applicant for admission prompt notice of a decision denying admission to the applicant. The notice must contain a brief statement of the reasons for the Housing Authority decision <b>and a copy of the criminal record if that is a reason for denial.</b></p>	will supply as required in 24 CFR Part 5 Subpart J 5.903.
15	27	<p><u>Informal Hearing Procedure for Participants</u></p> <p><b>Any appeal of a hearing officer’s decision on these grounds will be considered by the Executive Director, whose decision will be final.</b> If the Housing Authority determines that it is not bound by a hearing decision <b>or that such a decision is contrary to HUD regulations or requirements,</b> the Housing Authority must promptly notify the family of the determination, and of the reasons for the determination.</p>	Clarifies that appeals of hearing officer’s decision are considered by Executive Director.
16	27	<p><u>The Process for Establishing and Revising Payment Standards</u></p> <p>The Payment Standard will be reviewed and revised, if necessary, <b>at least annually</b> following the publication of the Fair Market Rents (FMR) by HUD. Factors used in this analysis include the following:</p> <p style="padding-left: 40px;"><b>5. Analysis of the expected voucher program funding level (HAP funding including the inflation factor adjustment).</b></p>	Adds additional analysis the Housing Authority conducts.
16	33	<p><u>Project Based Voucher Selection Procedure</u></p> <p><u>Owner Submittal of PBV Proposal</u> <del>On an annual basis,</del> The Housing Authority will <del>publish</del> <b>continually maintain</b> an open request for proposals (RFP) for project based vouchers. <b>Interested parties may submit proposals at any time during the year.</b> The RFP <del>will</del> <b>may also</b> be published in local newspapers of general circulation, including the Santa Cruz Sentinel and the Register Pajaronian. The RFP will also be posted on the Housing Authority website. <del>Interested parties may submit proposals at any time during the year.</del></p>	Minor changes to wording and sequence to clarify existing practice.
17	34-35	<p><u>Number of Project Based Vouchers Per Complex</u></p> <p><b>The Housing Authority may project base units for Veterans as an exception to percentage limitation. The Housing Authority may add PBV units to an existing PBV contract by mutual agreement with the owner <del>without a competitive selection.</del></b></p> <p><b>Jardines del Valle, 11 units for low income farmworker families. Villas del Paraiso, 23 units for low income farmworker families.</b></p>	Adds flexibility for excepted units and for additional units as allowed in Notice PIH 2017-21 Implementation Guidance: Housing Opportunity Through Modernization Act of 2016 (HOTMA) — Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Provisions. Adds new PBV coming online in 2019.

18	35	<p><u>Types of supportive services offered in PBV exception units may include the following:</u></p> <p>When a family successfully completes the supportive services objectives by integrating the services into their daily lives, the unit will continue to be an excepted unit under this category for as long as the family resides in the unit. (HUD Notice PIH 2017-21)</p>	Adds description of completion of supportive services as required under HUD Notice PIH 2017-21.
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**Document 3: Santa Cruz County Public Housing Admissions and Continued Occupancy Plan (ACOP) (Text in blue is new)**

#	Page	Proposed Wording	Explanation
1	6	The Housing Authority may deny admission of a household or an individual household member if the Housing Authority determines, <b>based on evidence</b> , that their overall level of reliability or integrity does not indicate that they will be suitable tenants.	Wording added to state that Housing Authority will make determination based on evidence.
2	9 -10	<p><u>Written Third-Party Verification (Tenant Documents):</u></p> <p><b>Written Third Party Verification is an original or authentic document generated by a third-party source dated either within the 60-day period preceding the reexamination or Housing Authority request date. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant-provided documents. HUD’s position is that such tenant-provided documents are written third party verification since these documents originated from a third-party source. The Housing Authority may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.</b></p> <p><del>Written third-party verification (tenant documents) are current, original documents generated by a third-party source. However, these documents may be in the possession of the tenant or applicant. In some cases, the tenant may receive these documents (such as bank statements and paystubs) electronically rather than by mail. In these cases, documents that a tenant or applicant prints out from a computer (as long as they were originally generated by a third party source) will be considered original documents and will be acceptable written third party verification. Requests for third-party verification forms will be documented in the tenant file. If direct third-party verification forms are received from a source, the request for that verification may be destroyed. However, if direct third-party verification forms are NOT received from a source, the request for the third-party verification form will remain in the tenant file to prove that such verification was requested.</del></p>	<p>Adds clarification on written third-party verification documentation – which can be accepted or rejected by the Housing Authority – documentation that can be provided by the tenant from a 3<sup>rd</sup> party source within 60 days of the reexamination.</p> <p>Additional text added for consistency with Written Third-Party Verification Form (HA Form)</p>



		<p><u>Written Third-Party Verification Form (HA Form)</u>: In cases where the tenant is unable to provide <del>written third party verification (tenant documents)</del> <del>ation</del> or where the <del>tenant provided documentation is not sufficient</del> Housing Authority rejects the tenant documents, the Housing Authority will follow up directly with the source to obtain necessary verification of information. <del>contact the income source directly, in writing, to obtain the verification information.</del> Requests for third-party verification forms will be documented in the tenant file. If direct third-party verification forms are received from a source, the request for that verification may be destroyed. However, if direct third-party verification forms are NOT received from a source, the request for the third-party verification form will remain in the tenant file to prove that such verification was requested.</p>	
3	11	<p><u>Selecting Prospective Tenants from the LIPH Waiting List</u></p> <p>Applicants may receive and reject up to <del>three</del> <b>two</b> offers of suitable units at different complexes; <del>when the third offer is rejected before</del> <b>when the third offer is rejected</b> before an application for assistance <del>will</del> <b>may</b> be cancelled from the waiting list for unit rejection.</p>	<p>Clarification: CA State Law: “(e) An applicant may reject, or refuse to promptly occupy, suitable units at two different locations and still be entitled to the next available suitable unit.”</p> <p>An applicant can be offered three; they can reject two and remain in the list; if they reject the third, then they can be cancelled from the list.</p>
4	21	<p><u>Over Income Limits</u></p> <p>After a family's income has exceeded 120 percent of the area median income (AMI) for two consecutive years (2-year grace period), the Housing Authority will continue to house over-income families without providing them subsidy and raise the rent by charging the family a monthly rent equal to the applicable Fair Market Rent (FMR).</p> <p>The Housing Authority will notify a family of the potential changes to monthly rent after one year of the family's income exceeding the over-income limit and if the family's income continues to exceed the over-income limit for the next 12 consecutive months, the family will be subject to either a higher rent or termination.</p> <p>If the Housing Authority discovers through an annual or interim reexamination that a previously over-income family has income that is now below the over-income limit, the family is no longer considered over-income. The family is entitled to a new 2-year grace period if the family's income once again exceeds the over-income limit.</p>	<p>Adds new requirement as specified by Regulation implemented by notice published July 26, 2018 in the Federal Register: FR Doc No: 2018-15941</p>
5	21	<p><u>Minimum Heating Standards</u></p>	<p>Adds new requirement under HOTMA. Notice PIH 2018-19</p>

		All units have individual heating units and temperatures are resident-controlled; the heating equipment in each unit has the capacity of heating to at least 68 degrees Fahrenheit. (HOTMA. PIH Notice 2018-19)	
6	15, 18	With the exception of fish, there is a maximum of two animals per cage/aquarium.	Removes the cap of two fish per aquarium for both pets and assistive animals.
7	20	All adult (18 years and older) members of public housing households must complete a minimum number of eight (8) hours per month of community service (performance of voluntary work or duties) or self-sufficiency activities, unless they are exempt from community service requirements.	Adds the minimum number of community service or self-sufficiency activities required per month for non-exempt tenants.