

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ**  
**AGENDA OF THE REGULAR BOARD MEETING**  
**March 23, 2022**  
**11:30 a.m.**

TO BE HELD AT:  
**HOUSING AUTHORITY OFFICES**  
2160 41<sup>st</sup> Avenue, Capitola, CA 95010

- Due to the shelter-in-place directive, in lieu of attending the meeting in person, members of the public are invited to submit their comments via email to [housing@hacosantacruz.org](mailto:housing@hacosantacruz.org) prior to the meeting or join the Zoom Meeting via this link:

Join Zoom Meeting

<https://us02web.zoom.us/j/89306129245?pwd=ZzFiU1d2UmVSSjJRMk9WTklSU0pCdz09>

Meeting ID: 893 0612 9245

Passcode: 756203

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1. Roll Call

**HOUSING AUTHORITY BOARD OF COMMISSIONERS:**

Chairperson Andy Schiffrin	4 year term expires, March 17, 2023
Vice Chairperson Carol Berg	4 year term expires, May 21, 2025
Commissioner Sonja Brunner	4 year term expires, September 1, 2023
Commissioner Ligaya Eligio	2 year term expires, October 18, 2022
Commissioner Rebecca Garcia	4 year term expires, February 10, 2023
Commissioner Annette Melendrez	4 year term expires, September 29, 2023
Commissioner Richard Schmale	2 year term expires, May 12, 2023

2. Consideration of Late Additions and Changes to the Agenda

3. Consent Agenda

A. Minutes of the Regular Meeting held February 23, 2022

Motion to Approve as Submitted

## B. Board of Commissioners Meeting Format

Motion to Adopt Resolution No. 2022-05 Authorizing the Housing Authority Board of Commissioners to Continue the Use of Remote Board Meetings Pursuant to Assembly Bill 361

4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Commissioners is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.

5. Unfinished Business

6. New Business

A. Public Hearing, Review and Consideration of Draft Agency Plan for the Housing Authority of the County of Santa Cruz

Adopt Resolution No. 2022-06: Authorizing Execution of PHA Certification of Compliance with PHA Plans and Related Regulations; Board Resolution to Accompany the Annual PHA Plan for the Housing Authority of the County of Santa Cruz

7. Written Correspondence

8. Report of Executive Director

9. Reports from Board Members  
(Board members may report on meetings attended, if any, or other items of interest.)

10. Closed Session

A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (One Case)

11. Report on Closed Session

12. Adjournment

\*The Housing Authority complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.

Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.

*Agendas can be obtained from the Housing Authority of the County of Santa Cruz Administration Department.*

**AGENDA ITEM NO. 1**

Roll Call

Chairperson Schiffrin called the meeting to order at 11:32 a.m. Members present via Zoom meeting Chairperson Schiffrin, Vice Chairperson Berg, Commissioners Brunner, Eligio, Garcia, Melendrez and Schmale

**Members Absent**

None

**Staff Present**

Jennifer Panetta, Aaron Pomeroy and Courtney Byrd of the Housing Authority

**AGENDA ITEM NO. 2**

Consideration of Late Additions or Changes to the Agenda

None.

**AGENDA ITEM NO. 3**

Consent Agenda

Chairperson Schiffrin asked for a motion to approve the Consent Agenda.

Commissioner Berg moved for the approval of the Consent Agenda; Commissioner Melendrez seconded the motion and it as passed by the following vote:

AYES: Commissioners Berg, Brunner, Eligio, Garcia, Melendrez, Schiffrin and Schmale  
NOES: None  
ABSENT: None  
ABSTAIN: None

Agenda Item 3A. Approved the Minutes of the Regular Meeting held January 26, 2022

Agenda Item 3B. Received Report on the Quarterly Financials

Agenda Item 3C. Adopted Resolution No. 2022-03 Authorizing the Housing Authority Board of Commissioners to Continue the Use of Remote Board Meetings Pursuant to Assembly Bill 361

Agenda Item 3D. Adopt Resolution No. 2022-04 Resolution Authorizing the Executive Director of the Housing Authority of the County of Santa Cruz to Enter into a Cooperative Agreement with the Stanislaus Regional Housing Authority

Finance Director Pomeroy exited the meeting after the Consent Agenda was approved.

**AGENDA ITEM NO. 4**

Oral Communications

- Due to the shelter-in-place directive, in lieu of attending the meeting in person, members of the public are invited to submit their comments via email to [housing@hacosantacruz.org](mailto:housing@hacosantacruz.org) prior to the meeting or join the Zoom Meeting via this link:

Join Zoom Meeting

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING FEBRUARY 23, 2022, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

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<https://us02web.zoom.us/j/89517634329?pwd=end5NmkyVGdWWWdYRTFSWGV1YVF1UT09>

Meeting ID: 895 1763 4329

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No emails with comments were submitted and no members of the public participated in oral communications.

**AGENDA ITEM NO. 5**

Unfinished Business

None.

**AGENDA ITEM NO. 6A**

Agency Annual Plan

Secretary Panetta brought before the Board for review the Draft Annual Agency Plan for the Housing Authority of the County of Santa Cruz. A copy of this draft plan was provided to our Resident Advisory Board (RAB) for questions and feedback. Secretary Panetta noted that the Draft Annual Agency Plan is available for public review on the Housing Authority website. The public hearing, for the discussion of said Agency Plan, will take place at the March 23, 2022 Regular Meeting. This meeting date is being published in a Public Notice in the Santa Cruz Sentinel, Pajaronian and the Hollister Freelance. Secretary Panetta and the Board went through the changes to the Agency Plan that was included in this month's Board Packet. A discussion followed. The Board proposed several minor revisions and additions to the wording in the Administrative Plan, which were incorporated by staff during the meeting. The Administrative Plan provided in the March Board packet will be updated per the Board's request. The Board thanked staff for their work on the Annual PHA Plan.

**AGENDA ITEM NO. 7**

Written Correspondence

None.

**AGENDA ITEM NO. 8**

Report of Executive Director

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING FEBRUARY 23, 2022, AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41<sup>ST</sup> AVENUE, CAPITOLA, CA 95010

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Executive Director Panetta informed the Board that the Housing Authority loans with the USDA are set to mature and expire for Tierra Alta and Casa Pajaro. The Housing Authority is preparing to transition the property to a new rent structure in which it will no longer receive rental assistance subsidy from the USDA. The Housing Authority anticipates presenting a recommendation to the Board of Commissioners in March or April.

Executive Director Panetta updated the Board on the 415 Natural Bridge development.

Executive Director Panetta informed the Board that the Housing Authority has conditionally awarded Project Based Vouchers to three Project Homekey Applications: 2840 Park Avenue, Soquel 36 vouchers, the Veterans Village, 8705 Hwy 9, Ben Lomond 15 vouchers and the Rodeway Inn, 1620 W. Beach St., Watsonville 78 vouchers.

Executive Director Panetta informed the Board that the Housing Authority has hired Novogradac & Co, LLP as the agency's new auditor and tax preparer and will serve in that role for the next three audit years.

**AGENDA ITEM NO. 9** Reports from Board Members

Commissioner Garcia informed the Board that the County of Santa Cruz is seeking applicants to the Board of the newly created Pajaro Valley Health Care District, which will govern activities associated with the delivery of medical care in the Pajaro Valley and manage the sale of Watsonville Community Hospital.

**AGENDA ITEM NO. 10A** Closed Session

None.

**AGENDA ITEM NO. 11** Report on Closed Session

None.

**AGENDA ITEM NO. 12** Adjournment

The Board of Commissioners meeting was adjourned at 12:53 p.m.

I hereby certify that these minutes were approved by the Housing Authority of the County of Santa Cruz, on the Twenty Third of March, 2022.

\_\_\_\_\_  
Chairperson of the Authority

ATTEST: \_\_\_\_\_

Secretary

## AGENDA ITEM SUMMARY

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**MEETING DATE:** March 23, 2022

**ITEM NUMBER:** 3B

**FROM:** Executive Director

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**SUBJECT:** Board of Commissioners Meeting Format

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**RECOMMENDATION:** Adopt Resolution No. 2022-05 Authorizing the Housing Authority Board of Commissioners to Continue the Use of Remote Board Meetings Pursuant to Assembly Bill 361

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### **BACKGROUND SUMMARY:**

On September 16, 2021, California Governor Gavin Newsom signed AB 361 into law, amending the Ralph M. Brown Act to include new authorization for remote meetings, including remote public comment, for all local agencies. The new authorization, which largely extends the provisions of the Governor's Executive Order N-29-20 (signed March 17, 2020) and Executive Order N-35-20 (signed March 21, 2020), is effective until January 1, 2024.

Given the continuing COVID-19 state of emergency, AB 361 was introduced to establish clear rules for teleconference meetings during such emergencies, effective immediately and until January 1, 2024. Effective September 16, 2021, new Government Code section 54953(e)(1) allows local agencies to continue to meet via teleconference without complying with the Brown Act's traditional agenda posting, physical access and quorum requirements for teleconferencing, but only during a state of emergency proclaimed by the Governor (in accordance with Government Code section 8625) in which (1) state or local health officials have imposed or recommended measures to promote social distancing, or (2) the legislative body has determined (or is meeting to determine) by majority vote that meeting in person would present imminent risk to the health or safety of the attendees.

This new authority requires local agencies to verify every 30 days that the exemption from traditional teleconference requirements is still necessary. Specifically, the legislative body must redetermine that either i) the state of emergency continues to directly impact the ability of the members to meet safely in person, or ii) state or local officials continue to impose or recommend measures to promote social distancing.

Currently, the Governor's March 4, 2020 proclamation of State of Emergency is still in effect. The California Department of Public Health continues to recommend that all individuals wear masks in indoor public settings. Additionally, the Santa Cruz County Health Officer currently recommends that face coverings be worn in public indoor settings for all individuals in the County.

**RECOMMENDATION:** Adopt Resolution No. 2022-05 Authorizing the Housing Authority Board of Commissioners to Continue the Use of Remote Board Meetings Pursuant to Assembly Bill 361

**RESOLUTION NO. 2022-05**

On the motion of Commissioner

Duly seconded by Commissioner

The Following Resolution is Adopted:

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ REAFFIRMING THAT THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR OF CALIFORNIA ISSUED ON MARCH 4, 2020 RELATING TO THE COVID-19 VIRUS REMAINS IN EFFECT AND LOCAL OFFICIALS CONTINUE TO RECOMMEND SOCIAL DISTANCING MEASURES TO MITIGATE THE SPREAD OF THE COVID-19 VIRUS AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ PURSUANT TO BROWN ACT PROVISIONS.**

WHEREAS, the Housing Authority of the County of Santa Cruz (“HACSC”) is committed to preserving and nurturing public access and participation in meetings of the Board of Commissioners; and

WHEREAS, all meetings of the HACSC’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §54950 *et seq.*) (“Brown Act”), so that any member of the public may attend, participate, and watch the HACSC’s legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, the Board of Commissioners previously adopted a Resolution, Number 2022-03 on February 23, 2022 finding that the requisite conditions exist for the legislative body of the HACSC to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Commissioners must reconsider the circumstances of the state of emergency that exists, and the Board of Commissioners has done so; and

WHEREAS, the State of Emergency proclaimed by the Governor of California on March 4, 2020, due to the outbreak and spread of the COVID-19 virus remains in effect and active in order to be able to prepare, respond, and implement measures to mitigate the spread of the COVID-19 virus; and



WHEREAS, local officials within the State of California and the County of Santa Cruz continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus; and

WHEREAS, as a consequence of the proclaimed state of emergency pursuant to the COVID-19 virus which continues to remain in effect, and local officials continuing to recommend social distancing measures to mitigate the spread of the COVID-19 virus, the Board of Commissioners does hereby find that the legislative bodies of the HACSC shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the meetings of the HACSC's legislative bodies continue to be open to the public, in accordance with the law.

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Reaffirmation of Governor's Proclamation of a State of Emergency. The Board hereby finds that the Governor of the State of California's Proclamation of State of Emergency pursuant to the COVID-19 virus, effective as of its issuance date of March 4, 2020, continues to remain in effect.

Section 3. Reaffirmation of Local Officials Recommendation of Social Distancing Measures. The Board hereby finds that local officials within the State of California and the County of Santa Cruz continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus.

Section 4. Remote Teleconference Meetings. The Executive Director of the HACSC and legislative bodies of the HACSC are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective for thirty (30) days or until such time the Board of Commissioners adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the HACSC may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** by the Board of Commissioners of the Housing Authority of the County of Santa Cruz, this Twenty Third of March 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chairperson of the Authority

ATTEST:

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Secretary of the Authority

## AGENDA ITEM SUMMARY

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**MEETING DATE:** March 23, 2022

**ITEM NUMBER:** 6A

**FROM:** Executive Director

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**SUBJECT:** Public Hearing, Review and Consideration of Draft Agency Plan for the Housing Authority of the County of Santa Cruz

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**RECOMMENDATION:** **Adopt Resolution No. 2022-06:** Authorizing Execution of PHA Certification of Compliance with PHA Plans and Related Regulations; Board Resolution to Accompany the Annual PHA Plan for the Housing Authority of the County of Santa Cruz

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### **BACKGROUND SUMMARY:**

An Annual Agency Plan has been prepared for the Housing Authority of the County of Santa Cruz, as required by HUD. The purpose of the Agency Plan is to provide a resource by which HUD, participants in PHA programs, and other members of the public may locate basic information about the PHA, as well as discretionary PHA policies, rules and requirements concerning operations, programs and services.

Last month, the Board of Commissioners reviewed and discussed a draft of the Agency Plan and related documents. The board proposed minor additions and revisions which have been incorporated into the current draft. A copy of the draft Annual PHA Plan and associated documents is available to the public on the Housing Authority website. Beginning on January 28, 2022, and running weekly through March 23, 2022, a notice informing the public of the opportunity to review the Agency Plan, soliciting comments, and stating the time, date and place of the public hearing to consider the plan, is being published in English and Spanish in the Santa Cruz Sentinel, the Watsonville Pajaronian, and the Hollister Freelance.

The plans will not be considered complete until after the Board of Commissioners receives all public comment on the Plans, the Board makes any modifications they deem appropriate and the Chairperson is authorized to execute a resolution authorizing Execution of PHA Certifications of Compliance with PHA Plan and Related Regulations for Standard and Streamlined PHA Plans. This resolution and certification is now recommended to be adopted by the board.

**RECOMMENDATION:** **Adopt Resolution No. 2022-06:** Authorizing Execution of PHA Certification of Compliance with PHA Plans and Related Regulations; Board Resolution to Accompany the Annual PHA Plan for the Housing Authority of the County of Santa Cruz

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:  
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or  Annual PHA Plan for the PHA fiscal year beginning July 1, 2022, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
  - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
  - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
  - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Housing Authority of the County of Santa Cruz

CA072

\_\_\_\_\_  
PHA Name

\_\_\_\_\_  
PHA Number/HA Code

\_\_\_\_ 5-Year PHA Plan for Fiscal Years 20\_\_\_\_ - 20\_\_\_\_

x \_\_\_\_\_ Annual PHA Plan for Fiscal Years 20<sup>22</sup> - 20<sup>23</sup>\_\_\_\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official  Andrew Schiffrin	Title  Chairperson
Signature	Date

<b>Streamlined Annual PHA Plan (HCV Only PHAs)</b>	<b>U.S. Department of Housing and Urban Development Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226 Expires 03/31/2024</b>
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**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** The Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

<b>A. PHA Information.</b>																																							
<b>A.1</b>	<p><b>PHA Name:</b> The Housing Authority of the County of Santa Cruz <b>PHA Code:</b> CA072  <b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): 07/01/2022  <b>PHA Inventory</b> (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)  <b>Number of Housing Choice Vouchers (HCVs)</b> 5446  <b>PHA Plan Submission Type:</b> <input checked="checked" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a joint Plan and complete table below)</p> <table border="1" data-bbox="178 1344 1469 1911"> <thead> <tr> <th data-bbox="178 1344 454 1396">Participating PHAs</th> <th data-bbox="454 1344 584 1396">PHA Code</th> <th data-bbox="584 1344 885 1396">Program(s) in the Consortia</th> <th data-bbox="885 1344 1161 1396">Program(s) not in the Consortia</th> <th data-bbox="1161 1344 1469 1396">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td data-bbox="178 1396 454 1470">Lead HA:</td> <td data-bbox="454 1396 584 1470"></td> <td data-bbox="584 1396 885 1470"></td> <td data-bbox="885 1396 1161 1470"></td> <td data-bbox="1161 1396 1469 1470"></td> </tr> <tr> <td data-bbox="178 1470 454 1543"></td> <td data-bbox="454 1470 584 1543"></td> <td data-bbox="584 1470 885 1543"></td> <td data-bbox="885 1470 1161 1543"></td> <td data-bbox="1161 1470 1469 1543"></td> </tr> <tr> <td data-bbox="178 1543 454 1617"></td> <td data-bbox="454 1543 584 1617"></td> <td data-bbox="584 1543 885 1617"></td> <td data-bbox="885 1543 1161 1617"></td> <td data-bbox="1161 1543 1469 1617"></td> </tr> <tr> <td data-bbox="178 1617 454 1690"></td> <td data-bbox="454 1617 584 1690"></td> <td data-bbox="584 1617 885 1690"></td> <td data-bbox="885 1617 1161 1690"></td> <td data-bbox="1161 1617 1469 1690"></td> </tr> <tr> <td data-bbox="178 1690 454 1764"></td> <td data-bbox="454 1690 584 1764"></td> <td data-bbox="584 1690 885 1764"></td> <td data-bbox="885 1690 1161 1764"></td> <td data-bbox="1161 1690 1469 1764"></td> </tr> <tr> <td data-bbox="178 1764 454 1911"></td> <td data-bbox="454 1764 584 1911"></td> <td data-bbox="584 1764 885 1911"></td> <td data-bbox="885 1764 1161 1911"></td> <td data-bbox="1161 1764 1469 1911"></td> </tr> </tbody> </table>				Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
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<b>B.</b>	<b>Plan Elements.</b>
<b>B.1</b>	<p><b>Revision of Existing PHA Plan Elements.</b></p> <p>a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p>
<b>B.2</b>	<b>New Activities.</b> – Not Applicable

**B.3**

Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan of July 1, 2020.

1. Goal: Expand supply of assisted housing
  - a. Apply for maximum award of additional rental assistance vouchers when available – the Housing Authority applied for, and was awarded 12 additional HUD-VASH vouchers, and 268 Emergency Housing Vouchers in the previous year.
  - b. Increase ACC of voucher program by new 200 vouchers – The number of vouchers in our ACC has increased from 5,095 in July 2020 to 5,699 in December 2021, an increase of 604 vouchers. This includes 234 vouchers acquired through the Streamlined Voluntary Conversion, 268 Emergency Housing Vouchers (which are not permanent and will expire as families attrition out of the program over time), 90 Mainstream Vouchers, and 12 VASH vouchers.
  - c. Increase the size of project-based voucher program by 300 vouchers, with at least 150 of those vouchers provided to new affordable housing developments – The number of vouchers in our PBV program has increased from 321 units in July 2020 to 327 units in December 2021, an increase of only 6 units that had been added to existing contracts. However, the Housing Authority has over 300 units in the PBV pipeline that have been conditionally approved. All of these units represent new developments, and the majority are expected to be completed within the timeframe of this 5-year plan.
  - d. Complete the development of a minimum of 6 new affordable units on Natural Bridges Drive – The Housing Authority is in the process of developing 20 SRO units at the site. Units are expected to be ready for occupancy Summer 2023.
  - e. For new site based affordable housing, take measures to deconcentrate poverty and expand housing opportunity – The Housing Authority has converted all public housing to tenant protection vouchers; vouchers offer mobility options to areas of opportunity.
  - f. If Section 22 SVC is completed: Consider using revenue from nonprofit affiliate to:
    - i. Fund at least one full or part time housing development position, either among HA staff or through a consultant – The Housing Authority has contracted with an external construction project manager
2. Goal: Improve quality of assisted housing
  - a. Renovate or modernize existing housing units and complexes as needed – the Housing Authority renovates existing housing as needs are identifies through annual inspections. – Since July 1, 2020, the Housing Authority has modernized a total of 26 former LIPH units. That consisted of new flooring, paint, counter tops, LED light fixtures, low-flow water plumbing fixtures and new energy efficient appliances. In addition to the 26 units that were modernized, the Housing Authority replaced appliance that were over 10 years old with new energy star rated refrigerators and stoves; in total, approximately 170 of each.
3. Goal: Increase assisted housing choices
  - a. Conduct FMR study bi-annually to continually increase voucher payment standards – the Housing Authority completed an FMR study in June 2020, which increased FMRs by nearly 20% over the previous year's rates. As a result, the Housing Authority increased payment standards effective January 1, 2021. FMR studies are conducted bi-annually. The next study will be conducted in early 2022.
  - b. Increase number of landlords participating in Section 8 voucher program by 10% - The number of landlords participating in the Housing Choice Voucher Program has increased from 2,027 landlords in July 2020 to 2,237 landlords as of December 2021, representing an increase of 210 landlords, or 10.4%
4. Goal: Improve agency and program management
  - a. Maintain high performer status with a SEMAP score of at least 95% - The Housing Authority has maintained high performer status for SEMAP.
  - b. Achieve and maintain high voucher and funding utilization rates of at least 95% - Voucher utilization rates above 95%, with new Emergency Housing Vouchers (EHV) excluded. Utilization rates including EHV's are 92%.
  - c. Implement landlord portal with features including document uploading and electronic signature on contracts – the Housing Authority has implemented the landlord portal through YARDI Rent Café and has implemented DocuSign for executing contracts.
  - d. Implement resident portal with features including online annual re-examination forms, document uploading, and online maintenance requests – the Housing Authority has implemented the resident portal through YARDI Rent Café.
5. Goal: Promote self-sufficiency and asset development of families and individuals
  - a. If Section 22 SVC is completed: Consider utilizing revenue from non-profit affiliate to:
    - i. Provide or attract at least two new supportive services to improve tenant employability
    - ii. Provide or attract at least two new supportive services to improve financial literacy

The Housing Authority has conducted a Resident Needs Assessment to collect information about programs and services that assisted families are interested in. The results of the survey will be used to develop staff recommendations presented to the New Horizons Board of Directors in Spring 2022.
6. Goal: Utilize housing as a platform to improve quality of life
  - a. If Section 22 SVC is completed: Consider utilizing revenue from non-profit affiliate to:
    - i. Provide or attract at least two new supportive services to increase independence for elderly and disabled
    - ii. Provide or attract at least two new supportive services to increase health and wellness of residents
    - iii. Provide or attract at least two new supportive services to increase food security of residents
    - iv. Provide or attract at least two new supportive services to improve educational attainment of residents, such as promoting book rich environments

The Housing Authority has conducted a Resident Needs Assessment to collect information about programs and services that assisted families are interested in. The results of the survey will be used to develop staff recommendations presented to the New Horizons Board of Directors in Spring 2022.
7. Goal: Ensure equal opportunity and affirmatively furthering fair housing
  - a. Take affirmative measures to ensure access to assisted housing for all protected classes or persons least likely to access assistance – The Housing Authority monitors to ensure all protected classes and persons least likely to apply have adequate representation in Housing Authority programs and waiting lists. The Housing Authority is awaiting further guidance from HUD regarding updates to



	<p>fair housing requirements.</p> <p>b. Implement measures to deconcentrate poverty and expand housing opportunity, such as regional payment standards, policies that do not limit frequency of transfer, and consideration of poverty rates in assignment of project-based vouchers – The Housing Authority has taken many measures to expand housing opportunity, including bi-annual FMR studies that result in increased payment standards, regional payment standards that allow greater subsidy in more expensive neighborhoods, lengthy voucher search times of at least 180 days, unlimited moves and transfers, and higher caps on PBV units in low poverty areas.</p>
<b>B.4</b>	<b>Capital Improvements.</b> – Not Applicable
<b>B.5</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A  <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<b>C.</b>	<b>Other Document and/or Certification Requirements.</b>
<b>C.1</b>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/> If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>The Resident Advisory Board (RAB) met via zoom on Tuesday January 18<sup>th</sup> from 11:00am to 12:30 pm. The RAB consisted of five current program participants. PHA staff presented “track changes” versions of the draft Agency Plan and Administrative Plan, as well as an overview of all proposed modifications. Staff walked the RAB through each document, providing a summary and explanation regarding each proposed change. Comments about the proposed plan were supportive, with particular interest and support in information regarding the expansion of the project-based voucher program, and information on the progress made towards goals established in the most recent 5 year plan. Beyond discussion about the draft documents, RAB members had questions about how the COVID19 pandemic has impacted PHA operations.</p>
<b>C.2</b>	<p><b>Certification by State or Local Officials.</b></p> <p><a href="#">Form HUD 50077-SL</a>, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>C.3</b>	<p><b>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</b></p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>C.4</b>	<p><b>Challenged Elements.</b> If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>

**D. Affirmatively Furthering Fair Housing (AFFH).**

**D.1 Affirmatively Furthering Fair Housing (AFFH).**

Provide a statement of the PHA’s strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

<p><b>Fair Housing Goal:</b></p> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><b>Not applicable. Per HUD instructions: “Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.”</b></p>
<p><b>Fair Housing Goal:</b></p> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><b>Not applicable. Per HUD instructions: “Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.”</b></p>
<p><b>Fair Housing Goal:</b></p> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><b>Not applicable. Per HUD instructions: “Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.”</b></p>

# ADMINISTRATIVE PLAN

## Section 8 Housing Choice Voucher Program

### Housing Authority of the County of Santa Cruz



The Administrative Plan contains those policies of the Housing Authority of the County of Santa Cruz that have been adopted by the Board of Commissioners, as required by [24CFR 982.54](#), governing the establishment and administration of a waiting list, the issuance of Section 8 Housing Choice Vouchers, and overall program administration. The Housing Authority reserves the right to amend the Administrative Plan.

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~~June 2021~~ June 2022

*Please note that the electronic copy of this document contains hyperlinks to applicable HUD regulations and other references. An electronic copy of this document is available at the following website: <http://www.hacosantacruz.org/agency.htm>. If you cannot access the electronic copy of this document, copies of the referenced links and regulations will be available upon request.*

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## I. Selecting Applicants from the Waiting List, Targeting, Preferences, Closing and Opening Waiting List

### Selecting Applicants from the Waiting List

All program admissions, except for special programs (described in Section III), and special admissions, must come from the applicable waiting list. Special admissions, defined by Housing and Urban Development (HUD) in 24 [CFR 982.203](#) consist of HUD awards that are targeted for families living in specified units. Such HUD awards may include families displaced because of demolition or disposition of a public housing unit, families residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project, or other circumstances as determined by HUD.

When a waiting list is open, the Housing Authority accepts pre-applications from all interested persons and places their name on the waiting list in accordance to that waiting list's policy (either random number sequence / lottery or by date of placement).

When a waiting list is closed to the general public, the Housing Authority may accept direct referrals for applicants that are eligible for preferences or special programs, as defined below. In all cases, the Housing Authority will endeavor to serve preference or special program eligible applicants already on the waiting list before accepting referrals for new preference or special program eligible applicants. Additionally, while a waiting list is closed, the Housing Authority will add applicants to the waiting list when required to do so by HUD, including but not limited to instances where eligible households are residing in units newly accepted into the Project-Based Voucher Program.

Upon the close-out of the Consolidated Annual Contributions Contract (CACC) with HUD for Low Income Public Housing, any remaining active applicants on the Low-Income Public Housing Waiting List will be contacted and provided with an opportunity to be added to the end of the Santa Cruz County Housing Choice Voucher Waiting List. Such applicants would receive preference for the former Public Housing units as units become available. Additionally, any over-income families residing in Public Housing upon conversion may be added to the waiting list and admitted to the Housing Choice Voucher program if they become income eligible within two years of the conversion. These will be considered special admissions.

Except as otherwise stated, applicants are selected based random number sequence / lottery. As applicants approach the top of a waiting list, full applications are issued. Those applicants, who have submitted a complete application and are certified eligible for Section 8 Voucher assistance, are issued vouchers based on the date that eligibility was determined, in accordance with income targeting requirements.

All households who complete a pre-application to place their name on the waiting list are informed in writing of their responsibility to report any change in address promptly.

Pre-applications (those on the waiting list) will be cancelled from the waiting list if

1. they do not respond to required written correspondence within the given time period; and
2. mail sent to their last reported address is returned by the post office.

Exceptions for persons with disabilities: Exceptions will be granted for pre-applicants and applicants with disabilities, as defined in [24 CFR 5.403](#) who were not able to respond within the time frame due to their disability. Exceptions may also be granted for hospitalization of sufficient duration to be the cause of the lack of response.

The Housing Authority will consider requests for reinstatement on the waiting list. The Housing Authority will consider the date of most recent contact, the length of time between cancellation and reinstatement request, disability status, homelessness or lack of access to mail, and other factors.

The Housing Authority may conduct voucher issuance briefings remotely via telephone or video conferencing.

Number of Waiting Lists

The Housing Authority maintains a combined waiting list for the Santa Cruz County Housing Choice Voucher Program (HCV), the Moderate Rehabilitation Program, and for some units of the Project-Based Voucher Program that do not have site-based waiting lists. (See exceptions for Special Programs in Section III.) Additionally, the Housing Authority maintains a separate waiting list for the Housing Choice Voucher Program for the Cities of Hollister and San Juan Bautista.

Medicaid Waiver

The Housing Authority has established a waiting list for applicants who are eligible for a Medicaid Waiver and are referred by agencies with an active memorandum of understanding (MOU) with the Housing Authority. Available vouchers are issued based on date of placement on the waiting list.

Site-Based Waiting Lists for Project Based Developments

Project-Based Voucher sites may have separate site-based waiting lists, as listed below. The Housing Authority will consider the establishment of additional site-based waiting lists for new Project-Based Voucher contracts on a case-by-case basis. Units in all other Project Based Voucher developments are offered based on placement on the Housing Choice Voucher waiting list. Existing Housing Choice Voucher holders may transfer into a Project-Based Unit in developments that utilize a combined waiting list. Such voucher holders will be given preference over waiting list applicants.

<b>PBV Development</b>	<b>Location</b>	<b>Waiting List Conditions</b>
<u>El Centro</u> 44 PBV units – senior housing	1110 Pacific Avenue Santa Cruz	44 units - Date of placement on the waiting list
<u>Resetar Residential Hotel</u> 53 PBV units	15 West Lake Avenue Watsonville	45 PBV units - date of placement on the waiting list  8 HUD VASH PBV units - referrals from Veterans Administration
<u>St. Stephens Senior Housing</u> 39 PBV units – senior housing	2510 Soquel Avenue Santa Cruz	29 PBV units - lottery number on the waiting list  5 HUD VASH PBV units - referrals from Veterans Administration  5 PBV units for frail elderly – referrals from Health Projects Center

<b>PBV Development</b>	<b>Location</b>	<b>Waiting List Conditions</b>
<u>Pippin Orchards Apartments</u> 31 PBV units	56 Atkinson Lane Watsonville	23 PBV units- lottery number on the waiting list  6 PBV units for persons with disabilities who will most benefit from supportive services – referrals from Housing Choices Coalition  2 PBV units for homeless young adults with disabilities – referrals from Encompass Community Services
<u>Sunrise Senior Apartments</u> 48 PBV units – senior housing	580 Westside Blvd. Hollister	43 PBV units - Date of Placement on 2011 HSJB waiting list and followed by lottery number on 2018 HSJB waiting list.  5 HUD VASH PBV units - referrals from Veterans Administration
<u>Water Street Apartments</u> 33 PBV units	708 Water Street Santa Cruz (City)	25 PBV units - lottery number on the waiting list  8 PBV units for persons with disabilities who will most benefit from supportive services – referrals from Housing Choices Coalition
<u>San Andreas</u> 4 PBV units – farmworker housing	295 San Andreas Road Watsonville	4 PBV units- the Housing Authority may accept referrals of eligible families from Mid-Pen Housing’s waiting List.
<u>Villas del Paraiso</u> 14 PBV units – farmworker housing	340 Paraiso Drive Watsonville	14 PBV units - The Housing Authority may accept referrals of eligible families from Mid Pen Housing’s waiting list.
<u>Jardines del Valle</u> 5 PBV units	76 Murphy’s Crossing Road Santa Cruz County (unincorporated area)	5 PBV units - The Housing Authority may accept referrals of eligible families from Mid-Pen Housing’s waiting list
<u>Pajaro Valley Shelter Services</u> 4 PBV units	Scattered sites	4 units for formerly homeless families referred by Pajaro Valley Shelter Services

Waiting List Preferences for Designated Groups on the Housing Choice Voucher Waiting List

Waiting list preferences are described below. All preferences are verified. These preferences will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, gender identity, sexual orientation, religion, disability, or age of any member of an applicant family. Unless otherwise stated, waiting list preferences apply to the Santa Cruz County Housing Choice Voucher Waiting List. All preferences adopted by the Housing Authority are based on local housing needs and priorities as determined by the Housing Authority. With the exception of these waiting list preferences, all other applicants on the Housing Choice Voucher waiting lists will be assisted by either date of placement or random number sequence lottery.

1. Live/Work Residency Preference

The Housing Authority has established a partial live/work residency preference, such that at least 75% of the families selected from the waiting list will either currently live or work in the jurisdiction of the waiting list. The residency preference is applicable to the Santa Cruz County Housing Choice Voucher Waiting List (for households with a head of household, spouse or registered domestic partner that lives/works in Santa Cruz County) and the Hollister/San Juan Bautista Housing Choice Voucher Waiting List (for households with a head of household, spouse or registered domestic partner that lives/works in San Benito County.) The residency preference ensures that the majority of the Housing Choice Vouchers, which have been awarded to the Housing Authority by HUD to serve our jurisdiction, will be made available to those who live or work in the jurisdiction.

2. Disabled and Medically Vulnerable Homeless Persons (DMV)

The Housing Authority has adopted a limited waiting list preference for disabled and medically vulnerable homeless persons. Housing Matters [using prioritization through Smart Path, the Coordinated Entry System for persons experiencing homelessness, (as administered by the County Human Services Department, Housing for Health Division)] provides referrals for persons who meet all of the following criteria:

- a) Disabled as defined by HUD at 24CFR 5.403.
- b) Medically vulnerable as defined by a Homeless Action Partnership approved Vulnerability Index.
- c) Homeless as defined by HUD per the HEARTH Act in Federal Register / Vol. 76, No. 233.
- d) Have established a case management plan with a provider of housing supportive services within Santa Cruz County.

A maximum of 150 households may be assisted by this preference program at any given time. The Housing Authority may continue to accept referrals for persons eligible for this preference while the waiting list is closed. DMV voucher holders who have been stably housed for 2 years may “graduate” into the regular voucher program if they are in good standing with the program and there are vouchers/funding available. At that time, the DMV voucher would be available for the next eligible family referred to the Housing Authority.

3. Homeless Families with Minor Children

The Housing Authority has adopted a limited waiting list preference for homeless families with minor children. The preference is for applicants already on the Santa Cruz County Section 8 waiting list who meet the following criteria:

- a) Homeless as defined by HUD per the HEARTH Act in [Federal Register / Vol. 76, No. 233](#).
- b) Head of household or spouse lives or works in Santa Cruz County
- c) Head of household or spouse has at least one minor child residing with household

The Housing Authority will identify potentially eligible families who are already on the Santa Cruz County Section 8 waiting list. Eligible families will be referred to the Human Services Department (HSD) of the County of Santa Cruz. HSD will provide an appropriate level of case management to the homeless family, including assistance with the voucher eligibility application and paperwork and rental search assistance. Although the homeless family is not required to accept case management, HSD will offer case management for at least one year.



A maximum of 40 households may be assisted by this preference program at any given time. If there are no eligible homeless families that can be identified on the Santa Cruz County Housing Choice Voucher waiting list, or that respond to Housing Authority requests for application, the Housing Authority may accept referrals for persons eligible for this preference. Homeless family preference voucher holders who have been stably housed for 2 years may “graduate” into the regular voucher program if they are in good standing with the program and there are vouchers/funding available. At that time, the homeless family preference voucher would be available for the next eligible family.

4. Vulnerable Homeless Persons in San Benito County

The Housing Authority is working with San Benito County to develop a limited waiting list preference for persons who are experiencing homelessness or at risk of homelessness and have other vulnerability factors. This preference may be implemented following the establishment of a formal agreement with San Benito County and/or a lead service agency identified by San Benito County. The preference will be limited to 24 households, with a maximum of 2 new households per month.

5. Homeless Families with Minor Children for Brommer Street Supportive Housing Units

The Housing Authority has adopted a limited waiting list preference for homeless families with minor children for residency of six supportive housing units at the Brommer Street Supportive Housing Program. The Housing Authority will accept direct referrals of homeless families with minor children from the County of Santa Cruz Human Services Department (HSD) in accordance with the MOU.

6. Disabled Transitioning from Institutions (DTI)

The Housing Authority has adopted a limited waiting list preference for disabled persons transitioning from institutions into community-based settings, and persons at serious risk of institutionalization for persons who meet the following criteria:

- a) Disabled as defined by HUD at [24CFR 5.403](#).
- b) Transitioning Individuals must either be currently living in, or at serious risk of being admitted to, a qualified institution at the time of referral to the Housing Authority or must have been living in a qualified institution no more than 90 days prior to the referral to the Housing Authority.

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.

Qualifying institutions include intermediate care facilities, licensed residential facilities, and specialized institutions that care for the intellectually disabled, developmentally disabled, physically disabled or mentally ill. This definition does not include board and care facilities (such as adult homes, adult day care, and adult congregate living).

Referral Agency / Supportive Services – Qualifying individuals must be referred by a service provider agency that has entered into a memorandum of understanding (MOU) with the Housing Authority. The service provider will document and certify the eligibility criteria above (disability status and transition from qualifying institution). The service provider must also certify that the individual is ready to transition out of an institutional environment and must have a case management plan to assist the individual with the transition. Additionally, the service provider must assist the individual with all aspects of the Housing Choice Voucher program, including completing applications, obtaining

documentation of income, attending Housing Authority appointments with the client, and assisting the client in finding and maintaining housing.

A maximum of 12 households may be assisted by this preference program at any given time. The Housing Authority may continue to accept referrals for persons who would be eligible for this preference while the waiting list is closed. DTI voucher holders who have been stably housed for 2 years may “graduate” into the regular voucher program if they are in good standing with the program and there are vouchers/funding available. At that time, the DTI voucher would be available for the next eligible family referred to the Housing Authority.

7. Mainstream Vouchers

The Housing Authority has received 240 Mainstream Vouchers. These Mainstream Vouchers are available to waiting list applicants that meet the following eligibility criteria:

The Household must include a family member between the age of 18 and 62 who is a person with a disability.

Assistance will be offered to applicants on the Santa Cruz County HCV waiting list who are eligible for the program based on date of placement or lottery number. A subset of the Mainstream Vouchers are available to applicants on either the Santa Cruz County or San Benito County HCV waiting lists. If the Housing Choice Voucher waiting lists do not contain sufficient numbers of eligible households, the Housing Authority may accept referrals 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.

The Housing Authority has established a temporary Mainstream Voucher preference of up to 75 vouchers for non-elderly persons with disabilities who are at high-risk of severe COVID- 19 disease and are staying in time-limited shelters in Santa Cruz County. Referrals will be provided by the Human Services Department (HSD) Housing for Health Division using the SCC COVID-19 shelter and Smart Path data. HSD will provide the applicants with supportive services and housing navigation assistance. The COVID-19 Mainstream Voucher preference will automatically expire 180 days after the Governor lifts the state of emergency for California. Once the temporary waiting list preference expires, all Mainstream Vouchers will be available to eligible waiting list applicants.

Additionally, to the extent that any homeless targeted referral voucher programs become fully utilized during the COVID-19 pandemic, the Housing Authority may issue Mainstream Vouchers to Mainstream eligible homeless persons referred for other voucher programs to avoid a delay in their housing placement. This temporary authority will automatically expire 180 days after the Governor lifts the state of emergency for California.

8. Graduates of the Continuum of Care (CoC) Shelter Plus Care (S+C), ~~and~~ Youth Homeless Demonstration Program (YHDP) Permanent Supportive Housing (PSH) Programs, and Family Unification Program (FUP) Youth in Project Based Voucher units.

The Housing Authority has been awarded competitive grants for permanent supportive housing for people experiencing chronic homelessness. A program known as Shelter Plus Care is a partnership between the Housing Authority and the County Health Services Agency to provide wrap-around services from outreach and eligibility to housing stabilizing services. A program known as New Roots is a partnership between the Housing Authority and Encompass Community Services to provide supportive services and housing to homeless youth ages 18-24 with disabilities.

S+C recipients who have been stably housed for 2 years may “graduate” into the regular voucher program if they are in good standing with the program and there are vouchers/funding available. At that time, the S+C assistance would be available for the next eligible family referred to the Housing Authority by the Health Services Agency.

The Housing Authority may graduate Youth Homeless Demonstration Project participants when these four conditions apply: 1.) The young adult has been stably housed for two or more years. 2.) The Case Manager agrees that the young adult has sufficiently benefitted from supportive services. 3.) The young adult is in good standing with the Housing Authority. 4.) There are vouchers/funding available. The Housing Authority may transfer the young adult to regular HCV so “younger” youth can have access to the permanent supportive housing.

The Housing Authority provides a preference within the HCV voucher program for Family Unification Program Youth in Project Based Voucher units, wherein they may graduate into the regular HCV voucher program when they have reached the maximum period of assistance under FUP and are in good standing with the program.

9. Admission of Low-Income Families

Low-income families (up to 80% median household income) may be admitted to the program if they are working families (defined as a family in which the head, spouse or sole member is employed). In addition, low-income families in which the head and spouse or sole member is age 62 or over or is a person with disabilities may be admitted under this section. Such low-income families will not be admitted ahead of non-low-income families but will be placed on the waiting list according to the random number sequence lottery of their application.

10. Temporary Measures during Periods of Low Utilization Rate

During times of low voucher or funding utilization (under 97%), the Housing Authority may utilize the following measures:

- a) Lease In-Place Option. This preference will only be applicable to applicants already on the waiting list who currently live in the Housing Authority jurisdiction, reside in a unit that meets HQS standards, with a landlord who is willing to accept a voucher.
- b) Eviction Prevention. The Housing Authority may accept direct referrals from the Community Action Board of Santa Cruz County (CAB) of families at imminent risk of homelessness due to eviction for economic reasons. The Eviction Prevention preference will be limited to applicants on the HCV waiting list, and the preference will be limited to 24 vouchers.

Targeting

Notwithstanding the above, if necessary to meet the HUD statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income (incomes not exceeding 30% of area median income), the Housing Authority retains the right to select extremely low-income families ahead of other eligible families on an as-needed basis to ensure the HUD income targeting requirement is met. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families.

Opening and Closing the Waiting list

When the Housing Authority opens a waiting list, the opening will be announced publicly on our website, on our waiting list phone line, in our lobby, in local newspapers of general circulation, and other appropriate media such as email and/or social media sites. The Housing Authority will affirmatively further fair housing by conducting strategic outreach through diverse community partners to inform the public when the waiting list opens.

The Housing Authority may accept applications by mail, via internet, by FAX and by other methods that encourage equal access and opportunity to apply for all persons, including those with disabilities.

The Housing Authority reserves the right to open and close waiting lists at any time.

#### Changes to Head of Household or Family Members While on the Waiting List

While on the waiting list, the head of household may be changed to another family member under the following circumstances:

1. If the family splits into two or more families, the family containing the head of household retains placement on the waiting list.
2. If the head of household dies, another member can become the head of household if they provide verification of the death, and if they have the legal capacity to enter into a lease.
3. If the head of household no longer has the legal capacity to enter into a lease, another member can become the head of household if they provide verification of the incapacitation and if they have the legal capacity to enter into a lease.
4. If the head of household engages in criminal activity directly related to domestic violence, dating violence, sexual assault or stalking (known as Violence Against Women Act crimes – VAWA) against a household member or affiliated individual, another member of the household can become the head of household if they provide verification of VAWA. When a family break-up results from the occurrence of domestic violence, the PHA must ensure that the victim retains assistance. (See 24 CFR 982.315(a).)

The Housing Authority may consider additional exceptions on a case-by-case basis.

The “applicant family” is defined as those persons who were included in the full initial application for assistance and who meet the HUD definition of “family”.

Any household members whom the applicant family wishes to add after the initial eligibility determination must meet the criteria listed in Section XVIII of this Plan. Changes to family members will not be processed while applicants are on the waiting list. All changes will be processed at the time of the initial eligibility determination or thereafter.

#### Selecting Applicants for the Moderate Rehabilitation Program

All vacant units under contract will be rented to eligible families referred by the Housing Authority from the waiting list.

## [II. Issuing or Denying Housing Choice Vouchers, Term of the Housing Choice Voucher, and Extensions or Suspensions of the Term](#)

All Housing Choice Vouchers are issued with an initial term of at least 60 days. One or more extensions of at least an additional 60 days will be considered. Extensions may be granted

1. If voucher holders provide proof that despite a diligent effort, they could not find a unit suitable to their needs; or
2. In special cases only, such as a large family, a “special needs” family, hospitalization or drug rehabilitation, death in the family, etc.

The Housing Authority will provide written notice to the family when granting an extension. The number and duration of extensions may depend on a number of factors including market conditions and availability of vouchers / funding.

The Housing Authority will grant additional extensions on an individual case basis as a Reasonable Accommodation for Housing Choice Voucher holders with disabilities. Third party verification of disability and need for extension is required. The extension may be granted after the Housing Authority has received such verification from a doctor, other health care professional or a social worker with medical or professional knowledge of the person’s disability. If acceptable verification is not received within 60 days of the Housing Authority’s request, the extension may be denied.

See Section IV Occupancy Standards (Standards for denying admissions or terminating assistance) for information about denying assistance for applicants.

### III. Special Purpose Programs

Over time, HUD has awarded the Housing Authority with funding for specific voucher types to serve specific populations. In some instances, these special programs offer vouchers to eligible persons from the Housing Choice Voucher (HCV) waiting list. In other instances, vouchers are issued based on referrals from service providers. All special voucher programs are listed and described below. If special program vouchers are project based, the unique eligibility criteria described below will be preserved.

#### Veterans Assisted Supportive Housing / VASH (368-383 vouchers)

The Department of Housing and Urban Development (HUD) and the Veterans Administration (VA) have partnered to create a program for homeless veterans. This program combines HUD Housing Choice Voucher rental assistance with the Department of Veterans Affairs case management and clinical services provided at its medical centers and in the community. Funding for this program is limited to housing authorities that partner with “eligible Veterans Affairs Medical Centers (VAMCs) or other entities as designated by the VA.”

VASH vouchers are not issued based on placement on Housing Authority waiting lists. Instead, referrals for eligible homeless veterans are provided by the Veterans Administration. The Housing Authority will administer the VASH program in accordance with HUD VASH rules and regulations, which may differ from the Housing Choice Voucher Program.

#### Family Unification Program / FUP (218 vouchers)

Family Unification vouchers have been made available by HUD for this program. 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, 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. To be considered for Family Unification assistance, families will be identified through the County Human Services Department (HSD).

Family Unification vouchers are not issued based on placement on the Housing Choice Voucher waiting list. Instead, HSD provides referrals to the Housing Authority based on comprehensive risk assessment and FUP-eligibility determination. HSD will provide written certification to the Housing Authority that a family or a youth qualifies as a FUP-eligible family or youth. 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 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. The Smart Path lead agency is the County HSD. They will use it to assist in identifying youth who were previously on a child welfare caseload and may be eligible for FUP. FUP Youth vouchers have a HUD imposed 36- month limit on rental assistance. FUP Youth voucher holders who enter into a HUD Family Self- Sufficiency contract may have their FUP Youth rental assistance extended for the life of the FSS contract up to five years, with the possibility of an extension up to two years.

Responsibilities for administering the Family Unification Program are as follows: The Housing Authority will be responsible wholly or in part for

1. accepting referrals from HSD;
2. sorting the HCV waiting list to identify applicants who may qualify;
3. certifying HCV voucher eligibility and issuing vouchers providing orientation to the Section 8 Housing Choice Voucher Program;
4. offering training to HSD and other HSD-subcontract agencies on HCV procedures;
5. convening regular meetings with HSD and the Consortium of Care (CoC) Homeless Action Partnership; and
6. approving rental agreements for FUP and processing HAP contracts.

The Human Services Department will be responsible wholly or in part for

1. seeking and identifying eligible families and making referrals to the Housing Authority;
2. certifying special program eligibility;
3. assisting in identifying and securing housing appropriate to the family's size and needs;
4. offering training on HSD referral procedures to the Housing Authority and HSD- subcontractors; and
5. providing case management and some or all of the following supportive services:
  - a) child welfare and family reunification services
  - b) vocational training and educational assistance
  - c) childcare assistance
  - d) health, mental health, and substance abuse services
  - e) renter education
  - f) job search and placement assistance.

The Continuum of Care will be responsible for

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; and
2. using Smart Path CES, to provide assessments and prioritization.

Once a family has been certified as eligible and accepted into the Family Unification Program, they will attend an orientation session provided by the Housing Authority, during which Section 8 procedures and regulations will be explained in detail. All FUP families and youth will be offered the opportunity to join the Family Self Sufficiency program.

The HSD will be responsible for case management for the FUP Youth Family Self-Sufficiency (FSS) for the first 18 months from the start of the FSS Contract. Case Management is intended to assist the youth fulfill their FSS plan toward independence and self-sufficiency. 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.

FUP recipients who have been stably housed for 2 years may “graduate” into the regular voucher program if they are in good standing with the program and there are vouchers/funding available. At that time, the FUP assistance would be available for the next eligible family referred to the Housing Authority by the Human Services Department.

#### Issuance as a Reasonable Accommodation

A Housing Choice Voucher may be issued as a reasonable accommodation to persons with disabilities who live in a unit owned or managed by the Housing Authority if

1. A doctor, other health care professional or a social worker with medical or professional knowledge of the person’s disability has verified the disability related housing need, and
2. there is not an acceptable unit available for the family in the Housing Authority owned or managed program, or the length of the wait for a vacancy of an acceptable unit is determined to be unreasonably long (at least one year).

#### Disabled Vouchers (138 vouchers)

HUD has made available vouchers for disabled applicants on the Housing Choice Voucher waiting list. These vouchers are issued to eligible applicants based on their waiting list preference status and date of placement or random number sequence lottery.

#### Medicaid Waiver Program (27 vouchers)

HUD has made available vouchers for persons participating in the Medicaid Home and Community Based Waiver Program. The Medicaid waiver vouchers are reserved for disabled persons, also covered under a waiver of Section 1915(c) of the Social Security Act, who are Medicaid-eligible at risk of being placed in intermediate care facilities. The voucher would allow them to be cared for in their homes and communities. These individuals are thereby assisted in preserving their independence and ties to family and friends at a cost no higher than that of institutional care.

Responsibilities for administering the Medicaid Waiver Program are as follows: The Housing Authority will be responsible wholly or in part for

1. certifying voucher eligibility
2. providing orientation with regards to the Section 8 Housing Choice Voucher Program
3. approving rental agreements

The local agencies administering 1915c waiver programs will be responsible wholly or in part for

1. seeking and identifying eligible individuals/families
2. certifying special program eligibility
3. assisting in identifying and securing housing appropriate to the household's needs
4. providing case management

Medicaid Waiver vouchers are issued based on placement on the Medicaid Waiver waiting list. Eligible referrals are provided by social service agencies with a current MOU with the Housing Authority to provide referrals and services. Those referrals produce the Medicaid Waiver waiting list. Once an individual and/or family has been certified as eligible and accepted into the Medicaid Waiver Program, they, or their designated representative, will attend an orientation session provided by the Housing Authority, during which Section 8 procedures and regulations will be explained in detail.

#### Welfare to Work Program (24 vouchers) (WtW)

HUD has made vouchers available for persons participating in the CalWORKs Welfare to Work Program. The Welfare to Work vouchers are reserved for CalWORKs participants. They are intended to be a key part of the strategy to support the efforts of Santa Cruz County families who are working towards self-sufficiency. Welfare to Work vouchers are not issued based on placement on the Housing Choice Voucher waiting list. Instead, eligible referrals are provided by the Santa Cruz County Human Services Department (HSD).

Responsibilities for administering the Welfare to Work vouchers are as follows:

The Housing Authority will be responsible wholly or in part for

1. certifying voucher eligibility;
2. providing orientation with regards to the Section 8 Housing Choice Voucher Program; and
3. approving rental agreements.

The Human Services Department will be responsible wholly or in part for

1. screening and refer CalWORKs participants;
2. assisting CalWORKs participants who receive vouchers with housing-related issues and work with Housing Authority staff to resolve those issues;
3. supporting housing stability for eligible CalWORKs participants who receive vouchers by providing them with comprehensive services including individual assistance in the areas of vocational training and assessment, job search and upgrade, on-the-job training, transportation assistance, child care, participation in MediCal/MediCruz as appropriate, counseling services for substance abuse, domestic violence and mental health issues and other supportive services; and
4. coordinating participant involvement in programs offered through the Small Business Development Center, Career Centers, and Cabrillo Student Resource Support Network.

If the Human Services Department informs the Housing Authority that a Welfare to Work voucher holder has graduated from the program, the Housing Authority may absorb that program participant into the regular Housing Choice Voucher program if a voucher is available and if the program participant is in good standing, and if the participant has been stably housed for two or more years. At that time, the Welfare to Work voucher would be available for the next eligible family referred by the Human Services Department.

#### Emergency Housing Vouchers (EHV) (263 Vouchers)



The Department of Housing and Urban Development (HUD) has awarded the Housing Authority Emergency Housing Vouchers (EHV) to continue relief from the Covid-19 pandemic impacts.

Eligibility for these EHV is limited to individuals and families who are (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or (4) recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. EHV are tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)).

The EHV allocation from HUD is accompanied with a one-time service fee to support the efforts of implementing the program. The Housing Authority will use this service fee in accordance with the requirements established in PIH 2021-15, as well as any subsequent HUD guidance. Use of the service fees may include security deposits assistance, owner-related recruitment, incentives, and retention programs, move-in assistance, and tenant readiness services, or any other allowable use that supports the rapid issuance and utilization of these vouchers.

In most respects, EHV will be administered like the regular HCV program. However, EHV will not be issued based on placement on Housing Authority waiting lists. EHV will be issued based on referrals from the County Continuum of Care (CoC) in accordance with an MOU with the County Human Services Department (HSD), who act as the lead agency for the CoC. Additionally, criteria for admission into the voucher program will be more flexible for EHV, in accordance with PIH 2021-15. Based on HUD's waiver of 24CFR982.552 and 982.553, the Housing Authority will only deny admission for the EHV program based on criminal history in the following circumstances:

1. If any member of the household has ever been convicted of a drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing; or
2. If any member of the household is subject to a lifetime registration requirement under a State sex offender registration program to EHV applicants.

The Housing Authority may "graduate" EHV households into the regular HCV program, or any applicable HCV preference or voucher type, in order to maximize utilization and provide assistance to the maximum number of homeless applicants.

The EHV program will begin to sunset on September 30, 2023. At that time, all households housed through the EHV program will continue to receive rental assistance for as long as they remain eligible and as long as HUD funding allows. However, new EHV vouchers may not be issued after this date. Therefore, as EHV program participants leave the program, turnover vouchers will not be issued, and the program will eventually end through attrition.

#### [IV. Occupancy Policies](#)

##### Definition of a Family

A family is a person or group of people related by blood, marriage, adoption or affinity that live together in a stable family relationship. Furthermore, the Housing Authority has adopted HUD's definition of "family" as defined in [24 CFR 5.403](#). This definition of family includes single individuals as well as groups of people residing together, regardless of actual or perceived sexual orientation, gender identity, or marital status.

Each family contains a head of household, who must be at least eighteen years old, or if under 18, they must be an emancipated minor. Additionally, each family member must reside in the assisted unit at least 51% of the time (at least 184 days out of the year). Children who are temporarily away from the home because of placement in foster care and military servicepersons on active-duty are considered part of the family if they would otherwise be living in the assisted unit. However, they will not be considered for the purposes of determining voucher size while they are out of the unit. Households with children who have been placed in foster care will keep their voucher size for at least 12 months after the child is removed. However, at the annual review following 12 months after removal (the second annual reexamination after removal) the household will be downsized. When the child returns from foster placement, the household will be upsized at the interim and the payment standard will be updated at that time. The household will not be required to wait until their next annual re-examination to be upsized or to have their payment standard updated.

Households with military servicepersons on active duty will be downsized at the first transfer or annual review following the departure of the serviceperson. When military servicepersons on active-duty return, the household will be upsized, and the payment standard will be updated at the interim. The household will not be required to wait until their next annual re-examination to be upsized or to have their payment standard updated.

Live-in aides and family members of live-in aides are not family members, temporary family members, or guests.

#### Definition of a Temporary Family Member

A temporary family member is a member of an assisted family that has been approved by the Housing Authority and resides in the assisted unit less than 51% of the time (less than 184 days of the year).

#### Temporary Family Members Who Move in and out of the Unit

The income of a temporary family member is counted towards household income while the temporary family member resides in the assisted unit. Therefore, temporary family members who move into the unit for a period of time will be added to the household with an interim while they are living in the unit. Later, they will be removed from the household when they move out of the unit. Temporary family members are not considered for purposes of determining voucher size, even if their income is counted. Additionally, temporary family members are not eligible to receive the voucher in the event that the family breaks up.

#### Temporary Minor Family Members Who Stay in the Unit a Few Days Per Week

Minor children who stay in the household a few days per week (less than 51% of the time and less than 184 days of the year) will not be added to the household. No persons other than minor children will be approved to stay in the household for a few days per week. Instead, other individuals will be considered to be guests (see definition of guest).

#### Definition of Other Household Member

~~Other household members are those persons who have been approved by the Housing Authority to reside in the assisted unit, but who will not be considered for the purpose of determining voucher size, and who are not eligible to receive the voucher in the event that the family breaks up. Other household members may not reside in the assisted unit if their presence results in overcrowding. Income received by other household members is included in the household's income calculation~~

### Definition of a Guest

A guest is a person temporarily staying in the assisted unit with the consent of the family to the extent allowed by the lease and landlord. No guest may stay in the assisted unit for more than 30 cumulative days during any twelve-month period.

### Definition of When a Family Is Continuously Assisted

Low-income families are eligible for Section 8 assistance if they are continuously assisted under the 1937 Housing Act. For the purposes of determining eligibility, a 120-day break in assistance is considered “continuity of assistance.”

### Standards for Denying Admission or Terminating Assistance

The Housing Authority may deny assistance to an applicant or terminate assistance for a participant for the following reasons:

1. If the family violates any family obligations under the program as outlined under obligations of participant
2. If any member of the family has ever been evicted from public housing
3. If a housing authority has ever terminated assistance under the voucher program for any member of the family
4. If any member of the family commits drug-related criminal activity, or violent criminal activity, including conviction for manufacturing or producing Methamphetamine
5. If any member of the family commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program
6. If the family currently owes rent or other amounts to the Housing Authority or another housing authority in connection with Section 8 or public housing assistance under the 1937 Act
7. If the family has not reimbursed any housing authority for amounts paid to an owner under a Housing Assistance Payments (HAP) contract for rent, damages to the unit, or other amounts owed by the family under the lease
8. If the family breaches an agreement with the Housing Authority to pay amounts owed to a housing authority, or amounts paid to an owner by a housing authority
9. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel
10. If any member of the household is subject to a lifetime sex offender registration requirement under a State sex offender program.
11. If there is reasonable cause to believe that a household member’s abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
12. If the Housing Authority determines that any household member is currently engaged in illegal use of a drug, or if a pattern of illegal drug use by a household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
13. If the Housing Authority determines that any family member has violated the family’s obligation not to engage in any drug-related or violent criminal activity.
14. For a variety of criminal or drug-related activities as permitted under HUD regulations.
15. The Housing Authority will deny admission or terminate assistance for applicants or participants in violation of current applicable HUD rules and regulations or Housing Authority policy.
16. The Housing Authority will deny admission for applicants that do not meet the current applicable HUD eligibility requirements.

The Housing Authority may deny admission or terminate tenancy for criminal activity or drug or alcohol abuse in accordance with HUD regulations. 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, recency of criminal activity, age at time of criminal/drug or alcohol activity, mitigating factors such as treatment and character references, and the effects of denial or termination of assistance on other family members who were not involved in the action.

The Housing Authority will ensure an otherwise qualified applicant will not be denied admission or have assistance terminated solely on the basis that the applicant/participant has been a victim of domestic violence, dating violence, sexual assault or stalking (VAWA crimes). The Housing Authority has policies and procedure that will ensure notification of applicants and participants of their VAWA rights and responsibilities.

#### V. Encouraging Participation by Owners Outside Areas of Low-Income and Minority Concentration

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 and conducts landlord briefings on an at-least annual basis. The Housing Authority encourages property owners throughout the jurisdiction, including in areas of lower poverty rates, to accept Housing Choice Vouchers. The Housing Authority collaborates in community-wide outreach to encourage landlords in all areas to accept housing assistance tenants.

Specific steps include the following:

Actions to encourage participation by owners of units outside low-income areas The Housing Authority of the County of Santa Cruz contacts owners of units throughout the County and endeavors to make personal or phone contact with as many owners of rental units as possible especially in the areas of higher income and opportunity.

Actions to explain program requirements including equal opportunity to owners

The Housing Authority of the County of Santa Cruz works closely with real estate professionals. Personal appearances and speeches are made to civic and other organizations and groups to explain the programs to owners and applicants. Brochures are published and available to owners.

#### VI. Assisting a Family That Claims Illegal Discrimination

The Housing Authority assists families that claim illegal discrimination by including discrimination complaint forms in every briefing packet as well as mailing complaint forms to participants upon request; and referring families to the appropriate state and/or federal agency. The Housing Authority ensures all policies, procedures and staff conduct are consistent with civil rights and fair housing.

Specific steps include the following:

Services to be provided if families allege that they have encountered discrimination after finding a unit:

The Housing Authority of the County of Santa Cruz will make available the necessary informational forms and will assist where feasible with filing of any discrimination allegations.

Applicants will be reminded of their civil rights and will be referred to appropriate local, state or federal agency for further action.

Assistance to be given to Housing Choice Voucher holders in the exercise of their rights under Federal, State and/or Local Law: Members of the Eligibility staff who are Spanish speaking will assist Spanish

speaking Housing Choice Voucher holders in exercising their rights. Program participants speaking languages other than English and Spanish will be accommodated as needed. The Housing Authority staff are familiar with the policies and procedures in the written Language Assistance Plan for serving Limited English Proficiency individuals. The Housing Authority arranges translations in Spanish and functions as a completely bilingual Spanish-English agency. The Housing Authority arranges translation and interpretation services as needed for those who do not speak English or Spanish.

Information on local, State and Federal Fair Housing laws and use of HUD Form-903 are provided as follows: The Fair Housing laws are outlined at the applicant's briefing, and the HUD Fair Housing forms and brochures are included in the Briefing Packets and given to all Housing Choice Voucher holders. Fair Housing posters are located in interview areas.

## VII. Providing Information about a Family to Prospective Owners

The Housing Authority complies with HUD regulations governing the provision of information to owners. The Housing Authority will provide prospective owners the following information about the family by the prospective owner:

1. The family's current and prior address (as shown in Housing Authority records)
2. The name and address (if known to the Housing Authority) of the landlord at the family's current and prior address

The Housing Authority will not provide any additional information about the family to the prospective owner. Owners are encouraged to do their own tenant screening.

## VIII. Disapproval of Owners

The Housing Authority may disapprove a prospective owner for violation of a HAP contract; violation of housing quality standards; or fraud, bribery, or corruption in connection with one of the Housing Authority programs. If a jurisdiction reports to the Housing Authority that an owner has a history of renting units that fail to meet state or local housing codes, the Housing Authority may disapprove an owner for that reason. The Housing Authority may also disapprove an owner for other reasons as allowed by HUD regulation.

## IX. Subsidy Standards

Prior to issuing the Housing Choice Voucher or processing a change in household composition or a transfer, the appropriate voucher size for the family will be determined by applying the following criteria. Payment standards are based on the lower of either voucher size or unit size.

1. The Housing Authority will review each household composition to determine ~~which household members may impact voucher size, and which household members do not impact voucher size, based on the agency plan in place at the time each member was added to the household.~~ An unborn child will not be counted as a person, unless the pregnant woman is the only person in the household. A family that consists of a pregnant woman only will be treated as a two-person family for the purposes of determining family unit size. Temporary household members, guests, and family members of live-in aides, ~~and other household members~~ (as defined above) will not be counted for the purpose of determining voucher size. However, children who are temporarily away from the home because of placement in foster care and military servicepersons on active duty are considered part of the family (even if they are not currently living in the

household) if they would otherwise be living in the assisted unit. Therefore, when children return from foster placement, or when military servicepersons return from active duty, they may return to the household. On a case-by-case basis, the Housing Authority may allow minor children to be added to the household if adult household members are identified as stand-by guardians under the Childcare Safety Plan.

2. One bedroom will be allocated to the head of household and his/her spouse or registered domestic partner or significant other. One bedroom will be allocated to every two approved household members, regardless of gender, age, or familial status.
3. A household member must be a resident of the unit at least 51% of the time (at least 184 days of the year) to be counted as part of the household for the purposes of determining voucher size.

The subsidy standards are as follows. For the purpose of the tables below, the number of household members includes only those persons that are included when considering voucher size.

A family with a head of household AND spouse or registered domestic partner or significant other/domestic partner will be allocated the following:

Number of Household Members Impacting Voucher Size	Voucher Size
2	1
3	2
4	2
5	3
6	3
7	4
8	4
9	5
10	5

A family with a head of household and NO spouse or registered domestic partner or significant other/domestic partner will be allocated the following:

Number of Household Members Impacting Voucher Size	Voucher Size
1	1
2	2
3	2
4	3
5	3
6	4
7	4
8	5
9	5
10	6

When the Housing Authority determines that there is an adequate supply of studio (0 BR) units for rent, the agency may issue studio instead of one-bedroom vouchers to single- person families.

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. The Housing Authority will use Enhanced Voucher assistance to meet HUD requirements. In implementing those requirements, the Housing Authority will determine if the bedroom size of the family’s unit exceeds the number of bedrooms for which the family qualifies under the subsidy standards, which is an over-housed family, unless the family qualifies for reasonable accommodation. The Housing Authority will notify the family and the project owner. When the Housing Authority notifies the family of the availability of an appropriately sized unit, the family must move to the unit in a reasonable time not to exceed 30 days in order to retain the Enhanced Voucher. The Housing Authority may grant an exception to this timeframe when the family requests it due to an extreme hardship. Hardship exceptions to the 30-day limit may be granted for a death in the family or serious illness.

Exceptions to the subsidy standards may be made as a reasonable accommodation for persons with disabilities. All requests must be reviewed and approved in advance by the Reasonable Accommodations (RA) staff. If the voucher holder is approved for a Live-in aide through RA staff,

they are provided with a separate bedroom. A LIA and all LIA family members will be only allotted one bedroom. Household members of the live-in aide may share a bedroom with the live-in aide under the following conditions:

1. Only the live-in aide's spouse, registered domestic partner, or birth child may be added to the household.
2. The addition of the live-in aide's family members will not be approved if it will cause overcrowding to the existing unit.
3. The live-in aide's family members, like the live-in aide, are subject to all Housing Authority background checks and screening procedures.
4. The family will not receive a dependent allowance for the live-in aide's child.
5. The income of the spouse, registered domestic partner, or adult child of the live-in aide will not be counted.
- ~~6. If the addition of the spouse, registered domestic partner or adult child causes the family to be ineligible for the program, they may not be added to the household.~~
- 7.6. All adult family members of the live-in aide must sign an agreement confirming that they understand they are not a member of the assisted family.

The live-in aide and the household members of the live-in aide are not considered family members, temporary family members, or guests. The Housing Authority may consider other unusual family circumstances when determining the voucher size to be assigned to a family. Neither the live-in aide nor any members of the live-in aide family have rights to the voucher, should the voucher household break up.

#### Applicant Flexibility on Unit Size Actually Selected for Rental

It is emphasized that the unit size listed on the applicant's Housing Choice Voucher does not preclude the family from selecting either a smaller or larger sized unit.

The family may select a larger sized unit provided their portion of the rent does not exceed 40% of their adjusted monthly income at move-in. A family may select a smaller sized unit provided there is no HQS violation based on overcrowding. However, the payment standard used to determine the level of rental assistance will be based on the smaller of the payment standard for the voucher size or the payment standard for the unit size. Families electing to reside in a larger unit will pay a larger share of rent. Similarly, families electing to reside in a smaller unit will receive a smaller payment standard and will not benefit financially from choosing a smaller unit.

#### X. Family Absence from Dwelling Units

Families are permitted to be absent from their unit for up to thirty days without Housing Authority approval and continue to receive a HAP. With prior notice, longer absences, up to 180 days, may be permitted for documented cases of hospitalization, nursing home stays, and drug treatment, and other unusual circumstances to be determined on a case-by-case basis. During this time, the HAP will continue, and the tenant must continue to pay their portion. The HAP will not be paid for long absences for reasons other than those listed above. The contract, and therefore the lease, will automatically terminate after a 180-day absence as required by regulation.

#### XI. How to Determine Who Remains in the Program If a Family Breaks Up



The following guidelines determine who may continue to receive Housing Choice Voucher assistance if the household breaks up, due to the head of household no longer having the legal capacity to enter into a lease or if the head of household leaves or dies, or due to Violence Against Women Act crimes. In the event of this kind of family breakup, the following clauses are effective:

Persons who may NOT receive the voucher

1. No person may receive the voucher in the case of a family break up unless he/she has been a member of the family living in the household for at least the three consecutive prior years. Cases where the family has been on the program for less than three years will be forwarded to the Director of ~~Eligibility and Occupancy~~ the Housing Programs Department for review on a case-by-case basis.
2. Neither a live-in aide nor any family members of a live-in aide may receive the voucher.
3. No temporary family member, ~~other household member (as defined above)~~, or guest may receive the voucher.
4. No minor may receive the voucher.

Persons who may receive the voucher

1. In the event of family break up, the voucher will automatically go to the head of household's spouse or registered domestic partner if applicable.
2. If the head of household does not have an eligible spouse or registered domestic partner, the Housing Authority has the discretion to determine whether or not any remaining household members may receive the voucher. The Housing Authority may consider the following factors:
  - a) Whether or not the remaining family member is elderly or disabled
  - b) Whether or not the remaining family member has legal dependents that are living in the assisted unit
  - c) Whether or not a family member has been a victim of actual or threatened violence against family members by another member of the household
  - d) Whether or not the remaining family member is employed
  - e) Other relevant factors as determined by the Housing Authority on a case-by-case basis
3. If the family member who receives the voucher and becomes the head of household was also on the waiting list, the Housing Authority shall remove their name from the waiting list.

XII. [Informal Review Procedures for Applicants](#)

Informal reviews for applicants will be conducted in compliance with HUD regulations. Once applicants have been notified of their right to an informal review, they have 15 calendar days to request a review in writing.

Notice to Applicant

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 and a copy of the criminal record if that is a reason for denial. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review.

### Informal Review Process

The Housing Authority must give an applicant an opportunity for an informal review of the Housing Authority decision denying assistance to the applicant. The review will be conducted by the Review Committee, designated by the Executive Director, who will appoint staff other than a person who made or approved the decision under review or a subordinate of this person.

At the informal review, the applicant must be given an opportunity to present written or oral objections to the Housing Authority decision. The Housing Authority must notify the applicant of its final decision after the informal review, including a brief statement of the reasons for the final decision.

### When Informal Review Is Not Required

The Housing Authority is not required to provide an applicant the opportunity for an informal review for any of the following:

1. Discretionary administrative determinations by the Housing Authority.
2. General policy issues or class grievances.
3. A determination of the family unit size under the Housing Authority subsidy standards.
4. A Housing Authority determination not to approve an extension or suspension of a voucher term.
5. A Housing Authority determination not to grant approval of the tenancy.
6. A Housing Authority determination that a unit selected by the applicant is not in compliance with HQS.
7. A Housing Authority determination that the unit is not in accordance with HQS because of the family size or composition.

### [XIII. Informal Hearing Procedures for Participants](#)

Informal hearings for participants will be conducted in compliance with HUD regulations. Once participants have been notified of their right to an informal hearing, they have 15 calendar days to request a hearing in writing. The Housing Authority may conduct hearing remotely via telephone or video conferencing.

### When Hearing Is Required

The Housing Authority must give a participant family an opportunity for an informal hearing to consider whether the following Housing Authority decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and Housing Authority policies:

1. A determination of the family's annual or adjusted income and the use of such income to compute the housing assistance payment.
2. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the Housing Authority utility allowance schedule.
3. A determination of the family unit size under the Housing Authority subsidy standards.
4. A determination that a family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the Housing Authority subsidy standards, or the Housing Authority determination to deny the family's request for an exception from the standards.
5. A determination to terminate assistance for a participant family because of the family's action or failure to act
6. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under Housing Authority policy and HUD rules.

In the cases described above, the Housing Authority must give the opportunity for an informal hearing before the Housing Authority terminates housing assistance payments for the family under an outstanding HAP contract.

#### When Hearing Is Not Required

The Housing Authority is not required to provide a participant family an opportunity for an informal hearing for any of the following:

1. Discretionary administrative determinations by the Housing Authority.
2. General policy issues or class grievances.
3. Establishment of the Housing Authority schedule of utility allowances for families in the program.
4. Housing Authority determination not to approve an extension or suspension of a voucher term.
5. Housing Authority determination not to approve a unit or tenancy.
6. Housing Authority determination that an assisted unit is not in compliance with HQS. (However, the Housing Authority must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. Housing Authority determination that the unit is not in accordance with HQS because of the family size.
8. Housing Authority determination to exercise or not to exercise any right or remedy against the owner under a HAP contract.

#### Expeditious Hearing Process

Where a hearing for a participant family is required under this section, the Housing Authority must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

#### Discovery

By family: The family must be given the opportunity to examine before the hearing any Housing Authority documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the Housing Authority does not make the document available for examination on request of the family, the Housing Authority may not rely on the document at the hearing. The Housing Authority will redact, or block-out, information on a VAWA crime victim's location or the name or location of any service provider agencies used by the victim.

By Housing Authority: The Housing Authority will request an opportunity to examine at Housing Authority offices before the hearing any family documents that are directly relevant to the hearing. The Housing Authority must be allowed to copy any such document at the Housing Authority's expense. If the family does not make the document available for examination on request of the Housing Authority, the Housing Authority has the right to accept or deny the document at the hearing or to postpone the hearing until the document can be adequately reviewed. The term "documents" includes records and regulations.

#### Representation of Family, Recording of Hearing

At its own expense, the family may be represented by a lawyer or other representative. The name and title of such representative must be submitted to the Housing Authority at least 5 days prior to the hearing. If the representative is a lawyer, the Housing Authority may arrange to have its lawyer present, too.

Either the family or the Housing Authority may elect to record the hearing at its own expense. If either party wishes to record the hearing, it must notify the other in writing at least 5 days prior to the hearing;

however, the Housing Authority will record all hearings recorded by the family without providing specific prior notification.

#### Hearing Officer

The hearing may be conducted by any person or persons designated by the Executive Director, other than a person who made or approved the decision under review or a subordinate of this person. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the Housing Authority hearing procedures.

#### Evidence

The Housing Authority and the family must be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

#### Issuance of Decision

The person who conducts the hearing must issue a written decision, briefly stating the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

#### Effect of Decision

The Housing Authority is not bound by a hearing decision under the following two conditions:

1. Concerning a matter for which the Housing Authority is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing.
2. Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

Any appeal of a hearing officer's decision on these grounds will be considered by the Executive Director, whose decision will be final. If the Housing Authority determines that it is not bound by a hearing decision or that such a decision is contrary to HUD regulations or requirements, the Housing Authority must promptly notify the family of the determination, and of the reasons for the determination.

#### [XIV. The Process for Establishing and Revising Payment Standards](#)

Payment Standards are used to calculate the Housing Assistance Payment that the Housing Authority pays to the landlord on the tenant's behalf. The payment standard represents the maximum level of subsidy that may be paid by the Housing Authority. The Payment Standard will be reviewed, and revised, if necessary, at least annually following the publication of the Fair Market Rents (FMR) by HUD. Factors used in this analysis include the following:

1. Comparison of Payment Standard to Fair Market Rent
2. Average amount participants in the voucher program pay in rent.
3. Rent reasonableness data
4. Local vacancy rate data
5. Analysis of the expected voucher program funding level (HAP funding including the inflation factor adjustment)

At the time of annual payment standard review, and to the extent funds are available, an exception payment standard will be considered as a reasonable accommodation to expand housing opportunities for persons with disabilities. If HUD decreases the FMR, which would reduce the basic range of the payment standard, the Housing Authority will hold harmless families by not decreasing the subsidy received by the family. The Housing Authority may establish one or more separate payment standards within the basic range for designated parts of an FMR area.

#### [XV. The Method for Determining That Rent to Owner Is a Reasonable Rent](#)

A determination must be made that rent to owner in the Section 8 Housing Choice Voucher Program is reasonable based on current rents for comparable unassisted units

1. at the time of initial leasing,
2. if there is any increase in the rent to owner,
3. at the HAP contract anniversary if there is a 10% decrease in the FMR in effect 60 days before the HAP contract anniversary, and
4. if directed by HUD. Reasonable rent is determined using information produced by ~~Go Section 8Affordable Housing.com~~, a national rent reasonableness system, via the ~~Go Section 8AffordableHousing.Com~~ database. ~~Go Section 8The AffordableHousing.com~~ database meets HUD regulatory requirements for rent comparisons based on comparable unassisted units, including information about each unit's location, size, type, age, quality/condition, utilities, maintenance (including special services) and amenities.

#### [XVI. Policies Regarding Special Housing Types](#)

##### Shared Housing in the Housing Choice Voucher Program

1. Shared Housing is when a unit is occupied by two or more families. The unit must consist of shared common living space, as well as separate private space for each assisted family. Therefore, zero- and one-bedroom units may not be rented for shared housing. Under the lease, the assisted family must have cooking and bathroom facilities available to them. All areas (the entire unit) must be inspected initially and annually.
2. The shared housing program is designed to provide additional choices in living arrangements for assisted families. The Housing Authority of the County of Santa Cruz will permit only the use of "individual lease shared housing," wherein the Housing Authority enters into a separate HAP contract for each assisted family residing in the dwelling.
3. Single room occupancy units, zero-bedroom efficiency units, Independent Group Residences, congregate housing units and manufactured homes for which assistance is provided under the Space Rental Assistance Program may not be used for Shared Housing.

##### [Shared Housing in the Project Based Voucher Program](#)

##### [Shared Housing is not allowable in the Project Based Voucher Program per HUD Regulations](#)

##### Eligibility for Shared Housing

Under certain conditions (such as changes in the housing market or incidences of fraud) the Housing Authority may limit shared housing to families who are either elderly or disabled and who have a zero- or one-bedroom voucher. Such decisions will be made at the discretion of the Executive Director.

### Subsidy Standards

For Shared Housing, the living room/common living area will not be considered when determining voucher size or overcrowding.

### Additional Limitations for Shared Housing

1. The owner/landlord may reside in the unit but cannot be a parent, child, grandparent, grandchild, sister or brother, aunt, uncle, cousin, stepparent, step-grandparent, or significant other to any member of the assisted household. Relation by adoption is included in this definition.
2. A married couple or registered domestic partners cannot split themselves into two households and live in shared housing.
3. An existing household currently living together (whether they are assisted, on the waiting list, etc.) cannot split themselves into two or more households as a way to avoid counting the other family member's income and live in shared housing.
4. Shared Housing is not intended to allow assisted families to live with household members that they would normally live with, while avoiding counting the other household member(s) income.

### Utilities

1. The amount of the Utility Allowance for an assisted individual in Shared Housing is the individual's pro rata portion of the Utility Allowance for the entire unit.
2. Individuals enter Shared Housing arrangements on a voluntary basis and agreements on splitting tenant paid utilities and utility deposits are part of that voluntary, private agreement between or among the individuals occupying the unit. Therefore, it is not mandatory that tenants agree to pay utilities based on the same proration formula the Housing Authority uses.
3. Although, in units with tenant paid utilities, utility payments are made by the tenant and not by the owner, the owner is free to ascertain, before leasing to sharing individuals, that the individuals have reached agreements in splitting tenant paid utilities and utility deposits, with full awareness of the amount of the Housing Authority determined utility allowance for each assisted tenant.

### Other Special Housing Types

The following conditions will be used to determine who will be eligible to use each special housing type.

1. Single-person households will be eligible to use Single Room Occupancy housing.
2. Elderly or disabled participants in the Housing Choice Voucher program will be eligible to use Congregate Housing and Group Home Housing.
3. All participants in the Housing Choice Voucher program will be eligible to use Cooperative Housing, Manufactured Home Housing and Manufactured Home- Space Rent Housing.
4. Any special housing type will be eligible for use if needed as a reasonable accommodation so that the program is readily available to and usable by persons with disabilities.

### Section 8 Homeownership Program

The Housing Authority of the County of Santa Cruz has elected to offer the homeownership option that is available in the Section 8 Housing Choice Voucher program. The purpose of this program is to allow eligible families to purchase a home using the Housing Choice Voucher.

### Family Participation Requirements

1. A preference will be given for current or past FSS (Family Self Sufficiency) participants.

2. This program shall be open only to those families who have been assisted under the Section 8 Housing Choice Voucher program for one year and are in good standing as participants in the Housing Choice Voucher program.
3. There is no limit on the number of vouchers that may be used for the Homeownership Program.
4. There will be no additional local eligibility requirements except those imposed by the regulations.
5. CFR 982.627(d) (2) gives the Housing Authority the discretion to determine whether and to what extent interruptions are considered to break the continuity of employment during the year. The Housing Authority of the County of Santa Cruz will consider a household member to be continuously employed if their gross annual wages totaled at least the minimum wage times 30 hours per week.

### Housing Counseling

1. Pre-homeownership counseling is mandatory for all participants in the Homeownership program and will include those items required by regulation. ([24CFR 982.630](#))
2. If a family purchases a home using Section 8 homeownership assistance and later sells that home to purchase another, the pre-homeownership counseling requirements will not be imposed again for the second purchase.

### Capacity Test

The Housing Authority meets the Capacity Test set forth in [24CFR 982.625](#) in the following ways:

1. The Housing Authority has established a minimum down payment requirement of at least three percent of the purchase price. At least one percent must come from the family's personal resources.
2. The Housing Authority requires that financing for purchase of a home under the Homeownership program must comply with generally accepted private sector underwriting standards. In particular, no adjustable-rate mortgages or balloon payment will be permitted.

### Locating a Unit

1. There are no shopping deadlines imposed on families who are interested in purchasing a home. Because the homeownership option is available only to families currently receiving Section 8 rental assistance, their rental voucher will remain in effect as they search for a unit to purchase. The rental voucher will be converted to a homeownership voucher during the escrow process. If a family wishes to transfer to another unit and is issued a transfer voucher, the usual requirement to locate a unit within regular voucher search term applies, regardless of whether the family chooses to move to another rental unit or wishes to purchase a home under the homeownership option. Therefore, it is highly recommended that families remain in their current unit while they undertake a search to locate a unit to purchase.
2. If a family cannot locate a unit to purchase, their rental voucher will remain in effect.

### Down Payment and Financing

1. Cash down payment and equity requirements shall be the same as those required under Section D, "Capacity Test", subsection 1.
2. Prospective purchasers must demonstrate that they have adequate cash reserves to pay for the required home inspection in addition to the down payment.

3. The home inspection must be conducted by a home inspector certified through the American Society of Home Inspectors or other comparable certification to be approved by the Housing Authority on a case-by-case basis.
4. For the purposes of calculating the housing assistance payment, “Home-ownership expenses” shall be defined as those homeownership expenses listed in [24CFR 982.635](#), and shall include homeownership association dues.
5. The first mortgage lender shall be responsible for determining whether the family can afford the financing being offered. The Housing Authority will not be responsible for determining the affordability of the financing.
6. Lenders participating in the program must be approved by the Housing Authority.
7. Adjustable-rate mortgages and balloon payments will not be permitted in the Homeownership program.
8. The Housing Authority must approve any refinancing or additional debt recorded against the property. The Housing Authority will record a notice against the property requiring such prior approval. In order to approve refinancing or additional debt, the Housing Authority will determine whether the family’s income is sufficient to pay any additional debt service.
9. Assistant payments will be made directly to the purchaser or lender, depending on the lender’s requirements.

#### Continuation of Assistance

1. The family must notify the Housing Authority if they receive a Notice of Default.
2. The Housing Authority will not prohibit families from making more than one move during any one-year period
3. The Housing Authority will not require that families using the homeownership option be FSS participants; however, a preference will be given to current or past FSS participants.
4. The Housing Authority will not require post-purchase HQS inspections.
5. In the case of a mortgage default, the Housing Authority has the option of granting the family a rental voucher to continue their assistance. Such determinations will be made on a case-by-case basis and will take into consideration the circumstances leading to the default, including but not limited to employment layoffs, a family member becoming disabled, and/or the death or departure of a family member.
6. The ongoing payment of real estate taxes is not a requirement for participation in the homeownership program. It is the responsibility of the homeowner to ensure that their taxes are paid. The lender may, at their discretion, monitor to ensure that taxes are paid.
7. In calculating the housing assistance payment, the Housing Authority will allow a monthly allowance for maintenance expenses, to be adjusted from time to time if needed.
8. In calculating the housing assistance payment, the Housing Authority will allow a monthly allowance as a reserve for major repairs, to be adjusted from time to time if needed.

### XVII. Project Based Voucher Program

#### Section 8 Project Based Voucher Program

The Project-Based Voucher (PBV) program is a rental assistance program where the assistance is attached to the unit rather than to the family occupying the unit. The PBV program allows PHAs that already administer a tenant-based voucher program to use a limited number of its program authorized vouchers and attach funding to specific units rather than using it for tenant-based assistance.

#### 1. Project Definition



The Housing Authority defines a project as a single building, multiple contiguous building, or multiple buildings on contiguous parcels or of land, with the exception of single-family scattered sites.

## 2. Project-Basing Special Voucher Types

The Housing Authority may choose to make PBVs available from any special population designated voucher or waiting list preference permitted under HUD regulations.

## 3. Project-Based Vouchers Per Complex (Income-Mixing Requirements or Project Cap)

The Housing Authority follows HUD's Income Mixing (Project Cap) requirements. Unless units are designated as Excepted Units per HUD regulations, the limitation on the number of PBVs in a project is the greater of twenty-five (25) units or twenty-five percent (25%) of the units in a project.

For units in projects that are in a census tract with a poverty rate of twenty percent (20%) or less, the limitation on the number of PBVs in a project is the greater of twenty-five (25) units or forty percent (40%) of the units in a project.

The following units are excluded from the 25 percent or 25-unit Project Cap:

a) Units exclusively serving elderly families (aged 62+);

~~a)b)~~ Units housing households eligible for supportive services. Services must be continually available to all families receiving PBV assistance in the project.

## 4. Types of Supportive Services offered in PBV Supportive Services Excepted Units

~~exception units may include the following:~~ In order for the supportive services exception to apply to a unit, the project must make supportive services continuously available to all eligible families in the project, and the family must be eligible for one or more of the services. The family may, but is not required to, participate in the services. Types of Supportive services available to assist families in the project-based voucher program may include education, employment, health-related, transportation, personal assistance, housekeeping, money management, and other services designed to help the eligible family live in the community as independently as possible. These services will be continuously available to all assisted residents in the project-based voucher assisted projects program. Services will be tailored to assist each family with their identified needs for support to maintain stable housing in the project-based voucher program. 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. Services will be designed to help the families in the project achieve self-sufficiency or live in the community as independently as possible.

## 4.5. Small Area Fair Market Rents for Project Based Voucher Programs

The Housing Authority ~~may~~ does not use Small Area Fair Market Rents in Project-Based Voucher programs.

## 2.6. Owner Submittal of Open Request for PBV Proposal

The Housing Authority will continually maintain an open request for proposals (RFP) for project-based vouchers. Interested parties may submit proposals at any time during the year. The RFP will remain posted on the Housing Authority website.

## 7. Conflict of Interest

Neither the Housing Authority nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the HCV or PBV program in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- a) Any present or former member or officer of the Housing Authority;
- b) Any employee of the Housing Authority, or any contractor, subcontractor or agent of the Housing Authority, who formulates policy or who influences decisions with respect to the programs;
- c) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or
- d) Any member of Congress of the United States.

Any member of the classes described in (a) through (d) of this section must disclose their interest or prospective interest to the Housing Authority when responding to the RFP for project-based vouchers. In some cases, the PHA may request a waiver from HUD to consider allowing such a conflict. The conflict-of-interest must be disclosed to HUD, and the prohibition under this section may only be waived by the HUD field office for good cause.

## 3. ~~Project-Based Voucher Selection Procedure~~

### 8.

#### Standard Competitive PBV Selection Process

~~The Project Based Voucher Program (PBV) allows housing authorities that already administer a tenant-based voucher program to use a limited number of its voucher program authorized units and attach funding to specific units rather than using it for tenant-based assistance. The Housing Authority will consider many factors including site location, project design, project amenities, services to be provided to residents, target population, and any other relevant information in determining the extent to which the PBV proposal furthers the Housing Authority's mission and whether ~~or not~~ the public interest is best served by converting tenant-based vouchers into project-based vouchers based on scoring criteria established by the PHA Board of Commissioners. The Housing Authority may use its discretion to define a project within HUD statute.~~  
~~Selection of PBV Proposal~~

~~When proposals are received~~Prior to award of Project Based Vouchers, the Housing Authority will score ~~those all~~ proposals to ~~based on the written, objective criteria established in the most recent RFP. The RFP will specify a minimum score required for selection of a proposal. Before selecting any project-based voucher proposal, the Housing Authority will also~~ determine that the proposal complies with HUD program regulations and requirements, including a determination that the property is eligible for project-based vouchers, that the proposal complies with the cap on the number and percentage of project-based units per project, and that the proposal meets site selection standards.

Project-based assistance for housing at any selected site must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. When determining the extent to which a site meets this standard, the Housing Authority will consider the following:

- a) Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition.
- b) Whether the project is located in a census tract with a poverty rate of twenty percent (20%) or less.
- b)c) \_\_\_\_\_ If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate.
- e)d) \_\_\_\_\_ Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization.
- d)e) \_\_\_\_\_ Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement.
- e)f) \_\_\_\_\_ Whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area.
- f)g) \_\_\_\_\_ Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.

Designated Housing Authority staff will review all proposals received before selecting units. They will determine whether proposals are responsive to and in compliance with the information requested in the RFP. Housing Authority staff will assure that the project meets PBV goals, civil rights requirements, and HQS site standards. All units (whether existing, rehabilitated or newly constructed) shall be inspected for HQS before the family moves in. The Housing Authority may not execute the HAP contract until the project meets all HUD requirements, including Subsidy Laying Review and NEPA review, and until the units fully comply with HQS. The Housing Authority may, at its discretion, select one or more of the proposal(s) submitted, or none of the proposals submitted.

In the event that a proposal is selected, the Housing Authority will notify the party that submitted the selected procedure and will also publish the results of the RFP on the Housing Authority website. The Housing Authority will make documentation available regarding the basis for the selection of any project-based voucher proposal to any interested persons.

#### Competitive Selection Process for PBV Award to PHA-Owned Units

If the Housing Authority wishes to project-base units at a property in which it has an ownership interest, the proposal in question will be scored by designated HA staff. If chosen to receive PBV, the selection will be forwarded to the HUD field office or a HUD-approved independent entity for review. The HUD field office, or designee, will review the proposal to determine if the Housing Authority-owned units were appropriately selected, based on the selection procedure specified in the Administrative Plan.

If housing is selected for PBV where the Housing Authority has an ownership interest, an independent entity approved by HUD must:

- a) Determine initial rent to owner based on an appraisal by a third party;
- b) Determine reasonable rent based on a comparability analysis for other than initial rents;

- c) Furnish a copy of the rent determination to the HUD field office; and
- d) Complete all HQS inspections and provide a copy of the HQS inspections to the Housing Authority and to the HUD field office.

The Housing Authority shall only compensate the independent entity from ongoing administrative fee income. The Housing Authority shall not charge the family any fee for the appraisal or for other services provided by the independent entity

#### Non-Competitive PBV Selection Process

The Housing Authority may provide PBV assistance to improve, develop, or replace units in a public housing property or property that it controls or has an ownership interest in without using a competitive process in certain instances as allowed by HUD regulation.

The PHA has recently converted 234 units of public housing property currently owned by the PHAs affiliated nonprofit New Horizons. The PHA may apply project-based vouchers to these units without using a competitive process.

Any existing PBV HAP contract may be amended to add units by mutual agreement of the Housing Authority and the owner without competitive selection in order to increase housing opportunities for existing voucher holders and special populations. The amendment is subject to all PBV requirements.

#### Competitive Selection Process for PBV Award to PHA-Owned Units

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- a) Complete all HQS inspections and provide a copy of the HQS inspections to the Housing Authority and to the HUD field office.

The Housing Authority shall only compensate the independent entity from ongoing administrative fee income. The Housing Authority shall not charge the family any fee for the appraisal or for other services provided by the independent entity

#### 4.9. Waiting List and Tenant Selection

For most Project Based Voucher sites, families will be offered assistance through the Project- Based Voucher (PBV) Program in the order of their date of placement or random number sequence lottery of their application on the Housing Choice Voucher (Section 8) waiting list. Additionally, existing Housing Choice Voucher holders who are in the process of transferring may lease project-based units

[at developments that utilize the regular HCV waiting list](#). Some complexes ~~may~~ have site-based waiting lists, as described in the Waiting List section above. When a Project-Based unit becomes available, the Housing Authority will send a letter to the top families in the HCV Waiting List [or PBV site-based waiting list, as applicable](#). The letter will instruct interested families to contact the owner directly.

Owners may refer families to the HCV waiting list if the waiting list is open, and such referrals will be placed on the list. While the owner is not allowed to choose their own tenant and have that tenant move up the waiting list ahead of other applicants, the owner may apply their own tenant selection criteria and preferences, provided that they remain in compliance with fair housing law.

Families on the HCV waiting list who reject an offer of a PBV unit or who are rejected by the owner will not be penalized. They will retain the same position on the waiting list that they would have had if they had not been offered PBV assistance.

#### 5.10. Overcrowded, Under Occupied and Accessible Units

If a family is determined to be in a wrong-sized unit (a unit that is too large or too small) or in an accessible unit with features that the household does not require, the Housing Authority will offer the family some type of continued housing assistance. The Housing Authority may offer the family

- a) Another PBV unit in the same building or another building
- b) A tenant-based voucher

#### 6.11. Rent Redetermination

The Housing Authority will accept owner requests for rent changes in PBV units when owner submits at least 60 days before the HAP Contract anniversary date. The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. The adjusted rent to owner amount applies for the period of 12 calendar months from the annual anniversary of the HAP contract. The Housing Authority will notify owners in writing specifying the amount of the redetermined rent. The Housing Authority written notice of the rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract.

#### ~~A. Number of Project Based Vouchers Per Complex~~

~~The Housing Authority follows HUDs limits of the number and percentage of units in a project that can be designated as project based units, unless those units are designated as excepted units per 24 CFR 983.56 and as specified in Notice PIH-2017-21. Excepted units are those units that are either specifically made available for elderly and/or families eligible for supportive services. The Housing Authority may commit project based units for Veterans as an exception to the percentage limitation. The Housing Authority may add PBV units to an existing PBV contract by mutual agreement with the owner.~~

#### XVII.XVIII. Payment by a Family to the Housing Authority

A program participant who owes the Housing Authority money may not transfer to a new unit or port out to a new jurisdiction until the money is repaid or satisfactory arrangements have been made to repay the debt. Additionally, waiting list applicants who owe money to the Housing Authority may not be

issued a voucher until the money is repaid or until satisfactory arrangements have been made to repay the debt.

#### XVIII.XIX. Interim Redeterminations of Family Income and Composition

When the Housing Authority receives written information concerning a change in the family's income or household composition between regularly scheduled reexaminations, the Housing Authority will consult with the family and make any adjustments determined to be appropriate. Any change in the family income or household composition that results in an adjustment in the Total Tenant Payment, Tenant Rent and HAP must be verified.

##### Changes to the Head of Household

Changes to the head of household will be allowed in the case of a family break up (see Section XI above) or if the head of household no longer has the legal capacity to enter into a lease, another member can become the head of household if they provide verification of the incapacitation, and if they have the legal capacity to enter into a lease. The Housing Authority may consider additional exceptions on a case-by-case basis.

##### Changes to Household Composition

If any household member moves out of the assisted unit, the household must inform the Housing Authority in writing within 14 calendar days of the move out. If the reduction in family members results in the number of bedrooms in the unit exceeding that which the family is eligible for, the Housing Authority will reduce the subsidy standard and reduce the payment standard accordingly at the family's next annual recertification.

If the household wishes to add any new members (including temporary family members), the household must request advance permission in writing before any new members move into the unit. All new household members (including temporary household members) will be subject to all Housing Authority eligibility and screening criteria including a criminal background check.

The Housing Authority will apply the following criteria when determining who may move into an assisted unit. However, children who are temporarily away from the home because of placement in foster care and military servicepersons on active duty are considered part of the household (even if they are not currently living in the household) if they would otherwise be living in the assisted unit. Therefore, when children return from foster placement, or when military servicepersons return from active duty, they may return to the household. The rules below about who can be added to a household do not apply to foster children and military servicepersons who were already living in the household prior to their temporary absence.

When a family member is added, staff must first redetermine the family subsidy standard, using the new subsidy standards, without this new family member. Then staff will apply the following rules. Please note that "parent" refers to the birth or adoptive parent, and "child" refers to children by birth, court awarded custody, or (for minor children only) by foster placement.

The following individuals may be added to the household and may increase the family's voucher size:

1. The spouse, registered domestic partner, or significant other of the head of household
2. The parent of the head of household

3. The parent of the head of household's spouse / registered domestic partner
4. The child of the head of household, including adult child
5. The child of the head of household's spouse / registered domestic partner, including adult child
6. The minor birth child of any existing household member
7. The grandparent or great-grandparent of the head of household
8. The grandparent or great-grandparent of the head of household's spouse / registered domestic partner
9. The grandchild or great-grandchild of the head of household
10. The grandchild or great-grandchild of the head of household's spouse / registered domestic partner

The Housing Authority may allow minor children to be added to the household if adult household members are identified as stand-by guardians under the Childcare Safety Plan. No other adults or child(ren) may move into the assisted unit, other than those specifically identified above.

Changes in Household Income:

Families must notify the Housing Authority in writing within 14 days of a decrease in income. Decreases in Total Tenant Payment are to be made effective the first of the month after the change was reported and after the change has occurred. However, no decrease adjustment in TTP is to be processed until all facts have been verified.

Families must notify the Housing Authority in writing within 14 days of an increase in income, and the Housing Authority may conduct an interim redetermination. This interim redetermination may serve as the family's next annual reexamination. The sole exception to this is annual increases to fixed income sources like Social Security, which will be verified and processed at the next regular annual reexamination.

~~XIX~~.XX. [Restrictions, If Any, on the Number of Moves by a Participant Family](#)

There are no restrictions on the number of moves by a participant family other than those required by HUD regulation. In the case of a participant who wishes to port to a higher cost area, such requests will only be denied in cases of insufficient funding, per [24CFR 982.314](#). In such cases, families will be informed of the potential for insufficient funding at the time they request to port their voucher. Additionally, the Housing Authority will keep the request to port open for consideration and will notify the family as soon as funding becomes available.

Additionally, program participants must be in good standing in order to be eligible to transfer their assistance to another rental unit. A program participant who owes the Housing Authority or their landlord money as a result of program or lease violations may not transfer to a new unit or port out to a new jurisdiction until the money is repaid or satisfactory arrangements have been made to repay the debt. The Housing Authority may postpone the transfer for up to 21 days, while the security deposit is reconciled and while the Housing Authority consults with the tenant and landlord and collects appropriate documentation. Length of tenancy will be considered. After this time, the Housing Authority will either issue a transfer packet or begin the process of termination of assistance.

~~XX~~.XXI. [Approval by the Board of Commissioners or Other Authorized Officials to Charge the Administrative Fee Reserve](#)

Expenditures from the Administrative Fee Reserve account will be made in accordance with all applicable federal requirements and in accordance with the Procurement Policy. The Board of Commissioners approves expenditures during the budget approval process.

## ~~XXI~~.XXII. Procedural Guidelines and Performance Standards for Conducting Required HOS Inspections

The Housing Authority conducts HQS inspections at least biennially as required by HUD. The agency has implemented a system of quality control inspections and regular training to ensure that inspections are performed accurately and consistently. The Housing Authority may use Remote Video Inspections (RVI). RVI is a HQS inspection performed remotely with a “proxy” inspector and with the Housing Authority inspector remotely directing the inspection.

If the inspector’s determination of the number of bedrooms in a unit differs from the number of bedrooms on the Request for Tenancy Approval, the owner may be required to supply verification from the planning/building department on the approved number of bedrooms.

In the case of new move-ins, all units must pass inspection before the HAP contract may begin. If a unit initially fails the inspection, it must be re-inspected until it passes. However, in the case of biennial re-inspections, if a unit fails the inspection, the Housing Authority may allow the owner to self-certify that the repairs or corrections have been made. The Housing Authority reserves the right to require re-inspections for significant fail items.

## ~~XXII~~.XXIII. Screening of Applicants for Family Behavior or Suitability for Tenancy

The Housing Authority performs those screenings that are required by HUD regulation. Owners are encouraged to do their own screening of tenants.

## ~~XXIII~~.XXIV. Voucher Suspension Policy

If the Housing Authority stops issuing vouchers for a period of time due to over-leasing or funding shortfalls, when the Agency is ready to resume the issuance of vouchers, staff will review the utilization of special purpose vouchers. If the Agency is serving less than the allocation of special purpose vouchers, new special purpose vouchers will be issued first, before general purpose vouchers.

Prior to delaying or suspending the assistance of any applicants or participants (families under contract), the Housing Authority will first take any and all administrative steps available to remedy the situation. If the Housing Authority determines that there is insufficient funding to enter into additional HAP contracts, and / or insufficient funding for the HAP contracts that are already in place, the Housing Authority will suspend vouchers in the following way.

1. Applicants who have been issued general purpose vouchers but have not yet leased a unit will have their vouchers suspended until such time as funding becomes available.
2. If funding is still insufficient, applicants who have been issued a special purpose voucher but have not yet leased a unit will have their vouchers suspended until such time as funding becomes available.
3. If funding is still insufficient, the Housing Authority will freeze voucher transfer requests of participants.
4. If funding is still insufficient, the Housing Authority will suspend the contracts of existing, general purpose, program participants beginning with the families most recently admitted to the program.
5. If funding is still insufficient, special purpose voucher holders who are under contract would be the last voucher holders to suspend, beginning with families most recently admitted to the program.

When funding becomes available, assistance will be restored in the following order:



1. Recently admitted special purpose voucher families who had their contracts suspended (#5 above) will have their assistance restored first.
2. Recently admitted general purpose voucher families who had their contracts suspended (#4 above) will have their assistance restored next.
3. Participants who have a voucher and requested a transfer (#3 above).
4. Applicants who had been issued a special purpose voucher but had not yet leased a unit (#2 above) will have their vouchers restored next.
5. Applicants who had been issued a general-purpose voucher but had not yet leased up (# 1 above) will have their assistance restored last.

## AGENDA ITEM SUMMARY

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**MEETING DATE:** March 23, 2022

**ITEM NUMBER:** 8

**FROM:** Executive Director

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**SUBJECT:** Executive Director's Report – March 23, 2022

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**RECOMMENDATION:** Receive Report

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### **BACKGROUND SUMMARY:**

Please call or e-mail me with questions you might have on any of the Agenda Items for the March 23, 2022 meeting. My direct phone number is (831) 454-5931 and my email address is [jennyp@hacosantacruz.org](mailto:jennyp@hacosantacruz.org).

**Natural Bridges** – The Housing Authority has executed project contracts with Ifland Engineers for civil engineering, Urfer and Associates for structural engineering, Central Pacific for electrical engineering, and MBLA for landscaping design. Bill Kempf Architects is currently working on the architectural design drawings which are scheduled to be completed in April, and will then proceed to construction drawings. HACSC is preparing an RFP for general contracting services, which will be released upon completion of construction drawings. The project will be coming before the City of Santa Cruz Planning Commission on Thursday, March 17 at 7pm. At the Planning Commission meeting, we will seek to obtain their recommendation for approval by the City Council for the planned development permit, design permit, coastal permit, and lot line adjustment. HACSC has reviewed the Planning Commission agenda report and we are optimistic that the project will obtain the necessary recommendation from the Planning Commission. Additional updates will be provided in person at the Board meeting. The City Council meeting is tentatively scheduled for April 26, 2022.

**Buena Vista Migrant Center** - HACSC entered into an assignment and assumption agreement with the Office of Migrant Service (OMS) to transfer management of the Buena Vista Migrant Center (BVMC) to Stanislaus Regional Housing Authority (StanCo) effective on March 1st. As part of the succession process, two full-time employees of HACSC who worked at BVMC were hired by StanCo to continue their same duties at the migrant center due to their familiarity with the resident families, operations, and the facilities. Maintaining the same onsite staff at BVMC will also serve to ease the transition for the families as they return for opening day at the beginning of April.

HACSC currently has a land lease with the County for operation of a migrant center on the County owned land. Counsel for StanCo will be working with County Counsel to reassign the land lease from HACSC to StanCo in the coming months. StanCo will be responsible for management of the onsite wastewater facility and domestic well and will bill the HACSC for Tierra Alta's share of those costs as they share in the use of that infrastructure.

**Annual Re-examinations** – HUD regulations require that households on the HCV program receive an annual re-examination at least every twelve months to confirm continued eligibility and to make adjustments to the level of subsidy being received. HUD provided PHAs with a waiver from the annual re-examination requirement over the course of the COVID-19 pandemic, but this waiver expired as of 12/31/21. Throughout the pandemic, HA staff have not kept pace with annual re-examinations for a variety of reasons including transition to remote work, the application for and implementation of Streamlined Voluntary Conversion of our former public housing program which took hundreds of staff hours, record numbers of interim examination requests to respond to households that had pandemic related decreases between annual re-examinations, and an influx of new Emergency Housing Vouchers that are required to be issued in a short period of time to avoid recapture. In addition to these challenges, the Agency has experienced an unprecedented level of staff turnover and retirements as part of the “great resignation”, with over 20% turnover in staff in less than one year, and difficulty in hiring new team members in the current job market. Additionally, many staff that have remained with the Agency have experienced greater than average numbers of leaves of absence and sick time resulting from the pandemic.

As a result of the increase in workload and decrease in staffing, the Agency has accumulated a significant backlog of late annual re-examinations. The size of the backlog of re-examinations peaked in October 2021 at 1,830 re-examinations (approximately 33% of our program). It’s worth noting that these re-examinations were not actually “late” at the time, given the HUD waiver, which has since expired. In the subsequent months, we have been making progress towards catching up with re-examinations slowly but steadily, despite continued challenges with staff turnover. As of March 1<sup>st</sup>, the backlog of re-examinations was 1,539. Housing Programs Department management and supervisorial staff have been working to develop a plan to get caught up. This plan includes focusing most staff time on current re-examinations, to prevent additional late records, while an external consultant works with us to assist in the backlog of older records. At our current pace, we will catch up on re-examinations over the course of the coming year. I will continue to keep the Board informed on the status of our backlog.

**Santa Cruz County Results Count Leadership Program** – I have been invited to participate in the Santa Cruz County Results Count Leadership Program. The Program is a collaborative initiative of the County Administrative Office and the Annie E. Casey Foundation, focused around aligning efforts to accelerate equitable results for Santa Cruz County. The efforts are focused on a call to action ensuring that Santa Cruz County is a healthy, safe, and more affordable community that is culturally diverse, economically inclusive, and environmentally vibrant. The program takes place over the course of nine months, consisting of seven two-day seminars with individual coaching to supplement the group work.

**Legislative Update** – After months of continuing resolutions, Congress passed its long-awaited FY 2022 Transportation-HUD spending bill providing a significant increase to housing and community development programs. It raises HUD funding by \$4 billion and increases nearly all HUD programs. The omnibus bill includes \$24.095 billion for HAP renewals. This is \$1.015 billion more than the Fiscal Year (FY) 2021 enacted budget. Based on industry projections, this amount is a 98% proration for HAP. Nonetheless, due to lower national utilization, there is the possibility that the omnibus amount may fully fund all vouchers. The omnibus bill allocates \$2.411 billion for administrative fees, \$252 million more than the FY 2021 enacted budget. Estimates suggest this may result in a proration greater than 90%, a level of admin fee funding we have not experienced since 2010. Finally, the bill allocates \$200 million for new general-purpose vouchers which are likely to be allocated according to a formula which may include factors such

as “severe cost burden, overcrowding, substandard housing for very low-income renters, homelessness, and administrative capacity.”