



HOUSING COMMISSION AGENDA

Regular Meeting Date: March 8, 2023

Time: 8:00 a.m.

Location: HACA Board Room, 22941 Atherton Street, Hayward, CA 94541-6633

The meeting location is open to the public. Members of the public also have the option to observe and participate in the meeting remotely at the following link: <https://us02web.zoom.us/j/88460095724>

If attending in person and you wish to speak on a matter, please request a speaker slip from the Housing Commission Clerk, fill it out then return the speaker slip to her as soon as possible before the start of the meeting. Members of the public who are participating remotely should submit their written comment(s) to: melissat@haca.net.

For both in-person and remote attendees, if you wish to comment on a matter NOT on the Housing Commission's agenda, please wait until the Chairperson calls for PUBLIC COMMENT. To comment a specific item on the meeting agenda, please wait for the Chairperson to call for public comments on that agenda item. There is a time limit of 3 minutes for each public speaker. The Chairperson has the discretion to further limit this time if warranted by the number of public speakers.

The Brown Act restricts the Housing Commission from discussing and/or taking action on any matters that are not on the meeting agenda. Therefore, matters that are raised during public comment will be referred to staff. We want to ensure everyone feels comfortable participating in Housing Commission meetings and is not intimidated by any public comments.

| | | PAGE |
|---|---|-------------|
| 1. CALL TO ORDER / ROLL CALL | | |
| 2. APPROVAL OF THE MINUTES OF THE FEBRUARY 8, 2023 HOUSING COMMISSION MEETING | ACTION | 2 |
| 3. PUBLIC COMMENT | | |
| 4. NEW BUSINESS | | |
| 4-1. Public Hearing: Annual Public Housing Agency Plan for Fiscal Year 2023-2024 | ACTION PUBLIC HEARING REQUIRED | 9 |
| 4-2. Approve Amendment to Contract with I Sterling, Inc. for Housing Quality Standards Inspection Services | ACTION | 13 |
| 4-3. Approve Amendments to HACA's Procurement Policy | ACTION | 15 |
| 4-4. Appoint a Scholarship Committee for the 2023 HACA Scholarship Program | ACTION | 17 |
| 4-5. Program Activity Report | INFORMATION | 18 |
| 5. COMMISSION REPORTS | | |
| 6. ADJOURNMENT | | |

HOUSING COMMISSION
MEETING MINUTES
February 8, 2023



SUMMARY ACTION MINUTES

HOUSING COMMISSION

Regular Meeting Date: February 8, 2023

Meeting Time: 8:00 a.m.

Due to the COVID-19 public health emergency and in accordance with guidance from state and local public health officers, this meeting was conducted on-site in the HACA Board Room with reduced capacity to promote social distancing and was also available via the Zoom video conference platform, and by phone.

1. CALL TO ORDER / ROLL CALL

CALL TO ORDER:

Chairperson McQuaid called the meeting to order at 8:03 a.m.

ROLL CALL:

Present in the HACA Board Room:

Commissioner Mark Gerry
Commissioner Michael Hannon
Chairperson Peggy McQuaid

Present on Zoom:

Commissioner Pete Ballew
Commissioner Michael McCorriston
Commissioner Courtney Welch

Excused:

Commissioner Angela Finley
Commissioner Scott Sakakihara
Vice Chairperson Yang Shao

2. RESOLUTION NO. 03-23: APPROVING THE IMPLEMENTATION OF TELECONFERENCING REQUIREMENTS UNDER GOVERNMENT CODE SECTION 54953(e) (AB361)

Melissa Taesali, Executive Assistant, presented the staff report. Report received with no questions or comments from the Housing Commission.

Recommendation: Adopt Resolution No. 03-23 approving the implementation of teleconferencing requirements under Government Code Section 54953(e) (AB361).

Motion/Second: Hannon/Welch.

Upon a roll call of the votes being taken the votes were:

Ayes: Cmr. Ballew, Gerry, Hannon, McCorriston, McQuaid, and Welch.

Motion passed. **APPROVED AS RECOMMENDED.**

3. PUBLIC COMMENT: *On matters not on the agenda.*

Daniel Goldstein, City of Hayward Council Member, commented that as part of the City of Hayward's Housing Element, the city would like to implement a rental housing registry. He further commented that perhaps Alameda County may want to consider implementing a countywide rental housing registry.

4. ACTION: APPROVE THE MINUTES OF THE JANUARY 18, 2023 HOUSING COMMISSION MEETING

Recommendation: Approve the minutes of the January 18, 2023 Housing Commission meeting minutes as presented.

Motion/Second: Hannon/Gerry.

Upon a roll call of the votes being taken the votes were:

Ayes: Cmr. Ballew, Gerry, Hannon, McCorriston, McQuaid, and Welch.

Motion passed. **APPROVED AS RECOMMENDED.**

5. INFORMATION: EXECUTIVE DIRECTOR'S REPORT

Kurt Wiest, Executive Director, presented his report. Mr. Wiest welcomed new Housing Commissioners Michael McCorriston from the City of Dublin and Scott Sakakihara from the City of Union City. He reported that the City of Hayward appointed Council Member Daniel Goldstein to the Housing Commission and that his appointment is scheduled to go before the Alameda County Board of Supervisor's on February 28th for final approval.

Mr. Wiest reported that the Governor is expected to lift the COVID-19 State of Emergency at the end of February. He explained that this will have an impact on the requirements for remote participation by Housing Commissioners at future Housing Commission meetings. Mr. Wiest indicated that staff consulted with County Counsel on teleconferencing requirements that will go into effect once the State of Emergency is lifted. Mr. Wiest highlighted some of these requirements.

Mr. Wiest reported on his attendance at the 2023 NorCal-Nevada NAHRO Chapter Conference and announced that HACA received several awards from the U.S. Department of Housing and Urban Development (HUD) for achievements in various program areas. He praised staff for their hard work in administering HACA's programs.

Commission Discussion: Cmr. Ballew asked if the Housing Commission will have to approve the just cause and/or emergency circumstances before a commissioner uses the provisions under AB2449. Laura Broussard Rosen, Deputy Executive Director, talked about some of the differences between the requirements under AB2449 and the traditional Brown Act. She indicated that staff will speak with County Counsel to get more detailed information on these teleconferencing requirements and share this information with the commissioners.

Cmr. Hannon and Mr. Wiest discussed the commission bylaws. Cmr. Hannon recommended that staff consider amending the bylaws to allow for alternates. Cmr. Hannon indicated that his city has opted to follow the traditional Brown Act requirements for teleconferencing. He also praised staff and congratulated staff on the HUD awards.

Cmr. Gerry congratulated staff on the HUD awards.

Chairperson McQuaid congratulated staff on the HUD awards and she welcomed the new commissioners.

6. NEW BUSINESS

6-1. ACTION: Approve Amendments to HACA's Section 8 Administrative Plan

Kurt Wiest introduced this item. Jennifer Cado, Senior Administrative Analyst, presented the staff report. Ms. Cado explained that HACA's Section 8 Administrative Plan (Admin Plan) contains HACA's policies for administering the Section 8 Housing Choice Voucher Program (Section 8) in a manner consistent with the U.S. Department of Housing and Urban Development (HUD) regulations. She further explained that substantive policy changes to the Admin Plan require Housing Commission approval and reported that staff is proposing to amend the Admin Plan primarily to make organizational changes for ease of use by the public and HACA staff as well as to add clarifying language. She summarized the proposed amendments to the Admin Plan and recommended that the Housing Commission approve the revisions.

Commission Discussion: Mr. Wiest asked staff to explain some of the program acronyms. Daniel Taylor, Special Programs Manager, provided the full names for some of these acronyms. Cmr. Hannon and Ms. Cado discussed the process for contacting a person on a HACA wait list before that person is removed for non-responsiveness. Cmr. Hannon and Ms. Cado also talked about community-based wait lists. Ms. Cado explained that staff is proposing to consolidate some of the preferences for these wait lists to make them clearer for applicants and more manageable for staff.

Cmrs. Hannon, Gerry, and Ms. Cado discussed the status of HACA's Section 8 wait list. Ms. Cado explained that the wait list has been closed for many years and that re-opening the wait list is dependent on various factors such as funding and the availability of Section 8 vouchers. She commented that a person's wait for on the wait list could be anywhere from months to years. Mr. Wiest explained that housing authorities across the nation are experiencing similar wait list challenges due to the lack of funding and overall availability of affordable housing. Cmr. Hannon commented that it would be interesting to hear what the cities in HACA's jurisdiction are doing to develop affordable housing now and in the future. Cmr. Ballew recommended that staff add language to the Admin Plan to include mobile phones and email as methods of communication. He expressed concern that staff may not be able to reach a person on the wait list if that person is unhoused or does not have a physical address to receive a letter.

Public Comment: Dan Goldstein, City of Hayward Council Member, commented on the efforts that City of Hayward has taken on to further affordable housing in their city.

Recommendation: Approve the proposed amendments to HACA's Section 8 Administrative Plan with the addition of language regarding methods of contact based on the recommendations made by Commissioner Ballew.

Motion/Second: Hannon/Ballew

Upon a roll call of the votes being taken the votes were:

Ayes: Cmr. Ballew, Gerry, Hannon, McCorriston, McQuaid, and Welch.

Motion passed. **APPROVED AS RECOMMENDED.**

6-2. INFORMATION : PROGRAMS ACTIVITY REPORT

Daniel Taylor, Special Programs Manager, presented the staff report. For the benefit of the new commissioners, Mr. Taylor provided an overview of HACA's Family Self-Sufficiency (FSS) Program and how the program works. He shared some highlights of the program achievements in the last year and talked about the various workshops and events that the FSS program puts together for the program participants. Mr. Taylor also reported that an FSS program participant was invited to speak on a panel at the 2023 NorCal-Nevada Chapter conference and that the information and participant were well-received by the conference attendees.

Commission Discussion: Cmr. McCorriston commented that he'd like to get more details on the FSS program and current program data. He expressed interest in learning how participants are utilizing their escrow funds. Mr. Wiest praised HACA's FSS program and indicated that HACA has had the program in place for many years. Cmr. Hannon commented that the FSS program is one of the highlights of agency. Mr. Taylor indicated that he will plan to do a more in-depth presentation about the FSS program for any new commissioners who would be interested in learning more about the program.

Public Comment: Daniel Goldstein, City of Hayward Council Member, commented that staff should consider promoting the good work of this program on some social media platforms.

7. COMMISSIONER REPORTS

None.

8. ADJOURNMENT

There being no further business to discuss Chairperson McQuaid adjourned the meeting at 9:02 a.m.

Respectfully submitted,

Melissa Taesali
Executive Assistant/Housing Commission Clerk

Kurt Wiest
Executive Director/Housing Commission
Secretary

Approved:

Peggy McQuaid
Housing Commission Chairperson

NEW BUSINESS

March 8, 2023

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 8, 2023

Subject: Annual PHA Plan for Fiscal Year 2023-2024 (Public Hearing Required)

Exhibits Attached: - Resident Advisory Board (RAB) Summary Minutes
 - Attachment A: HACA's Annual Plan for Fiscal Year 2023-2024

Recommendation: Conduct Public Hearing to Accept Comments; Approve Plan; Authorize Staff to Submit Plan to HUD

BACKGROUND

HUD requires that every Public Housing Authority (PHA) prepare and submit PHA Plans. The PHA Plan is a guide to the housing authority's policies, programs, operations, and strategies for meeting local housing needs and goals for the upcoming fiscal year. Housing authorities initially submit a 5-Year PHA Plan, followed by subsequent Annual PHA Plans until the next 5-Year Plan is due to HUD.

HACA's Annual Plan covering July 1, 2023 – June 30, 2024 is due to HUD by April 16, 2023. The Commission's practice has been to hold the required public hearing in March and provide staff with comments. Staff may return with the final Plan at the April Commission meeting if further revisions are needed. HUD has 75 days to approve the Plan, after which HACA will make the approved Annual Plan available to the public.

DISCUSSION and ANALYSIS

Staff has prepared HACA's Annual Plan using HUD's streamlined *HCV Only Annual Plan* template as HACA is classified by HUD as an HCV-only PHA. This year's Plan largely describes changes to HACA's Administrative Plan regarding selection of program participants and informal review and hearing procedures. These policy changes were presented and approved by the Commission in the January 2023 and February 2023 Commission meetings. This year's Plan also describes HACA's progress in meeting its goals since the last 5-Year Plan submission.

As required by HUD, HACA met with the Resident Advisory Board (RAB) on January 17, 2023 to review the Annual Plan and provide an opportunity for the RAB to submit any comments on the plan. No comments regarding the Plan were made at the RAB meeting, and a summary of the meeting is included for your information.

Should the Commission receive public comments at the public hearing that require revisions to the Annual Plan, staff will present a final version of the Plan for the Commission's approval at the April meeting. If no such comments are received at the hearing and the Commission approves the Plan at the March 8, 2023 meeting, staff will proceed with submitting the Plan to HUD on or before the April 16 due date.

**Housing Authority of the County of Alameda (HACA)
Resident Advisory Board (RAB) Meeting
January 17, 2023, 5:30PM
HACA Annual Plan for HACA Fiscal Year 2022**

Summary

| | |
|---|---------------------|
| Resident Advisory Board Members Present: | Absent: |
| Ilahna A Johnson-Aziz | Paris M Davis |
| Tammie S Perry | Maya I Nelson |
| | Tonja Fuller-Bryant |
| Staff Present: | |
| Jennifer Cado, Senior Administrative Analyst | |

The RAB met by video/telephone conference call at 5:30pm on January 17, 2023. Jennifer Cado described the requirements for the Annual Plan (Plan) and the process that HACA follows in developing the Plan, namely:

- staff development of the Plan;
- review of the Plan with the RAB for information and comments;
- submission of the Plan to the HACA Housing Commission at its March meeting along with a description of any challenges to any elements of the Plan from the RAB and staff responses to the challenges;
- conduct of a public hearing by the Housing Commission to accept comments about the Plan;
- approval of the Plan by the HACA Housing Commission; and
- submission of the Plan approved by the Housing Commission to HUD.

RAB members had been emailed the draft Plan prior to the conference call. All emails were delivered to their intended recipients. RAB members were also offered another meeting time if the set meeting time was inconvenient. No requests for a different meeting time were requested.

Ms. Cado explained that this year's Plan largely described changes to HACA's Administrative Plan regarding selection of program participants and informal review and hearing procedures. It also described HACA's progress in meeting its goals since the last 5-Year Plan submission. Ms. Cado presented the Plan in its entirety, including:

- Section B.1, Revisions of PHA Plan Elements, including changes to:
 - Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions;
 - Financial Resources;
 - Informal Review and Hearing Procedures; and
 - Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements; and
- Section B.3, Progress Report.

Ms. Cado asked if RAB members had any questions and requested input regarding the plan from the RAB members present. Ms. Perry asked whether HACA would continue its Family Self-Sufficiency program and Ms. Cado explained that HACA would continue to operate the program. Ms. Perry also asked to receive information about HACA's Homeownership program. Ms. Cado had Ms. Fuller, Special Programs, Leasing Leadworker, contact Ms. Perry to provide this information. Ms. Perry and Ms. Johnson-Aziz requested that future RAB meetings be held on Saturday mornings and that additional reminders, both by telephone and email, be made prior to RAB meeting dates. No elements of the Plan were challenged either during the meeting or by telephone or email from other RAB members.

Ms. Cado thanked the participants for their continued participation on HACA's RAB.

The meeting adjourned at 6:09pm.

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: March 8, 2023

Subject: Amendment to Contract with I Sterling, Inc. for Housing Quality Standards (HQS) Inspection Services

Exhibits Attached: None

Recommendation: Authorize the Executive Director to Execute an Amendment to the Contract with I Sterling Inc.

BACKGROUND

In February 2019, HACA issued a Request for Proposals (RFP) to provide HQS inspection services. The scope of work included, but was not limited to, providing services for initial inspections, annual inspections, and re-inspections. At the March 2019 meeting, your Commission approved an initial one-year contract with I Sterling, Inc. for \$158,600 for HQS inspection services, and the contract was executed on April 10, 2019. Your Commission subsequently approved two amendments to increase the initial contract amount and to extend the contract, for a total current contract amount of \$658,208. The current contract expires on April 9, 2023.

HACA plans to proceed with an amendment to extend the contract through April 9, 2024, with the existing contract amount of \$658,208. This amendment covers the fifth and final option year for this contract, so HACA will conduct a new solicitation for HQS inspection services prior to the expiration of the contract on April 9, 2024.

DISCUSSION AND ANALYSIS

All Housing Choice Voucher (HCV) and Special Program units require initial and subsequent annual or biennial inspections and must meet HUD Housing Quality Standards (HQS). In addition, HACA is required to conduct special inspections in response to tenant or owner requests. When repairs are needed, HACA must also conduct a re-inspection.

HACA has two inspectors on staff who currently perform all initial and special inspections. Ongoing annual and biennial inspections have been conducted by contract inspectors for many years. I Sterling, Inc. has now provided over nine years of inspection services to HACA and has continued to perform satisfactorily. In addition, I Sterling Inc. has been extremely responsive in

providing additional support for inspections to address the backlog caused by the COVID-19 pandemic and when HACA's staff inspectors have been unable to conduct inspections due to extended leave.

Since the execution of the initial contract in April 2019, I Sterling, Inc. has conducted approximately 15,000 HQS inspections for a total cost of approximately \$400,000. The remaining contract authority is sufficient to cover the anticipated inspections in the upcoming contract year.

The FY 2022-2023 budget includes anticipated expenses for the contract period of April 9, 2023 through June 30, 2023. The budget for inspections during the contract period of July 1, 2023 to April 9, 2024 will be incorporated in the FY 2023-2024 budget request.

Staff recommends your Commission authorize the Executive Director to execute an amendment to the current contract with I Sterling, Inc. to extend the contract from April 9, 2023 to April 9, 2024 with the current total contract amount of \$658,208.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 08, 2023

Subject: Adopt Revised Procurement Policy

Exhibits Attached: - Resolution No. 04-23
 - Attachment B: Revised Procurement Policy

Recommendation: Adopt Resolution 04-23

BACKGROUND

HACA's Procurement Policy was last revised in April 2019. Since then, HUD has revised the Micro-Purchase Cap to \$10,000 and the Simplified Acquisition Threshold to \$250,000.

HUD conducted a review of HACA's CARES ACT funds with a final report issued on November 12, 2022. Whereas review had no findings, HUD observed that HACA would benefit by revising its Procurement Policy to reflect the revised Cap limits.

DISCUSSION and ANALYSIS

HACA staff has updated the Policy to reflect the current limits and updated language to have the changes be automatically incorporated upon adoption by HUD.

Reno Cavanaugh LLP, HACA's Procurement Counsel has reviewed the Policy and has confirmed that it complies with all HUD requirements.

Staff recommends that your Commission adopt the attached Resolution approving the revised Procurement Policy.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

RESOLUTION NO.: 04-23

RESOLUTION ADOPTING THE PROCUREMENT POLICY

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires housing authorities to adopt a Procurement Policy to govern the procurement of goods and services; and

WHEREAS, the Housing Commission has approved a Procurement Policy in April 2019; and;

WHEREAS, staff has revised the *Procurement Policy* to reflect current HUD limits and to ensure compliance with all HUD requirements;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Commission does hereby approve the attached *Procurement Policy* as the policy which shall supersede any prior policies.

PASSED, APPROVED AND ADOPTED by the Housing Commission of the Housing Authority of the County of Alameda on this 8th day of March 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

EXCUSED:

ABSENT:

Attest:

Kurt Wiest
Executive Director/Housing Commission Secretary

Peggy McQuaid
Housing Commission Chairperson

Adopted: March 8, 2023

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 8, 2023

Subject: Appoint a Scholarship Committee for the 2023 HACA Scholarship Program

Exhibits Attached: None

Recommendation: Appoint Committee Members

BACKGROUND

Every year, the HACA Scholarship Program provides an opportunity for participants of the Family Self-Sufficiency (FSS) program and for tenants of HACA's non-profit instrumentality, Preserving Alameda County Housing, Inc. (PACH), to apply for a scholarship that can be used to pay eligible expenses related to their education. The budget allocates a total \$18,500 for scholarships: \$16,000 for the HACA Scholarship Program and \$2,500 for the Don Biddle Memorial Scholarship established by your Commission in March 2018.

DISCUSSION

Staff is in the process of preparing the applications for the 2023 HACA Scholarship program and the Don Biddle Memorial Scholarship. The applications will be circulated to all those who are eligible to apply and applicants are typically given 4-6 weeks to complete and submit their applications. A scholarship committee, comprised of members of the Housing Commission, then reviews the applications and makes recommendations for award. Commissioners

Your Commission needs to appoint a Scholarship Committee f work with staff on reviewing this year's scholarship applications and making award recommendations to the Commission for final approval. While there is quite a bit of reading involved, as the Committee must review all applications that are submitted, it is both meaningful and inspiring to read about the applicants' accomplishments. After the applications are reviewed, the committee and staff will meet virtually to discuss the applications and make award recommendations for final approval by the Housing Commission.

Staff recommends that your Commission appoint members to the 2023 Scholarship Committee.

PROGRAM ACTIVITY

REPORT

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: March 8, 2023

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract and Housing Assistance Payments (HAP) Report; Section 8 Average Contract Rent Report; FSS Program Monthly Report

Recommendation: Receive Report

SECTION 8 HOUSING CHOICE VOUCHERS (HCV)

- **Lease-Up:** The below chart provides the number of Section 8 HCV program units under contract. This number includes HACA vouchers and portability clients for which we are being billed by the receiving housing authority but excludes portability clients for which we are billing the initial housing authority.

| 3/1/2023 | 3/1/2022 | 3/1/2021 |
|----------|----------|----------|
| 6,837 | 6,633 | 6,143 |

- **HCV Program Utilization:** The below chart provides the average HAP subsidy, average tenant-paid portion, and average contract rent. These amounts include HACA vouchers, but do not include incoming and outgoing portability clients.

| | 3/1/2023 | 3/1/2022 | 3/1/2021 |
|--------------------------|----------|----------|----------|
| Average HAP Subsidy | \$1,767 | \$1,775 | \$1,729 |
| Average Tenant-Paid Rent | \$602 | \$555 | \$547 |
| Average Contract Rent | \$2,369 | \$2,331 | \$2,275 |

- ❖ The below chart provides the outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction) and incoming portability contracts where HACA billed other housing authorities.

| | 3/1/2023 | 3/1/2022 | 3/1/2021 |
|---------------------------------------|----------|----------|----------|
| Outgoing Billed Portability Contracts | 95 | 77 | 169 |
| Incoming Portability Contracts | 43 | 27 | 458 |

- ❖ PACH has 230 project-based voucher (PBV) units. The chart below provides the number of these units that are leased.

| 3/1/2023 | 3/1/2022 | 3/1/2021 |
|----------|----------|----------|
| 225 | 224 | 225 |

- **Section 8 Contract Reports:** Copies of the Contract Reports are attached. The Section 8 Contract and HAP Report includes HACA certificates, HACA vouchers and portability clients for which we are billing the initial housing authority. The Section 8 Average Contract Rent Report includes HACA vouchers and portability clients for which we are billing the initial housing authority.
- **Landlord Rental Listings:** As of March 1, 2023, there were 73 active properties listed.

| | 4/4/22 | 5/2/22 | 6/1/22 | 7/5/22 | 7/29/22 | 9/1/22 |
|-------|---------|---------|---------|--------|---------|---------|
| Units | 37 | 47 | 40 | 49 | 41 | 44 |
| | 10/3/22 | 11/1/22 | 12/5/22 | 1/3/23 | 2/1/23 | 2/27/23 |
| Units | 42 | 44 | 56 | 54 | 58 | 73 |

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Contract and HAP Report for the Month of February 2023

| | Certificates | | Vouchers | | FEBRUARY 2023 TOTAL | | | |
|---------------|--------------|------------------------------------|--------------|-------------------------------------|------------------------|-------------------|------------------|------------------|
| City | Number | HAP* based on avg \$2,051 | Number | HAP** based on avg \$1,766 | Number | HAP | FEBRUARY 2022 | FEBRUARY 2021 |
| Albany | 0 | \$0 | 11 | \$19,426 | 11 | \$19,426 | 12 | 12 |
| Castro Valley | 3 | \$6,153 | 239 | \$422,074 | 242 | \$428,227 | 232 | 228 |
| Dublin | 3 | \$6,153 | 419 | \$739,954 | 422 | \$746,107 | 422 | 411 |
| Emeryville | 6 | \$12,306 | 163 | \$287,858 | 169 | \$300,164 | 158 | 160 |
| Fremont | 19 | \$38,969 | 1,250 | \$2,207,500 | 1,269 | \$2,246,469 | 1,227 | 1,135 |
| Hayward | 40 | \$82,040 | 1,888 | \$3,334,208 | 1,928 | \$3,416,248 | 1,886 | 1,883 |
| Newark | 6 | \$12,306 | 226 | \$399,116 | 232 | \$411,422 | 232 | 233 |
| Pleasanton | 3 | \$6,153 | 297 | \$524,502 | 300 | \$530,655 | 296 | 271 |
| San Leandro | 17 | \$34,867 | 1,393 | \$2,460,038 | 1,410 | \$2,494,905 | 1,333 | 1,320 |
| San Lorenzo | 2 | \$4,102 | 175 | \$309,050 | 177 | \$313,152 | 178 | 179 |
| Union City | 12 | \$24,612 | 711 | \$1,255,626 | 723 | \$1,280,238 | 714 | 707 |
| TOTALS | 111 | 227,661 | 6,772 | 11,959,352 | 6,883 | 12,187,013 | 6,690 | 6,539 |

* Based on an average February Housing Assistance Payment (HAP) of \$2,051 per certificate contract.

** Based on average February Housing Assistance Payment (HAP) of \$1,766 per voucher contract.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA
Section 8 Average Contract Rent Report for the Month of February 2023

| City | Number of HAP Contracts (HCV Only) | Average Contract Rent | Average HAP Paid by HACA | Average Rent Paid by Family | Average Family-Paid Rent as a Percentage of Average Contract Rent |
|---------------|---|------------------------------|---------------------------------|------------------------------------|--|
| Albany | 11 | \$1,709 | \$1,358 | \$351 | 21% |
| Castro Valley | 239 | \$2,395 | \$1,784 | \$612 | 26% |
| Dublin | 419 | \$2,374 | \$1,802 | \$575 | 24% |
| Emeryville | 163 | \$1,907 | \$1,401 | \$507 | 27% |
| Fremont | 1,250 | \$2,492 | \$1,908 | \$585 | 23% |
| Hayward | 1,888 | \$2,284 | \$1,685 | \$599 | 26% |
| Newark | 226 | \$2,667 | \$1,932 | \$735 | 28% |
| Pleasanton | 297 | \$2,189 | \$1,696 | \$492 | 22% |
| San Leandro | 1,393 | \$2,281 | \$1,695 | \$585 | 26% |
| San Lorenzo | 175 | \$2,546 | \$1,875 | \$672 | 26% |
| Union City | 711 | \$2,539 | \$1,884 | \$656 | 26% |

*Some rents may vary by \$1 due to rounding

This report includes HACA vouchers and portability clients for which we are billing the initial housing authority.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**AGENDA STATEMENT**

Meeting Date: March 8, 2023

Subject: Family Self-Sufficiency Program Summary

Exhibits Attached: None

Recommendation: Receive Report

**FAMILY SELF-SUFFICIENCY (FSS) PROGRAM NEWS****FSS PROGRAM ACTIVITIES****FSS Participant Spotlight**

Antoinette, a recent FSS graduate increased her earned income by \$24,000 while in the program. She was promoted to a supervisory position and is now earning \$72,000. She plans to continue working for her current employer for additional promotional opportunities. Antoinette worked with our partner agency Sparkpoint-Fremont to increase her credit score by 181 points to bring her score to 745. Additionally, she attended workshops with our partner agency Operation Hope to work on her goal of homeownership. Antoinette is on the right path to make that dream a reality.

FSS Orientations

Staff previously reported to your commission that we had to pause our recruitment efforts while the Department of Housing and Urban Development (HUD) approved our new FSS Action Plan. With the Action Plan recently approved by HUD, the FSS team scheduled two orientations for new prospective participants. The orientations will be held on Thursday, March 2, 2023, at 6 p.m. and Tuesday, March 7, 2023, at 10:00 a.m. Currently, we have one hundred and forty-five (145) applicants on the FSS waiting list. We are excited to provide the opportunities that the FSS program offers to a new group of participants.

FSS PROGRAM SUMMARY

| Program Summary | February 2023 |
|-------------------------------|----------------------|
| Total Clients Under Contract: | 178 |
| Graduates: | 2 |
| Escrow Disbursed: | \$57,291.04 |
| Ports In: | 0 |
| Ports Out: | 0 |
| Terminations: | 0 |
| New Contracts: | 4 |
| Case Management Referrals: | 15 |
| Job Referrals: | 89 |

ATTACHMENT A

ATTACHMENT A - PAGE 2

| | | |
|--|---|---|
| Streamlined Annual PHA Plan (HCV Only PHAs) | U.S. Department of Housing and Urban Development Office of Public and Indian Housing | OMB No. 2577-0226 Expires 03/31/2024 |
|--|---|---|

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.

| A. PHA Information. | | | | |
|---------------------|---|-----------------|------------------------------------|--|
| A.1 | PHA Name: <u>Housing Authority of the County of Alameda</u> PHA Code: <u>CA067</u> PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2023</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) <u>7,023</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission | | | |
| | Availability of Information. 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. | | | |
| | <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below) | | | |
| | Participating PHAs | PHA Code | Program(s) in the Consortia | Program(s) not in the Consortia |
| | Lead HA: | | | No. of Units in Each Program |
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ATTACHMENT A - PAGE 3

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| B. | Plan Elements. |
| B.1 | <p>Revision of Existing PHA Plan Elements.</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 checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input checked="" type="checkbox"/> <input 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 checked="" type="checkbox"/> <input type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input checked="" type="checkbox"/> <input 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): <u>See attachment B.1</u></p> |
| B.2 | New Activities. – Not Applicable |
| B.3 | <p>Progress Report.</p> <p>Provide a description of the PHA’s progress in meeting its Mission and Goals described in its 5-Year PHA Plan. <u>See attachment B.3</u></p> |
| B.4 | Capital Improvements. – Not Applicable |
| B.5 | <p>Most Recent Fiscal Year Audit. <u><i>This section will be completed in the final version of the plan.</i></u></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A</p> <p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> |
| C. | Other Document and/or Certification Requirements. |
| C.1 | <p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) 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> |
| C.2 | <p>Certification by State or Local Officials. <u><i>Certification will be included in the final version of the plan.</i></u></p> <p><u>Form HUD 50077-SL</u>, <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> |
| C.3 | <p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</p> <p><u>Form HUD-50077-ST-HCV-HP</u>, <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> <p><u><i>Certification will be included in the final version of the plan.</i></u></p> |

ATTACHMENT A - PAGE 4

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| C.4 | <p>Challenged Elements. 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</p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p>If yes, include Challenged Elements. <u><i>This section will be completed in the final version of the plan.</i></u></p> | | | | | |
| D. | <p>Affirmatively Furthering Fair Housing (AFFH).</p> | | | | | |
| D.1 | <p>Affirmatively Furthering Fair Housing (AFFH).</p> <p>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> <table border="1" style="width: 100%;"> <tr> <td data-bbox="180 621 1451 659"> <p>Fair Housing Goal:</p> </td> </tr> <tr> <td data-bbox="180 659 1451 1068"> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> </td> </tr> </table> <table border="1" style="width: 100%;"> <tr> <td data-bbox="180 1094 1451 1131"> <p>Fair Housing Goal:</p> </td> </tr> <tr> <td data-bbox="180 1131 1451 1509"> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> </td> </tr> </table> <table border="1" style="width: 100%;"> <tr> <td data-bbox="180 1535 1451 1572"> <p>Fair Housing Goal:</p> </td> </tr> </table> | <p>Fair Housing Goal:</p> | <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> | <p>Fair Housing Goal:</p> | <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> | <p>Fair Housing Goal:</p> |
| <p>Fair Housing Goal:</p> | | | | | | |
| <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> | | | | | | |
| <p>Fair Housing Goal:</p> | | | | | | |
| <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p style="text-align: center;"><u><i>Not required</i></u></p> | | | | | | |
| <p>Fair Housing Goal:</p> | | | | | | |

ATTACHMENT A - PAGE 5

Describe fair housing strategies and actions to achieve the goal

Not required

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV-Only PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR §903.4)

- A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. (24 CFR §943.128(a))

B. Plan Elements. All PHAs must complete this section. (24 CFR §903.11(c)(3))

B.1 Revision of Existing PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

☐ **Statement of Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR 5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR § 903.7(a)).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(2)(i)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA’s reasons for choosing its strategy. (24 CFR §903.7(a)(2)(ii))

☒ **Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.** A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

☒ **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

☐ **Rent Determination.** A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

☐ **Operation and Management.** A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)).

☒ **Informal Review and Hearing Procedures.** A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

ATTACHMENT A - PAGE 6

☐ **Homeownership Programs.** A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

☒ **Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.** A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA's partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA's partnerships with other entities, and activities subject to Section 3 of the Housing and Community Development Act of 1968 (24 CFR Part 135) and under requirements for the Family Self-Sufficiency Program and others. Include the program's size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

☐ **Substantial Deviation.** PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

☐ **Significant Amendment/Modification.** PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan.

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. This section refers to new capital activities which is not applicable for HCV-Only PHAs.

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))

B.4 Capital Improvements. This section refers to PHAs that receive funding from the Capital Fund Program (CFP) which is not applicable for HCV-Only PHAs

B.5 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

C. Other Document and/or Certification Requirements.

C.1 Resident Advisory Board (RAB) comments. If the RAB had comments on the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

C.2 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations. impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

C.4 Challenged Elements. If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing (AFFH).

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing." Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

ATTACHMENT A - PAGE 7

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works 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. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 6.02 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

ATTACHMENT A - PAGE 8

Attachment A.1

PHA Information

Availability of Information

PHA Name: Housing Authority of the County of Alameda

PHA Code: CA067

PHA Plan for Fiscal Year Beginning: 07/2023

Number of Housing Choice Vouchers (HCVs): 7,023

PHA Plan Submission Type: Annual Submission

Availability of Information

HACA posts PHA Plans, including updates, at its office and on its official website. HACA's office is located at:

Housing Authority of the County of Alameda (HACA)
22941 Atherton Street
Hayward, CA 94541-6633

HACA's website address is:

www.haca.net

ATTACHMENT A - PAGE 9**Attachment B.1****Revision of PHA Plan Elements****1) Deconcentration and Other Policies that Govern Eligibility, Selection, and Admission**

The following policies that govern eligibility, selection, and admission were revised in HACA's Administrative Plan since its last Annual Plan submission:

Chapter 4-III.C Selection Method/Local Preferences

Preferences updated based on local need and operational effectiveness.

Chapter 17-VI.D Selection from the Waiting List/Preferences

Preferences updated based on local need and operational effectiveness.

Chapter 18-V.E Selection of PBV Program Participants

Preferences updated based on local need and operational effectiveness.

Chapter 19 Special Purpose Vouchers

Added Chapter 19 to provide more specific information regarding HUD requirements and HACA policies regarding selection of program participants for Special Purpose Vouchers.

See Attachment B.1 Exhibit A for the applicable chapter sections from HACA's Administrative Plan.

2) Financial Resources

HACA continues to explore opportunities that expand the supply of assisted housing to low-income families through the commitment and issuance of project-based vouchers and by applying for additional HUD program funding.

HACA received Consolidated Appropriations Act 2022 (P.L. 117-103) funding in the amount of \$823,322 for HCV on September 23, 2022, to be effective October 1, 2022 and in the amount of \$24,613 for HCV on December 5, 2022, to be effective January 1, 2023. HACA also received HUD-VASH funding in the amount of \$330,017 on December 22, 2022, to be effective February 1, 2023.

3) Informal Review and Hearing Procedures

The following revisions were made to Chapter 16 of HACA's Administrative Plan since its last Annual Plan submission:

Chapter 16-III.B Informal Reviews

Updated policies including clarifying language for in-person informal reviews and adding the option for remote informal reviews.

Chapter 16-III.C Informal Hearings for Participants

Updated policies including clarifying language for in-person informal hearings and adding the

ATTACHMENT A - PAGE 10

option for remote informal hearings. Made clarifications to policy language regarding pre-hearing right to discovery and evidence presented at an informal hearing.

See Attachment B.1 Exhibit B for the applicable chapter sections from HACA's Administrative Plan.

4) Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements

HACA no longer has a required FSS program size and is currently operating the FSS program voluntarily. HACA currently has 191 participants in its FSS program.

HACA revised its FSS Action Plan to ensure program compliance and to incorporate the required changes in HUD's May 17, 2022, final rule, Streamlining and Implementation of Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to the Family Self-Sufficiency Program, Section 306.

See Attachment B.1 Exhibit C for HACA's FSS Action Plan.

5) Significant Amendment/Modification

While there has been no change to HACA's definition, HACA is re-stating its definition in this plan. HACA defines a "Significant Amendment/Modification" to its 5-Year and Annual Plan as a change:

- a) to HACA's criteria for eligibility for admission; or
- b) any change with regard to homeownership programs.

ATTACHMENT A - PAGE 11

Attachment B.1

Exhibit A

**Deconcentration and Other Policies that Govern Eligibility, Selection, and
Admission**

Administrative Plan Sections

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

Local Preferences [24 CFR 982.207; HCV p. 4-16; CA Health & Safety Code Section 34322.2(a) and (b)]

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

HACA Policy

The following preferences apply to HCV families: **Emergency Transfers (300 points):** Participants approved to transfer from a HACA-owned or managed unit due to a verifiable emergency (includes families approved for an emergency transfer under VAWA, or due to other life-threatening situations, such as a family under threat of real and imminent violent/criminal attack).

Shortfall Terminated (250 points): Participants of HACA's HCV program that were terminated due to insufficient funding.

Shortfall Recalled (130 points): Applicants on HACA's HCV waiting list who received a voucher but had not yet utilized the voucher when it was recalled and were returned to the waiting list due to insufficient funding.

Displaced-HACA (50 points): Families displaced through no fault of their own, as determined by HACA, from HACA-owned or managed housing, other than those families qualifying for the Emergency Transfer preference.

FYI to Voucher (40 points): Participants in HACA's Foster Youth to Independence (FYI) program who are nearing the time limit of their participation in FYI.

BHCS/HCSA Program Graduates (40 points): Participants of qualifying programs (e.g. CHOICES, FACT, MHSA and successor programs) referred by Alameda County Health Care Services Agency (HCSA) who meet the requirements of referral under the MOU with that agency.

Previous Mainstream Limited Preferences (25 points): Applicants on HACA's HCV waiting list referred by HACA's Mainstream partner agencies between July 15, 2020, and February 15, 2023. This preference will allow HACA to continue to serve applicants that previously qualified for HACA's Mainstream limited preferences without interruption or loss of wait list placement.

Homeless (20 points): Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

ATTACHMENT A - PAGE 13

1. Has a primary nighttime residence that is a public or private place not meant for human habitation; or
2. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
3. Is exiting an institution where they have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Disaster Preference (10 points): Families displaced from housing units due to a federal, state, or locally declared disaster (within 6 months of displacement).

Veteran Priority (1 point): Families that include a person who has served full time in the armed forces in time of national emergency or state military emergency or during any expedition of the armed forces and who has been discharged or released under conditions other than dishonorable.

HACA will select applicants from its HCV waiting list based on preference points. Applicants with the highest number of points will be selected first, with date/time of application used as a tie-breaker.

Information regarding HACA's Moderate Rehabilitation program waiting lists may be found at the Exhibit at the end of this chapter.

Information regarding HACA's PBV waiting lists may be found in Chapter 17 (PBV) exhibits and Chapter 18 (RAD PBV) exhibits.

Information regarding HACA's Special Purpose Vouchers may be found in Chapter 19.

Income Targeting Requirement [24 CFR 982.201(b)(2)]

HUD requires that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during HACA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of a mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

HACA Policy

HACA will monitor progress in meeting the income targeting requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

ATTACHMENT A - PAGE 14**Order of Selection**

The PHA system of preferences may select families based on local preferences according to the date and time of application, or by a random selection process (lottery) [24 CFR 982.207(c)]. If a PHA does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

HACA Policy

Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with HACA's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected based on either a randomly assigned applicant lottery pool tiebreaker date and time, or the date and time their complete application is received by HACA as specified in the notice of waiting list opening.

Documentation will be maintained by HACA as to whether families on the list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained so that HACA does not have to ask higher placed families each time targeted selections are made.

ATTACHMENT A - PAGE 15

HACA will give priority to participants moving under a VAWA emergency transfer from one PBV development to another in accordance with Section 17-VII.C.

17-VI.D. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]

Applicants who will occupy units with PBV assistance must be selected from the PHA's waiting list. The PHA may establish selection criteria or preferences for occupancy of particular PBV units. The PHA may place families referred by the PBV owner on its HCV waiting list.

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs from the waiting list during the PHAA fiscal year must be extremely low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features [24 CFR 983.251(c)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(d), FR Notice 11/24/08]

The PHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The PHA must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

The PHA may establish a selection preference for families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with the PHA plan. The PHA may not, however, grant a preference to a person with a specific disability [FR Notice 1/18/17].

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the PHA has projects with "excepted units" for elderly families or supportive services, the PHA must give preference to such families when referring families to these units [24 CFR 983.251(d); FR Notice 1/18/17].

HACA Policy

HACA will provide a selection preference when required by the regulations (e.g., eligible in-place families, elderly families or units with supportive services, or mobility impairments for accessible units). The following additional preferences/priority apply:

PBV Owner Referral Preference (300 points): Applicants referred by the development owner, but only when HACA failed to provide sufficient eligible families from the waiting list to fill a vacancy within 30 days of the owner's notification to HACA of the vacancy.

Emergency Transfers (300 points): Participants approved to transfer from a HACA-owned or managed unit due to a verifiable emergency (includes families approved for an

ATTACHMENT A - PAGE 16

emergency transfer under VAWA, or due to other life-threatening situations, such as a family under threat of real and imminent violent/criminal attack).

Displaced-HACA (50 points): Families displaced through no fault of their own, as determined by HACA, from HACA-owned or managed housing, other than those families qualifying for the Emergency Transfer preference.

Extremely Low-Income Preference (30 points): Families whose annual income does not exceed the higher of, by family size,

- 1) the federal poverty level applicable to the family; or
- 2) 30% of area median income (AMI), as determined by HUD.

Homeless (20 points): Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

1. Has a primary nighttime residence that is a public or private place not meant for human habitation; or
2. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
3. Is exiting an institution where they have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Transitioning from an Institution Preference (20 points): Families that include at least one household member who is a person with a disability who is a MediCal recipient that has resided in an institution.

Disaster Preference (10 points): Families displaced from housing units due to a federal, state, or locally declared disaster (within 6 months of displacement).

Displaced-Emeryville (2 points): Qualified households who have been displaced as a result of the City of Emeryville's or City of Emeryville Redevelopment Agency's public projects or the City's code enforcement activities.

Veteran Priority (1 point): Families that include a person who has served full time in the armed forces in time of national emergency or state military emergency or during any expedition of the armed forces and who has been discharged or released under conditions other than dishonorable.

HACA will select applicants from its PBV waiting lists based on preference points. Applicants with the highest number of points will be selected first, with date/time of application used as a tie-breaker.

Notification of Selection HACA Policy

For the Project-Based Voucher program site-based waiting lists the notice will inform the family of the following:

The location of the upcoming vacancy

ATTACHMENT A - PAGE 17

How to contact the property manager in order to determine if the family is interested in renting the unit

The date by which the family's completed application must be received by the property manager

HACA will attempt to contact the applicant through mail, and if a mailing address is not available, HACA will contact the applicant via email or telephone based on information the applicant provided.

If a notification letter is returned to HACA with no forwarding the address, the family will be removed from all the waiting lists the family is on. A notice of denial (see Chapter 3) will be sent to the family's address of record.

17-VLE. OFFER OF PBV ASSISTANCE**Refusal of Offer [24 CFR 983.251(e)(3)]**

The PHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the PHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

HACA Policy

Applicants will be removed from the waiting list if they are non-responsive to or refuse two offers of a unit for sites housed under the waiting list. Exceptions will be considered on a case-by-case basis for various reasons to include, but not be limited to: lease commitment issues, sequestered jurors, medical emergencies that prevent moving at the time, or death of a family member. All requests for exceptions must be made in writing.

Disapproval by Landlord [24 CFR 983.251(e)(2)]

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

Acceptance of Offer [24 CFR 983.252]***Family Briefing***

When a family accepts an offer for PBV assistance, the PHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA must provide a briefing packet that explains how the PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, the PHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing

ATTACHMENT A - PAGE 18**18-V.E. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]**

After conversion to RAD PBV, applicants who will occupy units with RAD PBV assistance must be selected from the PHA's waiting list. the PHA may establish selection criteria or preferences for occupancy of particular PBV units.

Income Targeting [24 CFR 983.251(c)(6) and Notice PIH 2019-23]

At least 75 percent of the families admitted to the PHAs tenant-based and project-based voucher programs during the PHA's fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Families in place at the time of the conversion are exempt from income targeting requirements. New admissions follow standard PBV requirements. Any non-RAD PBV units located in the same project are also subject to these requirements.

Units with Accessibility Features [24 CFR 983.251(c)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, The PHA must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(d), FR Notice 11/24/08, and Notice PIH 2019-23]

The PHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units.

HACA Policy

HACA will provide a selection preference when required by the regulation (e.g., eligible in-place families, elderly families or units with supportive services, or mobility impairments for accessible units). The following additional preferences/priority will apply:

- **PBV Owner Referral Preference** (300 points): HACA will provide a preference to applicants referred by the development owner, but only when HACA failed to provide sufficient eligible families from the waiting list to fill a vacancy within 30 days of the owner's notification to HACA of the vacancy.
- **Emergency Transfers** (300 points): Participants approved to transfer from a HACA-owned or managed unit due to a verifiable emergency (includes families approved for an emergency transfer under VAWA, or due to other life-threatening situations, such as a family under threat of real and imminent violent/criminal attack).
- **Displaced-HACA** (50 points): Displaced family—Families displaced through no fault of their own from HACA-owned or HACA managed housing, other than those families qualifying for the Emergency Transfer preference.
- **Disaster Preference** (10 points): Families displaced from housing units due to a federal, state, or locally declared disaster (within 6 months of displacement).
- **Veteran Priority** (1 point): A preference is provided to any person who has served full time in the armed forces in time of national emergency or state military emergency or during any expedition of the armed forces and who has been discharged or released under conditions other than dishonorable.

ATTACHMENT A - PAGE 19

Preference points are aggregated to produce the total preference points for each applicant. Ties among applicants who have the same preferences/priorities are resolved, as applicable, by either;

- **order of ascending** lottery “tiebreaker” number (that is, applicants with a lower lottery “tiebreaker” number are selected before applicants with a higher one); or
- The date and time their complete application is received by HACA.

Notification of SelectionHACA Policy

For the RAD community-wide waiting lists the notice will inform the family of the following:

The location of the upcoming vacancy

How to contact the property manager in order to determine if the family is interested in renting the unit

The date by which the family’s completed application must be received by the property manager

HACA will attempt to contact the applicant through mail, and if a mailing address is not available, HACA will contact the applicant via email or telephone based on information the applicant provided.

If a notification letter is returned to HACA with no forwarding the address, the family will be removed from all the waiting lists the family is on. A notice of denial (see Chapter 3) will be sent to the family’s address of record.

Chapter 19

SPECIAL PURPOSE VOUCHERS

INTRODUCTION

Special purpose vouchers are specifically funded by Congress in separate appropriations from regular HCV program funding in order to target specific populations. Special purpose vouchers include vouchers for the following programs:

- Family Unification Program (FUP)
- Foster Youth to Independence (FYI) program
- Veterans Affairs Supportive Housing (VASH)
- Mainstream
- Non-Elderly Disabled (NED)

PHA Policy

HACA will administer the following types of special purpose vouchers:

FYI

VASH

Mainstream

NED

This chapter describes HUD regulations and PHA policies for administering special purpose vouchers. The policies outlined in this chapter are organized into five sections, as follows:

Part I: Foster Youth to Independence (FYI) program

Part II: Veterans Affairs Supportive Housing (VASH)

Part III: Mainstream voucher program

Part IV: Non-Elderly Disabled (NED) vouchers

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to special purpose vouchers.

PART I: FOSTER YOUTH TO INDEPENDENCE INITIATIVE**19-I.A. PROGRAM OVERVIEW [Notice PIH 2020-28; Notice PIH 2021-26; FR Notice 1/24/22]**

The Foster Youth to Independence (FYI) initiative was announced in 2019. The FYI initiative allows PHAs who partner with a Public Child Welfare Agency (PCWA) to request targeted HCVs to serve eligible youth with a history of child welfare involvement that are homeless or at risk of being homeless. Rental assistance and supportive services are provided to qualified youth for a period of between 36 and 60 months.

Funding is available either competitively through an FYI NOFA or noncompetitively on a rolling basis in accordance with the application requirements outlined in Notice PIH 2020-28 or Notice PIH 2021-26, as applicable. Under the noncompetitive process, PHAs are limited to 25 vouchers in a fiscal year with the ability to request additional vouchers for those PHAs with 90 percent or greater utilization or utilization of its FUP and/or FYI vouchers, as applicable. For competitive awards, the number of vouchers is dependent on PHA program size and need.

19-I.B. PARTNERING AGENCIES [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar]

Public Child Welfare Agency (PCWA)

The PHA must enter into a partnership agreement with a PCWA in the PHA's jurisdiction in the form of a Memorandum of Understanding (MOU) or letter of intent. The PCWA is responsible for identifying and referring eligible youth to the PHA and providing or securing a commitment for the provision of supportive services once youth are admitted to the program.

PHA Policy

HACA will implement a Foster Youth to Independence (FYI) program in partnership with Alameda County Children and Family Services.

The PCWA is responsible for:

- Identifying FYI-eligible youth;
- Developing a system of prioritization based on the level of need of the youth and the appropriateness of intervention;
- Providing a written certification to the PHA that the youth is eligible; and
- Providing or securing supportive services for 36 months.

Continuum of Care (CoC) and Other Partners

HUD strongly encourages PHAs to add other partners into the partnership agreement with the PCWA such as state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates.

PHA Policy

In addition to the PCWA, HACA may implement the FYI program in partnership with state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates.

ATTACHMENT A - PAGE 23**19-I.C. YOUTH ELIGIBILITY CRITERIA [Notice PIH 2021-26; FYI Q&As; FYI FAQs]**

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. As determined by the PCWA, eligible youth:

- Are at least 18 years of age and not more than 24 years of age (have not yet reached their 25th birthday);
 - Youth must be no more than 24 years of age at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Have left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;
 - Placements can include, but are not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576;
- Are homeless or at risk of becoming homeless at age 16 and older;
 - *At risk of being homeless* is fully defined at 24 CFR 576.2.
 - o This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution). Therefore, youth being discharged from an institution may be eligible for an FYI voucher [FYI FAQs].

Eligibility is not limited to single persons. For example, pregnant and/or parenting youth are eligible to receive assistance assuming they otherwise meet eligibility requirements.

19-I.D. SUPPORTIVE SERVICES [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar; FYI Q&As]

Supportive services may be provided by the PHA, PCWA or a third party. The PCWA must provide or secure a commitment to provide supportive services for participating youth for the period of time defined in the NOFA/O for which the funding was made available. At a minimum, the following supportive services must be offered:

- Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
- Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher;
- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED) or attendance/financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

PHA Policy

Additional supportive services will not be offered.

Since participation in supportive services is optional, but strongly encouraged, an FYI participant may decline supportive service.

19-I.E. REFERRALS AND WAITING LIST MANAGEMENT [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar FYI FAQs]**Referrals**

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. Once the PCWA sends the PHA the referral certifying the youth is program-eligible, the PHA determines HCV eligibility.

The PCWA must have a system for identifying eligible youth within the agency's caseload and reviewing referrals from other partners, as applicable. The PCWA must also have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon their level of need and appropriateness of the intervention.

Referrals may come from other organizations in the community who work with the population, but the PCWA must certify that the youth meets eligibility requirements, unless the PCWA has vested another organization with this authority.

The PHA is not required to maintain full documentation that demonstrates the youth's eligibility as determined by the PCWA but should keep the referral or certification from the PCWA. The PCWA is not required to provide the PHA with HCV eligibility documents.

PHA Policy

HACA and PCWA have identified staff positions to serve as lead FYI liaisons. These positions will be responsible for transmission and acceptance of referrals. The PCWA must commit sufficient staff and resources to ensure eligible youths are identified, prioritized, and determined eligible in a timely manner.

When vouchers are available, the HACA liaison responsible for acceptance of referrals will contact the PCWA liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date the PCWA receives this notification, the PCWA liaison must provide HACA with a list of eligible referrals, a completed release form, and a written certification for each referral indicating the referral is eligible. The list will include the name, address, and contact phone number for each adult individual who is being referred.

HACA will maintain a copy of each certification from the PCWA in the participant's file along with other eligibility paperwork.

Waiting List Placement [Notice PIH 2021-26 and FYI FAQs]

The PHA must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA's referral list are already on the PHA's HCV waiting list. Applicants already on the PHA's HCV waiting list retain the order of their position on the list. Applicants not already on the PHA's HCV waiting list must be placed on the HCV waiting list.

If the PHA's HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new referrals. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants; however, the requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

PHA Policy

Within 10 business days of receiving the referral from the PCWA, HACA will review the HCV waiting list.

Referrals who are already on the list will retain their position and the list will be notated to indicate the applicant is FYI-eligible.

For those referrals not already on the waiting list, HACA will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FYI-eligible. HACA will work with the PCWA to ensure they receive and successfully complete a pre-application or application, as applicable.

Waiting List Selection

The PHA selects eligible youths based on the PHA's regular HCV waiting list selection policies in Chapter 4, including any preferences that may apply.

19-I.F. PHA HCV ELIGIBILITY DETERMINATION [FYI FAQs]

Once an eligible youth is selected from the HCV waiting list, the PHA must determine whether the youth meets HCV program eligibility requirements. Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the youth's criminal history.

PHA Policy

Subject to privacy laws, the PCWA may provide any available information regarding the applicant's criminal history to HACA.

HACA will consider the information it may receive from the PCWA in making its eligibility determination in accordance with HACA's policies in Chapter 3, Part III.

Additional Eligibility Factors

Youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FYI voucher.

PHA Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in Chapter 3 or any eligibility criteria listed in this section will be notified by HACA in writing following policies in Section 3-III.F, including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.

ATTACHMENT A - PAGE 28**19-I.G. LEASE UP [FR Notice 1/24/22]**

Once the PHA determines that the family or youth meets HCV eligibility requirements, the youth will be issued an FYI voucher in accordance with PHA policies.

During the family briefing, PHAs must inform the FYI voucher holder of:

- The extension of assistance provisions and requirements;
- The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
- The supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FYI assistance.

PHA Policy

Eligible applicants will be notified by HACA in writing following policies in Section 3-III.F. of this policy. FYI youth will be briefed in accordance with Part I of Chapter 5 but will also provide an explanation of the FYI program.

Vouchers will be issued in accordance with HACA policies in Chapter 5, Part II.

Once the youth locates a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA policy in Chapter 9.

Should a youth fail to use the voucher, the PHA may issue the voucher to another eligible youth if one has been identified [Notice PIH 2021-26].

Turnover [FYI FAQs]

For PHAs awarded FYI Tenant Protection Vouchers (TPVs) under Notice PIH 2019-20 where the recipient of the FYI TPV leaves the program, the PHA may request an FYI voucher under the requirements of Notice PIH 2021-26.

For PHAs awarded FYI vouchers under Notices PIH 2020-28 and PIH 2021-26, where the recipient of the FYI voucher leaves the program, the PHA must continue to use the FYI voucher for eligible youth upon turnover. Where there are more eligible youth than available FYI turnover vouchers, the PHA may request an FYI voucher under the requirements of Notice PIH 2021-26. If another eligible youth is not available, the PHA must notify HUD, and HUD will reduce the PHA's HCV assistance to account for the removal of the FYI assistance from the PHA's HCV baseline.

19-I.H. MAXIMUM ASSISTANCE PERIOD [Notice PIH 2021-26 and FYI FAQs; FR Notice 1/24/22]

Vouchers are limited by statute to a total of between 36 months and 60 months of housing assistance. At the end of the statutory time period, assistance must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the limitation. It is not permissible to reissue another FYI TPV to the same youth upon expiration of their FYI assistance.

Participants do not “age out” of the program. A participant may continue with the program until they have received the period of assistance for which they are eligible. Age limits are only applied for entry into the program.

Extension of Assistance

FYI voucher holders who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

While FYI voucher holders cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months. A FYI voucher holder must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions described below).

Statutory Exceptions

FYI voucher holders will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA’s FSS program if they certify that they meet one of the exceptions below:

- The FYI voucher holder is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

PHA Policy

HACA defines *incapacitated person* as defined under California state law. The law defines incapacity as the inability to make decisions or perform certain acts due to diminished mental functions, like alertness and attention, thought processes, and the ability to modulate mood and effect. HACA will apply this exception in a manner that provides extensions of FYI assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception in writing unless it is apparent and otherwise known to HACA. This certification is the only documentation that the FYI voucher holder must submit.

The child or incapacitated person is not required to reside in the household in order for the FYI voucher holder to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part time may qualify the FYI voucher holder for this exception.

ATTACHMENT A - PAGE 30

- The FYI voucher holder is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

PHA Policy

HACA will define *regular and active participation* in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception in writing. This certification is the only documentation that the FYI voucher holder must submit.

- The FYI voucher holder is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

PHA Policy

HACA will apply this requirement in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception in writing unless apparent or otherwise known to HACA. This certification is the only documentation that the FYI voucher holder must submit.

An FYI voucher holder that meets one of the above exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FYI voucher holders. An FYI voucher holder may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

ATTACHMENT A - PAGE 31

Education, Workforce Development, or Employment Activities

If a PHA that carries out an FSS program is unable to offer a FYI voucher holder an FSS slot during their first 36 months of receiving FYI assistance, the FYI voucher holder is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The FYI voucher holder was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

PHA Policy

HACA will use the definitions of *recognized postsecondary credential* and *secondary school diploma or its recognized equivalent* under the Workforce Innovation and Opportunity Act (WIOA). WIOA defines a *recognized postsecondary credential* as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree (29 U.S.C. 3102). Examples of a recognized postsecondary credential include, but are not limited to, an associate’s degree, bachelor’s degree, occupational licensure, or occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1). For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to, obtaining certification of attaining passing scores on a state-recognized high school equivalency test, earning a secondary school diploma or state-recognized equivalent, or obtaining certification of passing a state-recognized competency-based assessment.

- The FYI voucher holder was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

PHA Policy

The FYI voucher holder must be enrolled in education activities on at least a half-time basis, as defined by the institution which they attend. However, HACA may make exceptions to this requirement if the FYI voucher holder is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where they are enrolled.

ATTACHMENT A - PAGE 32

- The FYI voucher holder was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).
- The FYI voucher holder was employed.

PHA Policy

HACA will consider the FYI voucher holder to be employed if they work at least part time. HACA may make exceptions to this requirement if the FYI voucher holder's hours are reduced due to circumstances beyond their control or the FYI voucher holder must temporarily reduce their work hours due to a verified family emergency.

FSS Enrollment at 24 Months

If the FYI voucher holder has not been provided an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, HUD encourages the PHA to remind the FYI voucher holder at the 24-month reexamination of the education, workforce development, and employment requirements described above so that they have enough time to meet these requirements prior to the expiration of the 36-month time period for FYI assistance.

PHA Policy

HACA reminds all voucher holders of the opportunity to join the FSS program at their annual reexamination.

FSS Enrollment Between 36 and 48 Months

If an FSS slot becomes available between the 36-month and 48-month mark:

- The PHA must offer the slot to an FYI voucher holder who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the FYI voucher holder previously declined an FSS slot because they met one of the statutory exceptions).
- The PHA must work with the FYI voucher holder to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the FYI voucher holder is engaged in and any statutory exceptions that apply to the FYI voucher holder, as well as the remaining time on their voucher.
- If the FYI voucher holder accepts the FSS slot, the PHA must work with them to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

If the FYI voucher holder is offered an FSS slot prior to the 36-month mark, the FYI voucher holder:

- Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).

ATTACHMENT A - PAGE 33

- Will not be considered to have been “unable to enroll” in the FSS program, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

FSS Enrollment After 48 Months

The PHA may, but is not required, to offer an FYI voucher holder an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the FYI voucher holder will have already received their second and final extension.

PHA Policy

If an FSS slot becomes available between the 48 and 60-month marks, HACA will offer the FSS slot to an FYI voucher holder.

Extensions of Assistance

At the 36-month and 48-month reexamination, the PHA must extend FYI assistance if the FYI voucher holder is participating in and in compliance with the FSS program as long as the FYI voucher holder is still eligible for the HCV program.

In any case, the FYI voucher holder cannot receive more than a total of 60 months of FYI assistance even if the FSS Contract of Participation time period extends beyond the voucher 60-month mark.

No FSS Program or Unable to Enroll in FSS

If a PHA does not carry out an FSS program or the FYI voucher holder has been unable to enroll in the program during the first 36 months of receiving FYI assistance, the FYI voucher holder is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the FYI voucher holder engaged in at least one of the education, workforce development, or employment activities described above for not less than nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the FYI voucher holder may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

Verification Prior to Annual Reexam

In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods. The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, the PHA must provide the FYI voucher holder written notification informing them that they may receive an extension of their FYI assistance and providing instructions on how the FYI voucher holder may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month time periods, as applicable, to allow the FYI voucher holder to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for the PHA to conduct an annual reexamination prior to the expiration of the FYI assistance.

PHA Policy

HACA will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month time periods prior to the FYI voucher holder's scheduled annual reexamination. HACA will not verify compliance at the end of the 60-month time period.

HACA will provide each FYI voucher holder on HACA's program with a written notification informing them that they may receive an extension of their FYI assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance prior to their scheduled annual reexam date. When necessary, HACA will provide this notification in a format accessible to FYI voucher holders with disabilities and in a translated format for FYI voucher holders with limited English proficiency in accordance with Chapter 2.

HACA will use the following verification methods to verify an FYI voucher holder's eligibility for voucher extensions:

To verify compliance with the FSS requirement, HACA will examine its records to confirm, or obtain confirmation from HACA's FSS program staff, that the FYI participant is in compliance with FSS program requirements and has not been terminated from the FSS program.

To meet the education, workforce development, or employment requirement, HACA will verify that the FYI voucher holder was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of the 36-month or 48-month time period, as applicable. HACA will verify this through examination of its records or FYI voucher holder certification.

Due to the timing of when HACA verifies compliance and conducts the annual reexamination, the FYI voucher holder may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month time period. In such cases, the FYI voucher holder will still be considered to have met the requirements.

In order for the FYI voucher holder to meet one of the statutory exceptions described above, unless apparent or otherwise known to HACA, the FYI voucher holder must submit a certification to HACA that they meet one of these exceptions. This certification is the only documentation that the FYI voucher holder must submit in order to demonstrate that they meet one of the statutory exceptions.

An FYI voucher holder who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month time period. The FYI voucher holder may demonstrate that they meet a different condition in order to receive an extension of their assistance.

ATTACHMENT A - PAGE 35

If the PHA determines that the FYI voucher holder meets one of the statutory conditions, the PHA would then conduct an annual reexamination. If the annual reexamination determines that the FYI voucher holder is still eligible for the HCV program, the PHA must provide the FYI voucher holder the extension of voucher assistance.

Termination of Assistance for Failure to Meet Conditions

Failure of the FYI voucher holder to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FYI assistance prior to the annual reexam.

If the FYI voucher holder does not meet any of the statutory conditions described in in this chapter, the youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received, and the FYI voucher must be terminated once they reach this time limit. The calculation of the time limit begins from the date the first HAP contract is signed (for tenant-based vouchers) or from the date the FYI voucher holder entered into the initial lease agreement (for project-based vouchers). The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the FYI voucher holder, not the number of months that they are in the FYI program. Prior to termination, the PHA must offer the FYI voucher holder the opportunity to request an informal hearing, in accordance with Chapter 16.

19-I.I. TERMINATION OF ASSISTANCE [FYI FAQs]

Termination of a FYI voucher is handled in the same way as with any HCV; therefore, termination of a FYI voucher must be consistent with HCV regulations at 24 CFR Part 982, Subpart L and PHA policies in Chapter 12. Given the statutory time limit that requires FYI vouchers to sunset, a PHA must terminate the youth's assistance once the limit on assistance has expired.

A PHA cannot terminate a FYI youth's assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FYI youth for not accepting services from the PCWA.

The PHA may not transfer the assistance of FYI voucher holders to regular HCV assistance upon the expiration of the limit on assistance. However, the PHA may issue a regular HCV to FYI voucher holders if they were selected from the waiting list in accordance with PHA policies. The PHA may also adopt a waiting list preference for FYI voucher holders who are being terminated for this reason.

PHA Policy

HACA will not provide a FYI to Voucher selection preference on HACA's HCV waiting list for FYI voucher holders who are nearing the time limit of their participation in FYI as outlined in Chapter 4-III.C.

ATTACHMENT A - PAGE 36**19-I.J. PORTABILITY [FYI FAQs]**

Portability for an FYI youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for an FYI youth for reasons other than those specified in the HCV program regulations, as reflected in Chapter 10 of the administrative plan.

An FYI youth does not have to port to a jurisdiction that administers FYI vouchers.

If the receiving PHA absorbs the voucher, the PHA may absorb the youth into its regular HCV program if it has vouchers available to do so. If the receiving PHA absorbs the youth into its regular HCV program, that youth becomes a regular HCV participant with none of the limitations of an FYI voucher.

The initial and receiving PHA must work together to initiate termination of assistance upon expiration of the time limit on assistance.

19-I.K. PROJECT-BASING FYI VOUCHERS [FYI FAQs; FR Notice 1/24/22]

The PHA may project-base certain FYI vouchers without HUD approval in accordance with all applicable PBV regulations and PHA policies in Chapter 17. This includes FYI vouchers awarded under Notices PIH 2020-28 and PIH 2021-26. Assistance awarded under Notice PIH 2019-20 is prohibited from being project-based.

PHA Policy

HACA will not project-base FYI vouchers. All FYI vouchers will be used to provide tenant-based assistance.

PART II: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM

19-II.A. OVERVIEW

Since 2008, HCV program funding has provided rental assistance under a supportive housing program for homeless veterans. The Veterans Affairs Supportive Housing (VASH) program combines HCV rental assistance with case management and clinical services provided by the Department of Veterans Affairs (VA) at VA medical centers (VAMCs) and Community-Based Outpatient Clinics (CBOCs), or through a designated service provider (DSP) as approved by the VA Secretary. Eligible families are homeless veterans and their families that agree to participate in VA case management and are referred to the VAMC's partner PHA for HCV assistance. The VAMC or DSP's responsibilities include:

- Screening homeless veterans to determine whether they meet VASH program participation criteria;
- Referring homeless veterans to the PHA;
 - The term *homeless veteran* means a veteran who is homeless (as that term is defined in subsection (a) or (b) of Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)). See 38 U.S.C. 2002.
- Providing appropriate treatment and supportive services to potential VASH participants, if needed, prior to PHA issuance of a voucher;
- Providing housing search assistance to VASH participants;
- Identifying the social service and medical needs of VASH participants, and providing or ensuring the provision of regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout the veterans' participation period; and
- Maintaining records and providing information for evaluation purposes, as required by HUD and the VA.

VASH vouchers are awarded noncompetitively based on geographic need and PHA administrative performance. Eligible PHAs must be located within the jurisdiction of a VAMC and in an area of high need based on data compiled by HUD and the VA. When Congress funds a new allocation of VASH vouchers, HUD invites eligible PHAs to apply for a specified number of vouchers.

Generally, the HUD-VASH program is administered in accordance with regular HCV program requirements. However, HUD is authorized to waive or specify alternative requirements to allow PHAs to effectively deliver and administer VASH assistance. Alternative requirements are established in the HUD-VASH Operating Requirements, which were originally published in the Federal Register on May 6, 2008, and updated September 27, 2021. Unless expressly waived by HUD, all regulatory requirements and HUD directives regarding the HCV program are applicable to VASH vouchers, including the use of all HUD-required contracts and other forms, and all civil rights and fair housing requirements. In addition, the PHA may request additional statutory or regulatory waivers that it determines are necessary for the effective delivery and administration of the program.

ATTACHMENT A - PAGE 38

The VASH program is administered in accordance with applicable Fair Housing requirements since civil rights requirements cannot be waived under the program. These include applicable authorities under 24 CFR 5.105(a) and 24 CFR 982.53 including, but not limited to, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Age Discrimination Act and all PHA policies as outlined in Chapter 2 of this document.

When HUD-VASH recipients include veterans with disabilities or family members with disabilities, reasonable accommodation requirements in Part II of Chapter 2 of this policy apply.

19-II.B. REFERRALS [FR Notice 9/27/21 and HUD-VASH Qs and As]

VAMC case managers will screen all families in accordance with VA screening criteria and refer eligible families to the PHA for determination of program eligibility and voucher issuance. The PHA has no role in determining or verifying the veteran's eligibility under VA screening criteria, including determining the veteran's homelessness status. The PHA must accept referrals from the partnering VAMC and must maintain written documentation of referrals in VASH tenant files. Upon turnover, VASH vouchers must be issued to eligible veteran families as identified by the VAMC.

PHA Policy

In order to expedite the screening process, HACA will provide all forms and a list of documents required for the VASH application to the VAMC. Case managers will work with veterans to fill out the forms and compile all documents prior to submitting an application.

After the VAMC has given HACA a complete referral, HACA will strive to perform an eligibility screening within ten business days of receipt of a VAMC referral.

19-II.C. HCV PROGRAM ELIGIBILITY [FR Notice 9/27/21]

Eligible participants are homeless veterans and their families who agree to participate in case management from the VAMC.

- A *VASH Veteran* or *veteran family* refers to either a single veteran or a veteran with a household composed of two or more related persons. It also includes one or more eligible persons living with the veteran who are determined to be important to the veteran's care or well-being.
- A veteran for the purpose of VASH is a person whose length of service meets statutory requirements, and who served in the active military, naval, or air service, was discharged or released under conditions other than dishonorable, and is eligible for VA health care.

Under VASH, PHAs do not have authority to determine family eligibility in accordance with HCV program rules and PHA policies. The only reasons for denial of assistance by the PHA are failure to meet the income eligibility requirements and/or that a family member is subject to a lifetime registration requirement under a state sex offender registration program. Under portability, the receiving PHA must also comply with these VASH screening requirements.

Social Security Numbers

When verifying Social Security numbers (SSNs) for homeless veterans and their family members, an original document issued by a federal or state government agency, which contains the name and SSN of the individual along with other identifying information of the individual, is acceptable in accordance with Section 7-II.B. of this policy.

In the case of the homeless veteran, the PHA must accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN and cannot require the veteran to provide a Social Security card. A VA-issued identification card may also be used to verify the SSN of a homeless veteran.

Proof of Age

The DD-214 or 10-10EZ must be accepted as proof of age in lieu of birth certificates or other PHA-required documentation as outlined in Section 7-II.C. of this policy. A VA-issued identification card may also be used to verify the age of a homeless veteran.

Photo Identification

A VA-issued identification card must be accepted in lieu of another type of government-issued photo identification. These cards also serve as verification of SSNs and date of birth.

Income Eligibility

The PHA must determine income eligibility for VASH families in accordance with 24 CFR 982.201 and policies in Section 3-II.A unless otherwise specified below. If the family is over-income based on the most recently published income limits for the family size, the family will be ineligible for HCV assistance.

While income-targeting does not apply to VASH vouchers, the PHA may include the admission of extremely low-income VASH families in its income targeting numbers for the fiscal year in which these families are admitted.

PHA Policy

In order to be income eligible, an applicant family must be one of the following:

- For tenant-based vouchers, a low-income family (with no additional eligibility criteria)
- For Project-Based Voucher (PBV) projects, either a low-income family (with no additional eligibility criteria) or a very low-income family, as approved by HACA.

While income-targeting requirements will not be considered by HACA when families are referred by the partnering VAMC, HACA will include any extremely low-income VASH families that are admitted in its income targeting numbers for the fiscal year in which these families are admitted.

Screening

The PHA may not screen any potentially eligible family members or deny assistance for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception: the PHAs is still required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. Accordingly, with the exception of denial for registration as a lifetime sex offender under state law and PHA policies on how sex offender screenings will be conducted, PHA policy in Sections 3-III.B. through 3-III.E. do not apply to VASH. The prohibition against screening families for anything other than lifetime sex offender status applies to all family members, not just the veteran.

If a family member is subject to lifetime registration under a state sex offender registration program, the remaining family members may be served if the family agrees to remove the sex offender from its family composition. This is true unless the family member subject to lifetime registration under a state sex offender registration program is the homeless veteran, in which case the family would be denied admission to the program [New HCV GB, *HUD-VASH*, p. 6].

Denial of Assistance [Notice PIH 2008-37]

Once a veteran is referred by the VAMC, the PHA must either issue a voucher or deny assistance. If the PHA denies assistance, it must provide the family with prompt notice of the decision and a brief statement of the reason for denial in accordance with Section 3-III.F. Like in the standard HCV program, the family must be provided with the opportunity for an informal review in accordance with policies in Section 3-III.F. In addition, a copy of the denial notice must be sent to the VAMC case manager.

ATTACHMENT A - PAGE 41**19-II.D. CHANGES IN FAMILY COMPOSITION****Adding Family Members [FR Notice 9/27/21]**

When adding a family member after the family has been admitted to the program, PHA policies in Section 3-II.B. apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and will apply its regular screening criteria in doing so.

Remaining Family Members [HUD-VASH Qs and As]

If the homeless veteran dies while the family is being assisted, the voucher would remain with the remaining members of the tenant family. The PHA may use one of its own regular vouchers, if available, to continue assisting this family and free up a VASH voucher for another VASH-eligible family. If a regular voucher is not available, the family would continue utilizing the VASH voucher. Once the VASH voucher turns over, however, it must go to a homeless veteran family.

Family Break Up [HUD-VASH Qs and As]

In the case of divorce or separation, since the set-aside of VASH vouchers is for veterans, the voucher must remain with the veteran. This overrides the PHA's policies in Section 3-I.C. on how to determine who remains in the program if a family breaks up.

ATTACHMENT A - PAGE 42**19-II.E. LEASING [FR Notice 9/27/21]****Waiting List**

The PHA does not have the authority to maintain a waiting list or apply local preferences for HUD–VASH vouchers. Policies in Chapter 4 relating to applicant selection from the waiting list, local preferences, special admissions, cross-listing, and opening and closing the waiting list do not apply to VASH vouchers.

Exception Payment Standards

To assist VASH participants in finding affordable housing, especially in competitive markets, HUD allows PHAs to establish a HUD-VASH exception payment standard. PHAs may go up to but no higher than 120 percent of the published area-wide fair market rent (FMR) or small area fair market rent (SAFMR) specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD through the regular waiver process outlined in Notice PIH 2018-16.

Voucher Issuance

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, VASH vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

PHA Policy

All VASH vouchers will have an initial term as described in Chapter 5-II.E.

The family must submit a Request for Tenancy Approval and proposed lease within the voucher term unless HACA grants an extension.

The PHA must track issuance of HCVs for families referred by the VAMC or DSP in PIC as required in Notice PIH 2011-53.

Initial Lease Term

Unlike in the standard the HCV program, VASH voucher holders may enter into an initial lease that is for less than 12 months. Accordingly, PHA policy in Section 9-I.E., Term of Assisted Tenancy, does not apply.

Ineligible Housing [FR Notice 6/18/14]

Unlike in the standard HCV program, VASH families are permitted to live on the grounds of a VA facility in units developed to house homeless veterans. This applies to both tenant-based assistance and PBV. Therefore, 24 CFR 982.352(a)(5) and 983.53(a)(2), which prohibit units on the physical grounds of a medical, mental, or similar public or private institution, do not apply to VASH for this purpose only. Accordingly, PHA policy in 9-I.D., Ineligible Units, does not apply for this purpose only.

ATTACHMENT A - PAGE 43**HQS Pre-Inspections**

To expedite the leasing process, PHAs may pre-inspect available units that veterans may be interested in leasing in order to maintain a pool of eligible units. If a VASH family selects a unit that passed an HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (Form HUD-52517), the unit may be approved if it meets all other conditions under 24 CFR 982.305. However, the veteran must be free to select their unit and cannot be steered to these units.

PHA Policy

HACA will not conduct any pre-inspections of available units.

19-II.F. PORTABILITY [FR Notice 9/27/21 and Notice PIH 2011-53]**General Requirements**

Portability policies under VASH depend on whether the family wants to move within or outside of the initial VA facility's catchment area (the area in which the VAMC or DSP operates). In all cases, the initial VA facility must be consulted prior to the move and provide written confirmation that case management will continue to be provided in the family's new location. VASH participant families may only reside in jurisdictions that are accessible to case management services, as determined by case managers at the partnering VAMC or DSP.

Under VASH, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied. As a result, PHA policies in Section 10-II.B. about nonresident applicants do not apply.

If the family no longer requires case management, there are no portability restrictions. Normal portability rules apply.

Portability within the Initial VAMC or DSP's Catchment Area

A VASH family can move within the VAMC's catchment area as long as case management can still be provided, as determined by the VA. If the initial PHA's partnering VAMC will still provide the case management services, the receiving PHA must process the move in accordance with portability procedures:

- If the receiving PHA has been awarded VASH vouchers, it can choose to either bill the initial PHA or absorb the family if it has a VASH voucher available to do so.
 - If the PHA absorbs the family, the VAMC or DSP providing the initial case management must agree to the absorption and the transfer of case management.
- If the receiving PHA does not administer a VASH program, it must always bill the initial PHA.

Portability Outside of the Initial VAMC or DSP's Catchment Area

If a family wants to move to another jurisdiction where it will not be possible for the initial PHA's partnering VAMC or DSP to provide case management services, the initial VAMC or DSP must first determine that the VASH family could be served by another VAMS or DSP that is participating in the VASH program, and the receiving PHA has an available VASH voucher.

In these cases, the family must be absorbed by the receiving PHA either as a new admission or as a portability move-in, as applicable. Upon absorption, the initial PHA's VASH voucher will be available to lease to a new VASH-eligible family, and the absorbed family will count toward the number of VASH slots awarded to the receiving PHA.

Portability Outside of the Initial VAMC or DSP's Catchment Area under VAWA

Veterans who request to port beyond the catchment area of the VAMC or DSP where they are receiving case management to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and who reasonably believes they are threatened with imminent harm from further violence by remaining in the unit may port prior to receiving approval from the receiving VAMC or DSP. The initial PHA must follow its emergency transfer plan (see Exhibit 16-3). PHAs may require verbal self-certification or a written request from a participant seeing a move beyond the catchment area of the VAMC or DSP.

The verbal self-certification or written request must include either a statement expressing why the participant reasonably believes that there is a threat of imminent harm from further violence if they were to remain in the same unit or a statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-day period preceding the participants request for the move.

The participant must still port to a PHA that has a VASH program. If the receiving PHA does not have a VASH voucher available to lease, they may bill the initial PHA until a VASH voucher is available, at which point the porting veteran must be absorbed into the receiving PHA's program.

19-II.G. TERMINATION OF ASSISTANCE [FR Notice 9/27/21]

With the exception of terminations for failure to receive case management, HUD has not established any alternative requirements for termination of assistance for VASH participants. However, prior to terminating VASH participants, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 982.552(c)(2) as outlined in Section 12-II.D. of this policy and consider all relevant circumstances of the specific case. This includes granting reasonable accommodations for persons with disabilities, as well as considering the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination.

VASH participant families may not be terminated after admission for a circumstance or activities that occurred prior to admission and were known to the PHA but could not be considered at the time of admission due to VASH program requirements. The PHA may terminate the family's assistance only for program violations that occur after the family's admission to the program.

Cessation of Case Management

As a condition of receiving HCV rental assistance, a HUD-VASH-eligible family must receive case management services from the VAMC or DSP. A VASH participant family's assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC or DSP.

However, a VAMC or DSP determination that the participant family no longer requires case management is not grounds for termination of voucher or PBV assistance. In such a case, at its option, the PHA may offer the family continued assistance through one of its regular vouchers. If the PHA has no voucher to offer, the family will retain its VASH voucher or PBV unit until such time as the PHA has an available voucher for the family.

VAWA [FR Notice 9/27/21]

When a veteran's family member is receiving protection under VAWA because the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the victim must continue to be assisted. Upon termination of the perpetrator's VASH assistance, the victim must be given a regular HCV if one is available, and the perpetrator's VASH voucher must be used to serve another eligible veteran family. If a regular HCV is not available, the perpetrator must be terminated from assistance and the victim will continue to use the VASH voucher.

19-II.H. PROJECT-BASING VASH VOUCHERS

General Requirements [Notice PIH 2017-21 and FR Notice 9/27/21]

PHAs are authorized to project-base their tenant-based VASH vouchers without additional HUD review or approval in accordance with Notice PIH 2017-21 and all PBV program requirements provided that the VAMC will continue to make supportive services available. In addition, since 2010, HUD has awarded VASH vouchers specifically for project-based assistance in the form of PBV HUD-VASH set-aside vouchers. While these vouchers are excluded from the PBV program cap as long as they remain under PBV HAP contract at the designated project, all other VASH vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A. Note that VASH supportive services only need to be provided to VASH families receiving PBV assistance in the project, not all families receiving PBV assistance in the project. If a VASH family does not require or no longer requires case management, the unit continues to count as an excepted PBV unit as long as the family resides in the unit.

If the PHA project-bases VASH vouchers, the PHA must consult with the partnering VAMC or DSP to ensure approval of the project or projects. PHAs may project-base VASH vouchers in projects alongside other PBV units and may execute a single HAP contract covering both the VASH PBVs and the other PBVs. The PHA must refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a HUD set-aside award.

If a VASH family is referred to the PHA and there is an available PBV unit that is not exclusively made available to VASH families, the PHA may offer to refer the family to the owner if allowable under the selection policy for that project, and the owner and PHA may amend the HAP contract to designate the PBV unit as a VASH PBV unit.

The PHA and owner may agree to amend a PBV HAP contract to redesignate a regular PBV unit as a unit specifically designated for VASH families so long as the PHA first consults with the VAMC or DSP. Additionally, the PHA and owner may agree to amend a PBV HAP contract to redesignate a unit specifically designated for VASH families as a regular PBV unit, so long as the unit is not funded through a VASH PBV set-aside award and is eligible for regular PBV (i.e., the unit is not on the grounds of a medical facility and the unit is eligible under the PHA's program and project caps).

Policies for VASH PBV units will generally follow PHA policies for the standard PBV program as listed in Chapter 17, with the exception of the policies listed below.

ATTACHMENT A - PAGE 48**Failure to Participate in Case Management [FR Notice 9/27/21]**

Upon notification by the VAMC or DSP of the family's failure to participate, without good cause, in case management, the PHA must provide the family a reasonable time period to vacate the unit. The PHA must terminate assistance to the family at the earlier of either the time the family vacates or the expiration of the reasonable time period given to vacate.

PHA Policy

Upon notification by the VAMC or DSP that a VASH PBV family has failed to participate in case management without good cause, HACA will provide written notice of termination of assistance to the family and the owner within 10 business days. The family will be given 60 days from the date of the notice to move out of the unit.

HACA may make exceptions to this 60-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

If the family fails to vacate the unit within the established time, the owner may evict the family. If the owner does not evict the family, the PHA must remove the unit from the HAP contract or amend the HAP contract to substitute a different unit in the project if the project is partially assisted. The PHA may add the removed unit to the HAP contract after the ineligible family vacates the property.

Moves [HUD-VASH Qs and As, FR Notice 9/27/21]

When a VASH PBV family is eligible to move from its PBV unit in accordance with Section 17-VIII.C. of this policy, but there is no other comparable tenant-based rental assistance, the following procedures must be implemented:

- If a VASH tenant-based voucher is not available at the time the family wants (and is eligible) to move, the PHA may require a family who still requires case management to wait for a VASH tenant-based voucher for a period not to exceed 180 days;
- If a VASH tenant-based voucher is still not available after that period, the family must be allowed to move with its VASH voucher. Alternatively, the PHA may allow the family to move with its VASH voucher without having to meet this 180-day period. In either case, the PHA is required to replace the assistance in the PBV unit with one of its regular vouchers, unless the PHA and owner agree to temporarily remove the unit from the HAP contract; and
- If a VASH veteran is determined to no longer require case management, the PHA must allow the family to move with the first available tenant-based voucher if not VASH voucher is immediately available and cannot require the family to wait for a VASH voucher to become available.

PART III: MAINSTREAM VOUCHER PROGRAM

19-III.A. PROGRAM OVERVIEW [Notice PIH 2020-01]

Mainstream vouchers assist non-elderly persons with disabilities and their families in the form of either project-based or tenant-based voucher assistance.

Aside from separate funding appropriations and serving a specific population, Mainstream vouchers follow the same program requirements as standard vouchers. The PHA does not have special authority to treat families that receive a Mainstream voucher differently from other applicants and participants. For example, the PHA cannot apply different payment standards, establish conditions for allowing portability, or apply different screening criteria to Mainstream families.

The Mainstream voucher program, (previously referred to as the Mainstream 5-Year program or the Section 811 voucher program) was originally authorized under the National Affordable Housing Act of 1990. Mainstream vouchers operated separately from the regular HCV program until the passage of the Frank Melville Supportive Housing Investment Act of 2010. Funding for Mainstream voucher renewals and administrative fees was first made available in 2012. In 2017 and 2019, incremental vouchers were made available for the first time since the Melville Act (in addition to renewals and administrative fees), and PHAs were invited to apply for a competitive award of Mainstream vouchers under the FY17 and FY19 NOFAs. In 2020, Notice PIH 2020-22 provided an opportunity for any PHA administering an HCV program to apply for Mainstream vouchers noncompetitively, while Notice PIH 2020-09 authorized an increase in Mainstream voucher units and budget authority for those PHAs already awarded Mainstream vouchers under the FY17 and FY19 NOFAs.

Funds for Mainstream vouchers may be recaptured and reallocated if the PHA does not comply with all program requirements or fails to maintain a utilization rate of 80 percent for the PHA's Mainstream vouchers.

ATTACHMENT A - PAGE 50**19-III.B. ELIGIBLE POPULATION [Notice PIH 2020-01 and Notice PIH 2020-22]**

All Mainstream vouchers must be used to serve non-elderly persons with disabilities and their families, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old as of the effective date of the initial HAP contract. The eligible disabled household member does not need to be the head of household.

The definition of person with disabilities for purposes of Mainstream vouchers is the statutory definition under section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

Existing families receiving Mainstream vouchers, where the eligible family member is now age 62 or older, will not “age out” of the program as long as the family was eligible on the day it was first assisted under a HAP contract.

The PHA may not implement eligibility screening criteria for Mainstream vouchers that is different from that of the regular HCV program.

19-III.C. PARTNERSHIP AND SUPPORTIVE SERVICES [Notice PIH 2020-01]

PHAs are encouraged but not required to establish formal and informal partnerships with a variety of organizations that assist persons with disabilities to help ensure eligible participants find and maintain stable housing.

PHA Policy

HACA will implement a Mainstream program, in partnership with, at a minimum:

- Abode Services
- Bay Area Community Services
- Alameda County Behavioral Health Care Services
- Building Futures for Women with Children
- Center for Independent Living
- Centro Legal
- Community Resources for Independent Living
- East Bay Innovations
- Eden Information & Referral
- EveryOne Home and partnering agencies
- Housing Consortium of the East Bay
- Rental Housing Association of Southern Alameda County

19-III.D. WAITING LIST ADMINISTRATION

General Waiting List Requirements [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]

PHAs must not have a separate waiting list for Mainstream voucher assistance since the PHA is required by the regulations to maintain one waiting list for tenant-based assistance [24 CFR 982.204(f)]. All PHA policies on opening, closing, and updating the waiting list, as well as waiting list preferences in Chapter 4, apply to the Mainstream program.

When the PHA is awarded Mainstream vouchers, these vouchers must be used for new admissions to the PHA's program from the waiting list. The PHA must lease these vouchers by pulling the first Mainstream-eligible family from its tenant-based waiting list. PHAs are not permitted to reassign existing participants to the program in order to make regular tenant-based vouchers available. Further, the PHA may not skip over Mainstream-eligible families on the waiting list because the PHA is serving the required number of Mainstream families.

Upon turnover, vouchers must be provided to Mainstream-eligible families. If a Mainstream turnover voucher becomes available, the PHA must determine if the families at the top of the waiting list qualify under program requirements.

Admission Preferences [Notice PIH 2020-01; FY17 Mainstream NOFA; FY19 Mainstream NOFA]

If the PHA claimed points for a preference in a NOFA application for Mainstream vouchers, the PHA must adopt a preference for at least one of the targeted groups identified in the NOFA.

PHA Policy

HACA claimed a preference for a targeted group as part of an application for Mainstream vouchers under a NOFA. HACA will offer the following preference as outlined in Chapter 4-III.C:

Previous Mainstream Limited Preferences Preference

19-III.E. PORTABILITY [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]

Mainstream voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to Mainstream families.

The following special considerations for Mainstream vouchers apply under portability:

- If the receiving PHA has a Mainstream voucher available, the participant may remain a Mainstream participant.
 - If the receiving PHA chooses to bill the initial PHA, then the voucher will remain a Mainstream voucher.
 - If the receiving PHA chooses to absorb the voucher, the voucher will be considered a regular voucher, or a Mainstream voucher if the receiving PHA has a Mainstream voucher available, and the Mainstream voucher at the initial PHA will be freed up to lease to another Mainstream-eligible family.
- If the receiving PHA does not have a Mainstream voucher available, the participant may receive a regular voucher.

19-III.F. PROJECT-BASING MAINSTREAM VOUCHERS [FY19 Mainstream Voucher NOFA Q&A]

The PHA may project-base Mainstream vouchers in accordance with all applicable PBV regulations and PHA policies in Chapter 17. PHAs are responsible for ensuring that, in addition to complying with project-based voucher program requirements, the project complies with all applicable federal nondiscrimination and civil rights statutes and requirements. This includes, but is not limited to, Section 504 of the Rehabilitation Act (Section 504), Titles II or III of the Americans with Disabilities (ADA), and the Fair Housing Act and their implementing regulations at 24 CFR Part 8; 28 CFR Parts 35 and 36; and 24 CFR Part 100. Mainstream vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A.

PART IV: NON-ELDERLY DISABLED (NED) VOUCHERS

19-IV.A. PROGRAM OVERVIEW [Notice PIH 2013-19]

NED vouchers help non-elderly disabled families lease suitable, accessible, and affordable housing in the private market. Aside from separate funding appropriations and serving a specific population, NED vouchers follow the same program requirements as standard vouchers. The PHA does not have special authority to treat families that receive a NED voucher differently from other applicants and participants.

Some NED vouchers are awarded to PHAs through competitive NOFAs. The NOFA for FY2009 Rental Assistance for NED made incremental funding available for two categories of NED families:

- **Category 1** vouchers enable non-elderly persons or families with disabilities to access affordable housing on the private market.
- **Category 2** vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community. PHAs with NED Category 2 vouchers were required to partner with a state Medicaid or health agency or the state Money Follows the Person (MFP) Demonstration agency.

Since 1997, HCVs for NED families have been also awarded under various special purpose HCV programs: Rental Assistance for Non-Elderly Persons with Disabilities in Support of Designated Housing Plans (Designated Housing), Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Types of Section 8 Project-Based Developments (Certain Developments), One-Year Mainstream Housing Opportunities for Persons with Disabilities, and the Project Access Pilot Program (formerly Access Housing 2000).

- **Designated Housing** vouchers enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance. These vouchers may also assist non-elderly disabled families living in a designated unit/project/building to move from that project if they so choose. The family does not have to be listed on the PHA's voucher waiting list. Instead, they may be admitted to the program as a special admission. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.

ATTACHMENT A - PAGE 54

- **Certain Developments** vouchers enable non-elderly families having a person with disabilities, who do not currently receive housing assistance in certain developments where owners establish preferences for, or restrict occupancy to, elderly families, to obtain affordable housing. These non-elderly families with a disabled person do not need to be listed on the PHA's HCV waiting list in order to be offered and receive housing choice voucher rental assistance. It is sufficient that these families' names are on the waiting list for a covered development at the time their names are provided to the PHA by the owner. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.
- **One-Year Mainstream Housing Opportunities for Persons with Disabilities (One-Year Mainstream)** vouchers enable non-elderly disabled families on the PHA's waiting list to receive a voucher. After initial leasing, turnover vouchers must be issued to non-elderly disabled families from the PHA's voucher waiting list.

19-IV.B. ELIGIBLE POPULATION**General Requirements [Notice PIH 2013-19]**

Only eligible families whose head of household, spouse, or cohead is non-elderly (under age 62) and disabled may receive a NED voucher. Families with only a minor child with a disability are not eligible.

In cases where the qualifying household member now qualifies as elderly due to the passage of time since the family received the NED voucher, existing NED participant families do not "age out," as the family was eligible on the day it was first assisted under a housing assistance payments (HAP) contract.

The definition of person with disabilities for purposes of NED vouchers is the statutory definition under Section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

The PHA may not implement eligibility screening criteria for NED vouchers that is different from that of the regular HCV program.

NED Category 2 [Notice PIH 2013-19 and NED Category 2 FAQs]

In addition to being eligible for the PHA's regular HCV program and a non-elderly person with a disability, in order to receive a Category 2 voucher, the family's head, spouse, cohead, or sole member must be transitioning from a nursing home or other healthcare institution and provided services needed to live independently in the community.

Nursing homes or other healthcare institutions may include intermediate care facilities and specialized institutions that care for those with intellectual disabilities, developmentally disabled, or mentally ill, but do not include board and care facilities (e.g., adult homes, adult day care, adult congregate living).

The PHA cannot limit who can apply to just those persons referred or approved by a Money Follows the Person (MFP) Demonstration agency or state health agency. Other individuals could be placed on the waiting list if they can show, with confirmation by an independent agency or organization that routinely provides such services (this can be the MFP or partnering agency, but need not be), that the transitioning individual will be provided with all necessary services, including care or case management.

For each Category 2 family, there must be documentation (e.g., a copy of a referral letter from the partnering or referring agency) in the tenant file identifying the institution where the family lived at the time of voucher issuance.

19-IV.C. WAITING LIST

General Requirements [Notice PIH 2013-19]

Families must be selected for NED vouchers from the PHA's waiting list in accordance with all applicable regulations and PHA policies in Chapter 4.

Regardless of the number of NED families the PHA is required to serve, the next family on the waiting list must be served. Further, the PHA may not skip over NED-eligible families on the waiting list because the PHA is serving the required number of NED families.

NED Category 2 Referrals [NED Category 2 FAQs]

For NED Category 2 families, the partnering agency may make referrals of eligible families to the PHA for placement on the waiting list. The PHA will then select these families from the waiting list for voucher issuance. Because language in the NOFA established that vouchers awarded under the NOFA must only serve non-elderly disabled families transitioning from institutions, the PHA does not need to establish a preference in order to serve these families ahead of other families on the PHA's waiting list.

PHAs must accept applications from people living outside their jurisdictions or from people being referred from other Medicaid or MFP service agencies in their state.

If the PHA's waiting list is closed, the PHA must reopen its waiting list to accept referrals from its partnering agency. When opening the waiting list, PHAs must advertise in accordance with 24 CFR 982.206 and PHA policies in Section 4-II.C. In addition, the PHA must ensure that individuals living in eligible institutions are aware when the PHA opens its waiting list by reaching out to social service agencies, nursing homes, intermediate care facilities and specialized institutions in the local service area.

ATTACHMENT A - PAGE 56**Reissuance of Turnover Vouchers [Notice PIH 2013-19]**

All NED turnover vouchers must be reissued to the next NED family on the PHA's waiting list with the following exception: A Category 2 voucher must be issued to another Category 2 family upon turnover if a Category 2 family is on the PHA's waiting list. If there are no Category 2 families on the PHA's waiting list, the PHA must contact its partnering agency as well as conduct outreach through appropriate social service agencies and qualifying institutions to identify potentially eligible individuals. Only after all means of outreach have been taken to reach Category 2 families can the PHA reissue the voucher to another Category 2 NED family on the PHA's waiting list. Any subsequent turnover of that voucher must again be used for a Category 2 family on the PHA's waiting list, and the PHA is under the same obligation to conduct outreach to Category 2 families if no such families are on the PHA's waiting list.

For PHAs that received both Category 1 and Category 2 vouchers, if at any time the PHA is serving fewer Category 2 families than the number of Category 2 HCVs awarded under the NOFA, when a Category 2 family applies to the waiting list and is found eligible, the PHA must issue the next NED voucher to that family. HUD monitors the initial leasing and reissuance of Category 2 HCVs. These vouchers may be recaptured and reassigned if not leased properly and in a timely manner.

All NED vouchers should be affirmatively marketed to a diverse population of NED-eligible families to attract protected classes least likely to apply. If at any time following the turnover of a NED HCV a PHA believes it is not practicable to assist NED families, the PHA must contact HUD.

19-IV.D. LEASE UP [Notice PIH 2013-19]**Briefings**

In addition to providing families with a disabled person a list of accessible units known to the PHA, HUD encourages, but does not require, PHAs to provide additional resources to NED families as part of the briefing.

PHA Policy

HACA will not provide any additional resources in the briefing packet for NED families.

Voucher Term

While the PHA is not required to establish different policies for the initial term of the voucher for NED vouchers, HUD has encouraged PHAs with NED vouchers to be generous in establishing reasonable initial search terms and subsequent extensions for families with a disabled person.

PHA Policy

All NED vouchers will have an initial term as described in Chapter 5-II.E.

The family must submit a Request for Tenancy Approval and proposed lease within the voucher term unless HACA grants an extension.

All other HACA policies on extensions and suspension of vouchers in Section 5-II.E. will apply.

Special Housing Types [Notice PIH 2013-19 and NED Category 2 FAQs]

In general, a PHA is not required to permit families to use any of the special housing types and may limit the number of families using such housing. However, the PHA must permit the use of a special housing type if doing so provides a reasonable accommodation so that the program is readily accessible to and usable by a person with disabilities.

Such special housing types include single room occupancy housing, congregate housing, group homes, shared housing, cooperative housing, and manufactured homes when the family owns the home and leases the manufactured home space.

Persons with disabilities transitioning out of institutional settings may choose housing in the community that is in a group or shared environment or where some additional assistance for daily living is provided for them on site. Under HUD regulations, group homes and shared housing are considered special housing types and are not excluded as an eligible housing type in the HCV program. Assisted living facilities are also considered eligible housing under the normal HCV program rules, as long as the costs for meals and other supportive services are not included in the housing assistance payments (HAP) made by the PHA to the owner, and as long as the person does not need continual medical or nursing care.

19-IV.E. PORTABILITY [NED Category 2 FAQs]

NED voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to NED families. However, the PHA may, but is not required to, allow applicant NED families to move under portability, even if the family did not have legal residency in the initial PHA's jurisdiction when they applied.

PHA Policy

If neither the head of household nor the spouse or cohead of a NED applicant family had a domicile (legal residence) in HACA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within HACA's jurisdiction for at least 12 months before requesting portability.

HACA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, or stalking.

ATTACHMENT A - PAGE 59

Attachment B.1

Exhibit B

Informal Review and Hearing Procedures

Administrative Plan Sections

PART III: INFORMAL REVIEWS AND HEARINGS

16-III.A. OVERVIEW

Both applicants and participants have the right to disagree with, and appeal, certain decisions of the PHA that may adversely affect them. PHA decisions that may be appealed by applicants and participants are discussed in this section.

The process for applicant appeals of PHA decisions is called the “informal review.” For participants (or applicants denied admission because of citizenship issues), the appeal process is called an “informal hearing.” PHAs are required to include in their administrative plans, informal review procedures for applicants, and informal hearing procedures for participants [24 CFR 982.54(d)(12) and (13)].

16-III.B. INFORMAL REVIEWS

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a “minimum hearing requirement” [24 CFR 982.554], and need not be as elaborate as the informal hearing requirements (Federal Register Volume 60, No. 127 (3 July 1995), p 36490).

Decisions Subject to Informal Review

The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

- Denying listing on the PHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the PHA, including denial or termination of assistance due to insufficient funds as set forth in Section VIII of this chapter.
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to grant approval of the tenancy
- A PHA determination that the unit is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with the HQS due to family size or composition

ATTACHMENT A - PAGE 61HACA Policy

HACA will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes: denying listing on HACA waiting list; denying or withdrawing a voucher except for denial or termination of assistance due to insufficient funds as set forth in Section VIII of this chapter; refusing to enter into a HAP contract or approve a lease; refusing to process or provide assistance under portability procedures.

Notice to the Applicant [24 CFR 982.554(a)]

The PHA must give an applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the PHA's decision, and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

Scheduling an Informal ReviewHACA Policy

A request for an informal review must be made in writing and delivered to HACA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of HACA's denial of assistance.

Except as provided in Section 3-III.G, HACA must schedule and send written notice of the informal review within 10 business days of the family's request.

If the informal review will be conducted remotely, at the time HACA notifies the family of the informal review, the family will be informed:

Regarding the processes to conduct a remote informal review;

That, if needed, HACA will provide technical assistance prior to and during the informal review; and

That if the family or any individual witness has any technological, resource, or accessibility barriers preventing them from fully accessing the remote informal review, the family may inform HACA and HACA will assist the family in either resolving the issues or will provide an in-person or other alternative format promptly within a reasonable time.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

Informal Review Procedures [24 CFR 982.554(b)]

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant must be provided an opportunity to present written or oral objections to the decision of the PHA.

Remote Informal Reviews [Notice PIH 2020-32]

There is no requirement that informal reviews be conducted in-person and, as such, HUD allows PHAs to conduct all or a portion of their informal review remotely either over the phone, via

ATTACHMENT A - PAGE 62

video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote informal reviews, applicants may still request an in-person informal review, as applicable.

HACA Policy

HACA has the sole discretion to require that informal reviews be conducted remotely. If HACA schedules a remote informal review, HACA will conduct an alternative format informal review upon request of the applicant as a reasonable accommodation for a person with a disability.

In addition, HACA will conduct an informal review remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have child care or transportation that would enable them to attend the informal review, or if the applicant believes an in-person informal review would create an undue health risk. HACA will consider other reasonable requests for a remote or alternative format informal review on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal reviews, the platform for conducting remote informal reviews must be accessible to persons with disabilities and the informal review must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

PHAs are required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal review process. See Chapter 2 for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal review is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote informal review, and the PHA should consider whether postponing the remote informal review to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal reviews, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal reviews.

ATTACHMENT A - PAGE 63**Conducting Remote Informal Reviews**

The PHA must ensure that the lack of technology or inability to use technology for remote informal reviews does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote informal review and, if the family does not have the proper technology to fully participate, either postpone the informal review or provide an alternative means of access.

As with in-person informal reviews, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal review. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA must ensure that the applicant has the right to hear and be heard. All PHA policies and processes for remote informal reviews must be conducted in accordance with due process requirements and be in compliance with HUD regulations at 24 CFR 982.554 and guidance specified in Notice PIH 2020-32.

HACA Policy

HACA will conduct remote informal reviews via a video conferencing platform, when available. If, after attempting to resolve any barriers, applicants are unable to adequately access the video conferencing platform at any point, or upon applicant request, the informal review will be conducted by telephone. If the family is unable to adequately access the telephone at any point, the remote informal review will either be postponed, and an in-person or other alternative will be provided promptly within a reasonable time.

When scheduling an informal review, HACA will provide the family with login information and/or conferencing call-in information and an electronic and/or physical copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify HACA of any known barriers. HACA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

If the informal review is to be conducted remotely, HACA will require the family to provide any documents directly relevant to the informal review at least 24 hours before the scheduled review through the mail, via email, or text. HACA will scan and email copies of these documents to the HACA representative the same day.

Documents will be shared electronically whenever possible.

HACA will ensure that all electronic information stored or transmitted with respect to the informal review is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

ATTACHMENT A - PAGE 64**Informal Review Decision [24 CFR 982.554(b)]**

The PHA must notify the applicant of HACA's final decision, including a brief statement of the reasons for the final decision.

HACA Policy

In rendering a decision, HACA will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the notice to the family.

The validity of the grounds for denial of assistance. HACA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, HACA will uphold the decision to deny assistance.

If the facts prove the grounds for denial, and the denial is discretionary, HACA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

HACA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the informal review, to the applicant and his or her representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS [24 CFR 982.555, Pub.L. 109-162]

PHAs must offer an informal hearing for certain HACA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the PHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the PHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and PHA policies.

The PHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed. Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Decisions Subject to Informal Hearing

Circumstances for which the PHA must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from PHA utility allowance schedule
- A determination of the family unit size under the PHA's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account [24 CFR 984.303(i)]

ATTACHMENT A - PAGE 66

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the PHA, including denial or termination of assistance due to insufficient funds as set forth in Section VIII of this chapter.
- General policy issues or class grievances
- Establishment of the PHA schedule of utility allowances for families in the program
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to approve a unit or tenancy
- A PHA determination that a unit selected by the applicant is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with HQS because of family size
- A determination by the PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

HACA Policy

HACA will only offer participants the opportunity for an informal hearing when required to by the regulations, and if HACA denies a request for a reasonable accommodation (see Chapter 2).

Remote Informal Hearings [Notice PIH 2020-32]

There is no requirement that informal hearings be conducted in-person, and as such, HUD allows PHAs to conduct all or a portion of their informal hearings remotely either over the phone, via video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote informal hearings, participants may still request an in-person informal hearing, as applicable.

HACA Policy

HACA has the sole discretion to require that informal hearings be conducted remotely. If HACA schedules a remote informal hearing, HACA will conduct an alternative format informal hearing upon request of the participant as a reasonable accommodation for a person with a disability.

In addition, HACA will conduct an informal hearing remotely upon request as a reasonable accommodation for a person with a disability, if a participant does not have child care or transportation that would enable them to attend the informal hearing, or if the participant believes an in-person hearing would create an undue health risk. HACA will consider other reasonable requests for a remote informal hearing on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal hearings, the platform for conducting remote informal hearings must be accessible to persons with disabilities and the informal hearings must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio

ATTACHMENT A - PAGE 67

description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

PHAs are required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal hearing process. See Chapter 2 for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal hearing is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote informal hearing, and the PHA should consider whether postponing the remote hearing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal hearings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal hearings.

Conducting Informal Hearings Remotely

The PHA must ensure that the lack of technology or inability to use technology for remote informal hearings does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote informal hearing and, if the family does not have the proper technology to fully participate, either postpone the informal hearing or provide an alternative means of access.

As with in-person informal hearings, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal hearing. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA's essential responsibility is to ensure informal hearings meet the requirements of due process and comply with HUD regulations. Therefore, all PHA policies and processes for remote informal hearings will be conducted in accordance with due process requirements, and will be in compliance with HUD regulations at 24 CFR 982.555 and the guidance for conducting remote hearings specified in Notice PIH 2020-32.

HACA Policy

HACA will conduct remote informal hearings via a video conferencing platform, when available. If, after attempting to resolve any barriers, participants are unable to adequately access the video conferencing platform at any point, or upon request, the informal hearing will be conducted by telephone. If the family is unable to adequately access the telephone at any point, the remote informal hearing will be postponed, and an in-person alternative will be provided promptly within a reasonable time.

ATTACHMENT A - PAGE 68

As part of the notice of the informal hearing, HACA will provide the family with login information and/or conferencing call-in information and an electronic and/or physical copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify HACA of any known barriers. HACA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

Documents will be shared electronically whenever possible.

HACA will ensure that all electronic information stored or transmitted with respect to the informal hearing is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

ATTACHMENT A - PAGE 69**Informal Hearing Procedures*****Notice to the Family [24 CFR 982.555(c)]***

When the PHA makes a decision that is subject to informal hearing procedures, the PHA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the PHA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the PHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

HACA Policy

In cases where HACA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

The proposed action or decision of HACA.

A brief statement of the reasons for the decision including the regulatory reference.

The date the proposed action will take place.

A statement of the family's right to an explanation of the basis for HACA's decision.

A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.

A deadline for the family to request the informal hearing.

To whom the hearing request should be addressed.

A copy of HACA's hearing procedures.

ATTACHMENT A - PAGE 70***Scheduling an Informal Hearing [24 CFR 982.555(d)]***

When an informal hearing is required, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

HACA Policy

A request for an informal hearing must be made in writing and delivered to HACA either in person or by first class mail, email or fax, by the close of the business day, no later than 10 business days from the date of HACA's decision or notice to terminate assistance.

HACA must schedule and send written notice of the informal hearing to the family within 10 business days of the family's request.

If the informal hearing will be conducted remotely, at the time the notice is sent to the family, the family will be notified:

Regarding the processes involved in a remote informal hearing;

That, if needed, HACA will provide technical assistance prior to and during the informal hearing; and

That if the family or any individual witness has any technological, resource, or accessibility barriers preventing them from fully accessing the remote informal hearing, the family may inform HACA and HACA will assist the family in either resolving the issue or allow the family to participate in an in-person hearing, as appropriate.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, HACA may request documentation of the "good cause" prior to rescheduling the hearing.

If the family does not appear within 20 minutes of the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact HACA within 24 hours of the scheduled hearing date, excluding weekends and holidays. HACA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities. If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, HACA's decision will stand.

ATTACHMENT A - PAGE 71***Pre-Hearing Right to Discovery [24 CFR 982.555(e)(2)]***

Participants and the PHA are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

HACA Policy

HACA will provide all documents HACA intends to use at the hearing to the family at the time of the notice of the informal hearing. HACA will mail copies of the hearing documents to the family, the family's representative, if any, and the hearing officer at least three days before the scheduled remote informal hearing. The original hearing packet will be in the possession of the HACA representative and retained by HACA. The family will be allowed to request and receive any additional documents the family believes are directly related to the hearing at no cost to the family. The family must request any additional documents no later than 12:00 p.m. on the business day prior to the scheduled hearing date.

HACA must be given an opportunity to examine at HACA offices before the hearing any family documents that are directly relevant to the hearing. Whenever a participant requests an informal hearing, HACA will automatically mail a letter to the participant requesting a copy of all documents that the participant intends to present or utilize at the hearing. The participant must make the documents available no later than 12:00 pm on the business day prior to the scheduled hearing date.

Documents will be shared electronically whenever possible.

The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at the PHA offices before the hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

HACA Policy

HACA will require the family to provide any documents directly relevant to the informal hearing no later than 12:00 pm on the business day prior to the scheduled hearing. HACA will provide copies of these documents to the hearing officer and the HACA representative the same day.

Documents will be shared electronically whenever possible.

Participant's Right to Bring Counsel [24 CFR 982.555(e)(3)]

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

ATTACHMENT A - PAGE 72***Informal Hearing Officer [24 CFR 982.555(e)(4)]***

Informal hearings will be conducted by a person or persons approved by the PHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

Attendance at the Informal HearingHACA Policy

Hearings may be attended by a hearing officer and the following applicable persons:

A HACA representative(s) and any witnesses for HACA

The participant and any witnesses for the participant

The participant's counsel or other representative

Any other person approved by HACA as a reasonable accommodation for a person with a disability

Conduct at Hearings

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA's hearing procedures [24 CFR 982.555(4)(ii)].

HACA Policy

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

Evidence [24 CFR 982.555(e)(5)]

The PHA and the family each must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

HACA Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

Oral evidence: the testimony of witnesses, the participant, HACA staff, other involved parties, etc.

Documentary evidence: a writing which is relevant to the case, for example, a letter written to HACA, an investigative report written by HACA's Program Integrity Officer or staff, information or documentation from other government or enforcement agencies, etc. Writings include all forms of recorded communication or representation, including but not limited to letters, words, social media, pictures, sounds, videotapes or symbols or combinations thereof, etc.

Demonstrative evidence: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

Real evidence: A tangible item relating directly to the case.

Hearsay Evidence is evidence based not on a witness' personal knowledge. In and of itself, hearsay evidence carries no weight when making a finding of fact. The hearing officer may include hearsay evidence when considering their decision if it is corroborated by other evidence. Even though hearsay evidence is generally admissible in a hearing, the hearing officer will not base a hearing decision on hearsay alone unless there is clear probative value and credibility of the evidence, and the party seeking the change has met the burden of proof.

If either HACA or the family fail to comply with the discovery requirements contained in this chapter, the hearing officer may refuse to admit such evidence.

Other than failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

Procedures for Rehearing or Further Hearing**HACA Policy**

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of HACA will take effect and another hearing will not be granted.

Issuance of Decision [24 CFR 982.555(e)(6)]

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

HACA Policy

In rendering a decision, the hearing officer will consider the following matters:

HACA Notice to the Family: The hearing officer will determine if the reasons for HACA's decision are factually stated in the notice of termination of assistance.

Discovery: The hearing officer will determine if HACA and the family were given the opportunity to examine any relevant documents in accordance with HACA policy.

HACA Evidence to Support HACA Decision: The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support HACA's decision.

Validity of Grounds for Termination of Assistance (when applicable): The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and HACA policies. If the grounds for termination are not specified in the regulations or are not in compliance with HACA policies, then the decision of HACA will be overturned.

The hearing officer will issue a written decision to HACA no later than 10 business days after the hearing unless extended by the hearing officer. The Hearing Officer's Decision will contain the following information:

Hearing information:

Name, address, and voucher number of the participant;

Date of the hearing;

Name of the hearing officer;

Name of participant attendee(s);

Name of HACA representative(s); and

Name of family representative(s) (if any).

Background: A brief, impartial statement of the reason for the hearing.

Documents and Other Physical Evidence: The hearing officer will determine if HACA and the participant were given the timely opportunity to review any relevant documents and other physical evidence.

The hearing officer will list all of the documents and other physical evidence used in the Informal Hearing.

ATTACHMENT A - PAGE 75

Ground(s) for Termination Cited in HACA's Notice of Termination: The hearing officer will list the ground(s) for termination cited in HACA's notice of termination of assistance and will summarize: validity as a cause for termination, specific HACA allegation(s) and evidence supporting the ground(s), participant's evidence and rebuttal(s), HACA's rebuttal(s) of participant's evidence and rebuttal(s), and evaluation of the proof of HACA's ground(s). The hearing officer will determine whether to uphold or overturn the ground(s).

Findings of Fact: The hearing officer will include an evaluation of the proof of HACA's ground(s), based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Decision: The hearing officer will render a decision derived from the facts that were found to be true by a preponderance of the evidence. The decision will result in a determination of whether these facts uphold HACA's decision.

The hearing decision will include a statement of whether HACA's decision is upheld or overturned. The hearing officer will submit the hearing decision to HACA's Executive Director for acceptance or rejection.

HACA's Executive Director has the final authority on whether to accept or reject the hearing officer's decision.

If the hearing officer's decision is upheld, HACA may proceed with termination. If the hearing officer's decision is overturned, the Executive Director will specify the next course of action.

Notice of Final Decision: HACA will mail a "Notice of Final Decision" including the Hearing Officer's Decision and an audio or video recording of the hearing to the participant. This Notice will be sent by first-class mail, postage pre-paid with an affidavit of mailing enclosed. The participant will be mailed the original "Notice of Final Decision" and a copy of the proof of mailing. A copy of the "Notice of Final Decision" along with the original proof mailing will be maintained in HACA's file.

ATTACHMENT A - PAGE 76***Effect of Decision [24 CFR 982.555(e)(6)(f)]***

The PHA is not bound by the decision of the hearing officer for matters in which HACA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state or local laws.

If the PHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the PHA must promptly notify the family of the determination and the reason for the determination.

PHA Policy

The Executive Director has the authority to determine that HACA is not bound by the decision of the hearing officer because HACA was not required to provide a hearing, the decision exceeded the authority of the hearing officer, the decision conflicted with or contradicted HUD regulations, requirements, or the decision was otherwise contrary to federal, state, or local laws.

In such a case, HACA will provide a "Notice of Final Decision" to the relevant HACA staff and will mail the notice to the participant on the same day. The "Notice of Final Decision" will be sent by first-class mail. A copy of this notice will be maintained in HACA's file.

ATTACHMENT A - PAGE 77

Attachment B.1

Exhibit C

Informal Review and Hearing Procedures

HACA's FSS Action Plan

Chapter 1

THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

INTRODUCTION

This chapter provides an overview of the family self-sufficiency (FSS) program and FSS action plan, including the purpose, organization, and required contents of the FSS action plan.

Part I: The Family Self-Sufficiency (FSS) Program and FSS Action Plan: This part provides an overview of the family self-sufficiency program and the purpose of the FSS action plan.

Part II: Requirements of the FSS Action Plan: This part covers action plan requirements, including development, revision, and contents of the action plan. It also contains information on family demographics, which is part of the required contents of the action plan.

PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The origins of the FSS program are in two pilot projects implemented in 1986 and 1990, Project Self-Sufficiency and Operation Bootstrap, respectively. These projects were set up to test self-sufficiency programs for families with housing subsidies, and both demonstrated that families needed essential services to move toward economic self-sufficiency. These services include child care, transportation, medical care, and long-term education and training.

In the wake of the successful demonstration of these projects, family self-sufficiency became one of the initiatives under the Homeownership and Housing Opportunities for People Everywhere (HOPE) program enacted in 1990, and the FSS program was subsequently created under the National Affordable Housing Act the same year.

FSS built upon and refined both Project Self-Sufficiency and the Bootstrap program. It remained a voluntary program in 1991 and 1992 but became mandatory in 1993 for any new increments of funding issued to PHAs. The 1993 regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). In 2018, expansive changes were made to the FSS program by the Economic Growth, Regulatory Relief, and Consumer Protection Act known as “the Economic Growth Act” or “the Act.”

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This family self-sufficiency program is administered by the Housing Authority of the County of Alameda for the jurisdiction of the county of Alameda excluding the cities of Alameda, Oakland, Berkeley and Livermore.

1-I.B. APPLICABLE REGULATIONS

Applicable regulations for Section 8 and public housing FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Public Housing Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects—General Provisions
- 24 CFR Part 966: Public Housing Lease and Grievance Procedures
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The family self-sufficiency (FSS) action plan is required by HUD. The purpose of the FSS action plan is to establish policies for conducting the family self-sufficiency program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS action plan is a supporting document to the PHA Agency Plan and is available for public review as required by 24 CFR Part 903.

This family self-sufficiency action plan is set forth to define the PHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS action plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the FSS program. If such changes conflict with this plan, HUD regulations will take precedence.

Administration of the FSS program and the functions and responsibilities of PHA staff shall comply with the PHA's personnel policy and HUD's family self-sufficiency regulations, as well as all Section 8 and public housing regulations, in addition to federal, state, and local fair housing laws and regulations.

PART II: REQUIREMENTS OF THE FSS ACTION PLAN

1-II.A. OVERVIEW

A PHA must have a HUD-approved action plan before implementing an FSS program, regardless of whether the FSS program is a mandatory or voluntary program. Further, this action plan must comply with the requirements specified for the plan in the regulations [24 CFR 984.201(a)].

The regulatory requirements dealing specifically with the FSS action plan itself largely involve the development, revision, and required contents of the action plan. This part covers those requirements.

1-II.B. HUD APPROACH TO POLICY DEVELOPMENT

In developing policy for the FSS action plan, PHAs need to be aware of the distinction HUD makes between mandatory and discretionary policies.

- *Mandatory policies* are those driven by legislation, regulations, current handbooks, notices, and legal opinions.
- *Discretionary policies* consist of those developed for areas in which the PHA has regulatory discretion, or regarding optional, nonbinding guidance including guidebooks, notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory regulations and to make clear the optional policies the PHA has adopted. The PHA's FSS action plan is the foundation of those policies and procedures for the FSS program. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully consider those decisions.

1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION**Development of Action Plan [24 CFR 984.201(b) and (c)]**

When developing an FSS action plan, a PHA must do so in consultation with the chief executive officer of the applicable unit of general local government and the program coordinating committee (PCC).

For all voluntary or mandatory FSS programs, the PHA must submit its action plan and obtain HUD approval of the plan before it can implement the FSS program. This includes a voluntary program established because the PHA chose to implement an FSS program that exceeds the minimum size for a mandatory program (see Section 2-II.A. for a discussion of mandatory versus voluntary FSS programs).

Single Action Plan [24 CFR 984.201(f)]

PHAs implementing both a Section 8 FSS program and a public or Indian housing FSS program may submit one action plan. In cases where the PHA decides to submit one plan for more than one program, the policies contained in the action plan would apply to both programs.

HACA Policy

HACA is implementing an HCV FSS program and will submit one action plan, the policies in which apply to the HCV FSS program. This includes tenant-based and project-based Section 8, HCV Homeownership, Moderate Rehabilitation, Moderate Rehabilitation Single Room Occupancy, Family Unification Program (FUP), and Foster Youth to Independence Initiative (FYI).

Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]

Following HUD's initial approval of the action plan, no further approval of the action plan is required unless the PHA proposes to make policy changes to the action plan, increase the size of a voluntary program, or revise the FSS action plan as needed to comply with changes in HUD regulations. The PHA must submit any changes to the action plan to HUD for approval.

HACA Policy

HACA will review and update the action plan as needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

1-II.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]

HUD regulations state that there are several components that must be included in the FSS action plan. At a minimum, the action plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

- Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)
- Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2)
- Eligible families from any other local self-sufficiency program who are expected to agree to executing an FSS contract of participation. (Chapter 2)
- A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)
- A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)
- Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)
- A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)
- A description of the PHA's method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)
- A description of the PHA's policies regarding program termination or withholding of services based on a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)
- Assurances of noninterference with rights of non-participating families which state that a family's election to not participate in the FSS program will not affect the family's admission to the Section 8 or public housing program, nor will it affect their right to occupancy in accordance with its lease. (Chapter 4)
- A timetable for implementation of the FSS program, including the schedule for filling FSS slots with eligible FSS families. (Chapter 2)

ATTACHMENT A - PAGE 84

- A certification that development of the services and activities under the FSS program has been coordinated with programs under Title I of the Workforce Innovation and Opportunity Act, other relevant employment, childcare, transportation, training, education, and financial empowerment programs in the area, and will continue to be coordinated to avoid duplication of services and activities.

Optional Additional Information [24 CFR 984.201(d)(13)].

- HUD encourages additional information in the action plan that would help to determine the soundness of the PHAs proposed FSS program.

HACA Policy

The PHA will submit additional optional information in this action plan that will help HUD determine the soundness of the proposed FSS program.

This information includes:

Policies related to the modification of goals in the ITSP. (Chapter 5)

Policies on the circumstances in which an extension of the contract of participation may be granted. (Chapter 5)

Policies on the interim disbursement of escrow, including any limitations on the use of the funds. (Chapter 6)

Policies regarding eligible uses of forfeited escrow funds by families in good standing. (Chapter 6)

Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating. (Chapter 4)

Policies on requirements for documentation for goal completion. (Chapter 4)

Policies on documentation of the household's designation of the "head of FSS family." (Chapter 4)

Policies for providing an FSS selection preference for porting families if the PHA elects to offer such a preference. (Chapter 7)

ATTACHMENT A - PAGE 85**1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]**

As part of the required contents of the FSS action plan, family demographics of the Section 8 and public housing program participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). These data may later be used to help the housing authority and the program coordinating committee (PCC) to identify supportive service needs of the families expected to participate in the FSS program.

HACA Policy

The following data, as of August 2022, reflects the current characteristics of participants in HACA's FSS program. HACA expects to continue to serve a similar population in the short term. HACA continues to conduct outreach to ensure the FSS program reflects the overall diversity of HACA's HCV program and Alameda County. HACA expects to serve up to 225 participants. The supportive service needs of HACA's FSS participants include job readiness, employment training, financial literacy, homeownership readiness, childcare, transportation assistance, mental health services and education.

| HACA FSS Participant Demographics | Total Families | Percent of Total |
|--|-----------------------|-------------------------|
| All Families | | |
| Single | 27 | 12% |
| Female HOH | 201 | 92% |
| Male HOH | 17 | 8% |
| Race | | |
| White | 24 | 11% |
| Black/African American | 183 | 84% |
| American Indian/Alaska Native | 1 | 1% |
| Asian | 6 | 3% |
| Native Hawaiian/Other Pacific Islander | 1 | 1% |
| Ethnicity | | |
| Hispanic or Latino | 14 | 6% |
| Not Hispanic or Latino | 204 | 94% |
| Income | | |
| Extremely Low-Income | 102 | 48% |
| Very Low-Income | 65 | 30% |
| Low-Income | 47 | 22% |
| HOH Income from Wages | 159 | 73% |
| Other Member Income from Wages | 340 | 50% |
| HOH Income from TANF | 70 | 32% |
| Other Member Income from TANF | 174 | 26% |

ATTACHMENT A - PAGE 86

| | | |
|---------------------------------------|-----|-----|
| HOH Income from SSI | 59 | 27% |
| Other Member Income from SSI | 132 | 20% |
| Number of Children | | |
| 0 | 83 | 38% |
| 1-2 | 93 | 43% |
| 3-4 | 39 | 18% |
| 5 or more | 3 | 1% |
| Total Number of Family Members | | |
| 1-2 | 94 | 43% |
| 3-4 | 89 | 41% |
| 5 or more | 35 | 16% |
| Persons with Disabilities | | |
| HOH Person w/ Disabilities (HUD) | 54 | 25% |
| Family Members w/ Disabilities | 51 | 8% |

Chapter 2

PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of the PHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS action plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about housing assistance programs eligible to participate in FSS, the size of the PHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including voluntary FSS program implementation.

Part IV: The Definitions of Terms Used in the PHA's FSS program: This section contains both HUD and PHA definitions for terms used in this policy document.

PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

2-I.A. PURPOSE

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of Section 8 and public housing assistance programs with public and private resources enabling families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, the PHA also establishes a local goal consistent with the PHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

HACA Policy

The PHA's local goal in operating this FSS program is to match housing-assisted families with a broad range of highly collaborative existing community services to assist FSS families in achieving economic self-sufficiency. *Economic self-sufficiency* is defined as having the sustainable skills necessary to maintain employment paying a "living wage." This wage would pay for the family's basic needs without the use of government subsidies.

2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]

In order to reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on housing subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, business and social skills necessary to achieve self-sufficiency. As with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

HACA Policy

On the local level, the PHA will achieve the national program objective by offering low-income families a broad range of services through partnering with the program coordinating committee (PCC). These services will provide long-term education, job training, counseling, and other forms of social service assistance so that families may achieve economic self-sufficiency, as defined in Section 2-I.A. of this document.

2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS action plan (as required in 24 CFR 984.201, provide comprehensive supportive services as defined in 24 CFR 984.103, and operate in compliance with nondiscrimination and equal opportunity requirements.

ATTACHMENT A - PAGE 89**PART II: SCOPE OF THE FSS PROGRAM****2-II.A. HOUSING-ASSISTED FAMILIES ELIGIBLE TO PARTICIPATE IN FSS**

The Section 8 and public housing programs through which families are eligible to participate in the FSS program was expanded by the 2018 Economic Growth Act to allow participants in HCV Homeownership, Moderate Rehabilitation, Moderate Rehabilitation Single Room Occupancy, and Family Unification Program (FUP), including the Foster Youth to Independence (FYI) Initiative.

2-II.B. PHAs REQUIRED TO OPERATE AN FSS PROGRAM

Each PHA that received funding for public housing units under the FY 1991 and FY 1992 FSS incentive award competitions must operate a public housing FSS program. Each PHA that received funding for Section 8 rental certificates or vouchers under the combined FY 1991/1992 FSS incentive award competition also must operate a Section 8 FSS program.

In addition, unless the PHA receives an exemption under 24 CFR 984.105, each PHA for which HUD reserved funding (budget authority) for additional rental certificates or vouchers in FY 1993 through October 20, 1998, must operate a Section 8 FSS program. Each PHA for which HUD reserved funding (budget authority) to acquire or construct additional public housing units in FY 1993 through October 20, 1998, must operate a public housing FSS program as well.

Every PHA that was required to administer an FSS program on May 24, 2018 (the enactment date of the Economic Growth, Regulatory Relief, and Consumer Protection Act) must continue to operate that FSS program for the total number of families determined by HUD on that date unless the PHA receives an exception as described in 24 CFR 984.105(d).

Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]

PHAs that are required to operate an FSS program under 24 CFR 984.101 are subject to a minimum program size requirement.

HACA Minimum Program Size

HACA completed mandatory program size requirements on June 17, 2022.

Maintaining Mandatory Minimum Program Size

Although the discretion to do so ultimately rests with the PHA, mandatory minimum program size can decrease as FSS participants successfully complete the program. Per the regulation, for each family that completes the program by fulfilling its FSS contract of participation on or after May 24, 2018, the mandatory minimum program size for a PHA's FSS program is reduced by one slot. However, if an FSS slot is vacated by a family that has not completed its FSS contract of participation obligations, the slot must be filled by a replacement family which has been selected in accordance with the FSS family selection procedures [24 CFR 984.105(b)(2)].

HACA Policy

HACA completed mandatory program size requirements on June 17, 2022.

Option to Operate Larger FSS Program

A PHA may choose to operate an FSS program of a larger size than the minimum required by HUD [24 CFR 984.105(a)(3)].

HACA Policy

HACA completed mandatory program size requirements June 17, 2022.

Exception to Program Operation [24 CFR 984.105(c)]

The requirement to establish and carry out an FSS program may be waived with approval from HUD. In order to waive the requirement, the PHA must provide a certification to HUD that the establishment and operation of an FSS program is not feasible because of a lack of accessible supportive services funding, a lack of the availability of programs under the Workforce Innovation and Opportunity Act, a lack of funding for reasonable administrative costs, a lack of cooperation by other units of state or local government, or a lack of interest in participating in the FSS program on the part of eligible families.

An exception will not be granted if HUD determines that local circumstances do not preclude the PHA from effectively operating an FSS program that is smaller than the minimum program size.

Reduction in Program Size

Rather than a full exception to program operation, a PHA may also be permitted to operate an FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant the PHA such a partial exception if the PHA provides to HUD a certification that the operation of an FSS program of the minimum program size is not feasible because of a decrease in or lack of accessible supportive services [24 CFR 984.105(d)].

Expiration of Exception

The approval for a full or partial exception to the FSS minimum program size requirement expires five years from the date of HUD approval of the exception. If a PHA seeks to continue an exception after its expiration, the PHA must submit a new request and a new certification to HUD for consideration [24 CFR 984.105(e)].

2-II.C. COOPERATIVE AGREEMENTS [24 CFR 984.106]

A PHA may enter into a Cooperative Agreement with one or more multifamily-assisted housing owners to voluntarily make the PHA's FSS program available to the owner's housing tenants. The Cooperative Agreement must include all the requirements for such agreements found in 24 CFR 984.106 and 24 CFR 887.107.

HACA Policy

The PHA will not enter into a Cooperative Agreement with multifamily-assisted housing owner(s) to voluntarily make its FSS program available to those owner's housing residents.

2-II.D. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]

The PHA must state the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program based on available and anticipated federal, tribal, state, local, and private resources.

HACA Policy

At least 175 up to 225 eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, tribal, state, local, and private resources.

2-II.E. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]

If applicable, the PHA must enter the number of families, by program type, who are participating in any other local housing self-sufficiency program who are expected to agree to execute an FSS contract of participation.

HACA Policy

The PHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

2-II.F. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]

A PHA that wishes to operate a joint FSS program with other PHAs or owners of multifamily-assisted housing may combine its resources with one or more of these entities to deliver supportive services under a joint action plan that will provide for the establishment and operation of a combined FSS program that meets the requirements of this part.

HACA Policy

The PHA will not combine its resources with any other PHA to deliver support services, have a joint action plan, or establish or operate a combined FSS Program.

PART III: PROGRAM OPERATION

2-III.A. OVERVIEW

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when the PHA is expected to have attained full enrollment. A timetable illustrating when the PHA intends to meet these deadlines is included as part of the required contents of the action plan.

2-III.B. PROGRAM IMPLEMENTATION DEADLINE

The deadlines for program implementation differ depending on whether the FSS program is voluntary or mandatory.

Voluntary Program [24 CFR 984.301(a)]

There is no deadline for implementation of a voluntary program. However, a voluntary program may not be implemented before the requirements specified in 24 CFR 984.201 have been satisfied (see Sections 1-II.A.–1-II.D.).

ATTACHMENT A - PAGE 94**2-III.C. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(13)]**

A timetable for implementation of the FSS program is part of the required contents of the FSS action plan.

HACA Policy

For voluntary programs, the PHA will implement the FSS program within one year from the date of approval of either the FSS action plan by the HUD field office, or within the time identified in the applicable FSS funding contract with HUD.

For mandatory FSS programs, the PHA has the obligation to continue to fill their mandatory FSS slots effective May 24, 2018, as determined by the HUD field office.

The PHA will implement its FSS program according to the following timetable:

| Activity | Month and Date |
|-------------------------------------|-----------------------|
| Establish PCC | December 1991 |
| Conduct Program Needs Assessment | December 1991 |
| Resource Identification | December 1991 |
| Establish Policies | December 1991 |
| Design Service Delivery | December 1991 |
| Develop Administrative Procedures | December 1991 |
| Begin Service Delivery | December 1991 |
| Conduct Outreach | December 1991 |
| Conduct Orientations | December 1991 |
| Conduct Individual Needs Assessment | December 1991 |
| Begin Contracting | December 1991 |
| Complete Contracting | December 1991 |

ATTACHMENT A - PAGE 95

PART IV: DEFINITIONS

2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act*, *fair market rent*, *HUD*, *low-income family*, *public housing*, *public housing agency (PHA)*, *secretary*, and *Section 8*, as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this family self-sufficiency action plan.

Baseline annual earned income means the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract. When calculating baseline annual earned income, all applicable exclusions of income must be applied, *except for* any disregarded earned income or other adjustments associated with self-sufficiency incentives that may apply to the determination of annual income.

Baseline monthly rent means 1) the FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or 2) the amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract. For families paying a flat or ceiling rent this is as of the effective date of the FSS contract.

HACA Policy

Benefits means a government benefit of money or monetary value given to an individual by a federal, state, or local government agency for purposes of financial assistance, including but not limited to, Medicaid, supplemental nutritional assistance program benefits and Social Security, Temporary Assistance for Needy Families, and unemployment compensation benefits.

HACA Policy

Benefits cliff means the sudden and often unexpected decrease in public benefits that can occur with a small increase in earnings. When income increases, families sometimes lose some or all economic supports.

HACA Policy

Certain interim goals means the family has met all its obligations under the CoP to date, including completion of the ITSP interim goals and tasks to date. HACA provides no interim disbursements from the FSs escrow account.

Certification means a written assertion based on supporting evidence, provided by the FSS family or the PHA or owner, which must be maintained by the PHA or owner in the case of the family's certification, or by HUD in the case of the PHA's or owner's certification. These must be made available for inspection by HUD, the PHA or owner, and the public, when appropriate. In addition, these will be considered accurate unless the Secretary or the PHA or owner, as applicable, determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

ATTACHMENT A - PAGE 96

Chief executive officer (CEO) means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

Contract of participation (CoP) means a contract in a form approved by HUD, entered into between a participating FSS family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered in between the PHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional detail, see 24 CFR 984.303.

Current annual earned income means the FSS family's total annual earned income from wages and business income (if any) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract. When calculating current annual earned income, all applicable exclusions of income will apply, including any disregarded earned income and other adjustments associated with self-sufficiency incentives or other alternative rent structures that may be applicable to the determination of annual income.

Current monthly rent means either the FSS family's TTP as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying an income-based rent as of the most recent reexamination of income; or the amount of the flat rent, including applicable utility allowance or ceiling rent. This amount must include any hardship discounts, as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying a flat rent or ceiling rent as of the most recent reexamination of income.

Earned income means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Effective date of contract of participation means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

Eligible families for the FSS program means current participants in Section 8, residents of public housing, or residents in multifamily-assisted housing if a Cooperative Agreement exists.

HACA Policy

Enhance the effectiveness of the FSS program means a demonstrable improvement in the quality of an FSS program in which the enrollment ratio, escrow balance average, and graduation rate is at or above the national average as measured in HUD's Composite Scores in FR Notice 11/15/18.

Enrollment means the date that the FSS family entered the contract of participation with the PHA.

ATTACHMENT A - PAGE 97

Family self-sufficiency program or FSS program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS escrow account means the FSS escrow account authorized by section 23 of the 1937 Act.

FSS escrow credit means the amount credited by the PHA to the participating family's FSS account.

FSS family means a family that receives Section 8 assistance or resides in public housing (section 9), that elects to participate in the FSS program, and whose designated adult member (head of FSS family) has signed the CoP.

FSS family in good standing means an FSS family that is in compliance with their FSS CoP, has either satisfied or are current on any debts owed the PHA or owner, and is in compliance with the regulations in 24 CFR Part 5 regarding participation in the relevant rental assistance program.

FSS-related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of *supportive services*.

FSS slots refer to the total number of public housing units or the total number of rental vouchers that comprise the minimum size of a PHA's respective Section 8 and public housing FSS program.

FSS Program Coordinator means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goal setting and case management/coaching of FSS participants; collaborating with the community and service partners; and tracking program performance.

FY means federal fiscal year (starting with October 1, and ending September 30, and designated by the calendar year in which it ends).

Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

Individual Training and Services Plan (ITSP) means a written plan that is prepared by the PHA or owner in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed), and which describes the final and interim goals for the participating FSS family member, the supportive services to be provided to the participating FSS family member, the activities to be completed by that family member, and the agreed upon completion dates for the goals, and activities. Each ITSP must be signed by the PHA or owner and the participating FSS family member and is attached to and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS program, including the head of FSS family who has signed the CoP.

ATTACHMENT A - PAGE 98HACA Policy

Knowledgeable professional means a person who is knowledgeable about the situation, has training, education, certification, or licensure provided by recognized professional associations and institutions that legitimizes their professional opinion, is competent to render a professional opinion, and is not able to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

Multifamily-assisted housing, also known as project-based rental assistance (PBRA), means rental housing assisted by a Section 8 Housing Payments Program, pursuant to 24 CFR Parts 880, 881, 883, 884, and 886.

HACA Policy

Other costs related to achieving obligations in the contract of participation means any costs necessary to complete an interim goal, a final goal, or tasks related to such in the ITSP.

Owner means the owner of multifamily-assisted housing.

Participating family is defined as *FSS family* in this section.

Program coordinating committee (PCC) means the committee described in 24 CFR 984.202.

Public housing means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

Section 8 means assistance provided under Section 8 of the 1937 Act (42 U.S.C. 1437f). Specifically, multifamily-assisted housing, as defined in this section; tenant-based and project-based rental assistance under section 8(o) of the 1937 Act; the HCV homeownership option under section 8(y) of the 1937 Act; Family Unification Program (FUP) assistance under section 8(x) of the 1937 Act; and the Section 8 Moderate Rehabilitation (Mod Rehab) for low-income families and Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) for homeless individuals under 24 CFR part 882.

Self-sufficiency means that an FSS family is no longer receiving Section 8, public housing assistance, or any federal, state, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds.

HACA Policy

Supports means, costs related to achieving obligations outlined in the CoP, including funds for emergency transportation services, emergency child care services, education and training and employment preparation, and training for FSS Program Coordinators.

ATTACHMENT A - PAGE 99

Supportive services mean those appropriate services that a PHA will coordinate on behalf of an FSS family under a CoP. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in homemaking and parenting skills; and personal welfare services that include substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and financial empowerment that may include financial literacy, coaching, asset building, money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that the PHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

Unit size or size of unit refers to the number of bedrooms in a dwelling unit.

Very low-income family is defined as set out in 24 CFR 813.102

Welfare assistance means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurring, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support; transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance; amounts solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.

Chapter 3

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement in all FSS programs other than multifamily housing assistance. It describes required and recommended PCC membership, in addition to the option for an alternative committee.

PART I: STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES**3-I.A. OVERVIEW**

Several functions of program administration are crucial to running an FSS program. A PHA may need to employ a program coordinator or decide to contract with another organization to administer the program. In addition to staffing issues, PHAs should understand how program funding and expenses work to keep the program running smoothly. Finally, PHAs need to sort out whether and how to make common areas or unoccupied units available to provide supportive services.

**3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS
[24 CFR 984.301(b)]**

PHAs have the choice between hiring their own staff and contracting with an outside organization to administer their FSS program. If the PHA should choose to employ its own staff, the staffing levels should be appropriate, and may include one or more FSS coordinators. If the PHA chooses to contract with an outside organization, the organization's staffing levels must likewise be appropriate to establish and administer the FSS program, and whether the organization's responsibilities would include managing the FSS account in accordance with federal regulations.

HACA Policy

The PHA will employ appropriate staff, including one or more FSS coordinators or program coordinators to administer its FSS program.

3-I.C. FSS PROGRAM COORDINATOR RESPONSIBILITIES

Primary Role of the FSS Program Coordinator

The FSS Program Coordinator is responsible for building partnerships with service providers in the community, working with the Program Coordinating Committee (PCC) and local service providers to ensure that FSS program participants are linked to the supportive services they need to achieve self-sufficiency, preparing an Individual Training and Services Plan (ITSP) for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, making certain that the services included in the participants' CoP are provided on a regular, ongoing, and satisfactory basis, ensuring FSS participants are fulfilling their responsibilities under the CoPs, monitoring progress of participants, and establishing and properly maintaining FSS escrow accounts for eligible families. FSS coordinators may also provide outreach, recruitment, goal setting, case management and coaching for FSS participants, and tracking of FSS program performance.

FSS Program Coordinators funded under the FSS Coordinator Notice of Funding Opportunity (NOFO) may not perform the routine public housing or Section 8 program functions of housing eligibility, leasing, rent calculation, and portability that are funded through Section 8 administrative fees or public housing operating funds unless doing so would enhance the effectiveness of the program. If conducting these functions would enhance the effectiveness of the FSS program, the PHA must seek prior approval from HUD of those enhancements to the FSS program and certify that doing so will neither interfere with the FSS Coordinator's ability to fulfill their primary role nor be used to balance or fill in for gaps in traditional staffing.

Performance of routine Section 8 or public housing functions for non-FSS families does not enhance the effectiveness of the FSS program and is therefore an ineligible use of FSS funds [2021 FSS NOFO, p. 36].

HACA Policy

The PHA will not require the FSS Program Coordinator to perform the routine Section 8 or public housing program functions of housing eligibility, leasing, rent calculation, and portability that are funded through Section 8 administrative fees or public housing operating funds.

3-I.D. ADMINISTRATIVE FEES AND COSTS

The Consolidated Appropriations Act of 2014 combined funding streams for the Section 8 and public housing FSS programs. FSS funding is now awarded through one NOFO. Use of this funding is no longer restricted to the applicable program and funding now may be used to serve both Section 8 and public housing FSS participants. Funding for FSS Coordinators salary, benefits, and training as well as limited administrative costs is awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), rather than as an amendment to the PHA's Annual Contributions Contract (ACC). These funds are separate from other available funds that may be used.

Section 8 FSS Program

In the Section 8 programs, administrative fees are paid to PHAs for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

See 24 CFR 982.152 and PIH 2022-18 for details on the eligible use of administrative fees.

HACA Policy

If resources are available, the PHA will make available funds from Section 8 Administrative Fees or HCV unrestricted net assets to cover the full cost of the FSS Coordinators salary if the HUD grant does not cover such.

Public Housing FSS Program

For public housing FSS programs, the performance funding system (PFS), provided under section 9(a) of the 1937 Act, provides for the reasonable and eligible administrative costs that the PHA incurs in carrying out the program only when funds have been appropriated. However, a PHA may use other resources for this purpose [24 CFR 984.302(a)].

In other words, the PHA may fund reasonable and eligible administrative costs in the FSS program from the Operating Fund. However, these expenses will only be reimbursed in the operating subsidy when a current appropriations act allows it. In addition, the PHA may fund reasonable and eligible administrative costs from the Capital Fund. Administrative staffing costs may also be funded through HUD or other grant or foundation sources. This includes FSS Coordinator grants when available.

HACA Policy

HACA does not administer a public housing program.

3-I.E. SUPPORTIVE SERVICES FEES AND COSTS

Section 8 FSS Supportive Services

In the Section 8 program, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from unrestricted net position [see Notice PIH 93-24, E-3].

The PHA may seek additional funds from HUD through submitting grant applications or seek grants from other sources when available.

In addition to unrestricted net position and other grant sources, the FSS forfeited escrow account can fund FSS supportive services. See Section 6-I.E. for eligible supportive services costs.

Public Housing FSS Supportive Services

In public housing, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from the Operating Fund. However, the costs of FSS supportive services are only reimbursed through the operating subsidy when appropriations allow it.

FSS public housing supportive services can also be funded through other HUD grants or related government and foundation grants, when available.

HACA Policy

HACA does not administer a public housing program.

3-I.F. USE OF FORFEITED ESCROW ACCOUNTS FUNDS

In addition to Section 8 unrestricted net assets, public housing operating funds, and other grant sources, the FSS forfeited escrow account funds must be used for the benefit of FSS participants, which includes supports and other costs for FSS participants in good standing. HUD does not provide an exhaustive list of these supports. However, the supports include, but are not limited to, transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the contract of participation as well as training for FSS Program Coordinators.

HACA Policy

The PHA will use forfeited escrow accounts for training provided to FSS Coordinators.

The PHA will use forfeited escrow accounts for support and other costs for FSS participants in good standing when funds requested are needed for emergency transportation services, emergency childcare services, education and training, and employment preparation costs. See Chapter 2 Section 2-IV.A. Definitions.

The PHA will prioritize requests for funds from forfeited escrow accounts on a first come first served basis based on the date and time of the request.

PART II: PROGRAM COORDINATING COMMITTEE

3-II.A. OVERVIEW

As another integral part of FSS program administration, each participating PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the action plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of specific members, which are dependent upon whether the PHA is operating Section 8, public housing, or multifamily assisted housing FSS programs. In addition to these required members, the PCC may also include additional members recommended by regulation.

3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP

Required PCC Membership [24 CFR 984.202(b)(1)]

The PCC required members consist of representatives of the PHA, including at least one FSS Program Coordinator, and one or more participants from each HUD rental assistance program (Section 8, public housing, or multifamily assisted housing) served by the PHA's FSS program.

HACA Policy

The PHA's representatives to the program coordinating committee will be *Special Programs Manager* and at least one FSS Program Coordinator and one or more participants from each of the housing programs in which there is an FSS program: Section 8, public housing, and multifamily assisted housing, as applicable.

Assistance in Identifying Potential PCC Members [24 CFR 984.202(b)(1)]

The PHA may seek assistance from area-wide, city-wide, or development-based resident councils, the resident management corporation, or the Resident Advisory Board, in identifying potential PCC members.

Recommended PCC Membership [24 CFR 984.202(b)(2)]

Membership on the PCC also may include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Innovation and Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

HACA Policy

The PHA's FSS program coordinating committee membership will include leadership from the following organizations: *See PCC representative organizations in Exhibit 3-I.*

3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]

It is also possible for the PHA, in consultation with the chief executive officer of the unit of general local government served by the PHA, to use an existing entity as the PCC, if the membership of the existing entity consists or will consist of the individuals required by regulation (See section 3-II.B. above).

HACA Policy

The PHA will not utilize an existing entity as its program coordinating committee.

ATTACHMENT A - PAGE 107

EXHIBIT 3-1: CHART FOR DETERMINING PCC MEMBERSHIP

| Organization or Service Type | Organization Name |
|-----------------------------------|--|
| Housing | Mercy Housing |
| GED and Educational Training | Five Keys |
| Job Training | Workforce Innovation and Opportunity Board and Centers |
| Job Search, Placement, Retention | Job Corps Eden Area One Stop |
| Health Care | Anthem Blue Cross Planned Parenthood Hospital |
| Homeownership | Operation Hope |
| | |
| Child Care | Child Family and Community Services |
| City, State, or County Government | Alameda County Social Services Child |
| Information and Referral Services | Eden Information and Referral |

Chapter 4

SELECTING AND SERVING FSS FAMILIES

INTRODUCTION

FSS regulations require that the PHA include in its action plan a statement indicating how it will select families for participation in the FSS program. This includes outreach, waiting list management, and other selection procedures. When followed, the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

Once selected for participation in the FSS program, families are to be provided various activities and supportive services so that they may obtain the education, employment, business, and social skills necessary to achieve self-sufficiency. A description of such activities and supportive services is also a requirement of the FSS action plan.

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use to encourage participation and recruit eligible families for the FSS program and contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

PART I: INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE**4-I.A. OVERVIEW**

The FSS program offers incentives such as the FSS escrow account, case management, coaching, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, PHAs also conduct outreach to recruit FSS participants from among eligible families. As part of this process, families need to know that their choice as to whether to participate in the FSS program will not affect their admission to the Section 8 or public housing programs, nor will it affect their right to occupancy. This part describes the PHA's policies regarding these issues, all of which are required aspects of the FSS action plan.

ATTACHMENT A - PAGE 110**4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]**

By regulation, the FSS action plan must include a PHA's incentives plan—a description of the incentives that the PHA intends to offer eligible families to encourage their participation in the FSS program. The incentives plan provides for the establishment of the FSS escrow account, and any other incentives designed by the PHA.

HACA Policy

The PHA will offer the following services, as needed to complete obligations in the contract, to its FSS participants as incentives to participate in FSS.

| Incentive | Provided By | Description |
|--|--------------------|--|
| FSS escrow account | HACA | Escrow savings |
| Case management | HACA | All steps |
| Information on and referrals to services | HACA | Information and Referral |
| Workshops | Partners | Credit literacy Employment Financial Literacy Homeownership Interviewing Life Coaching Vision Board Will and Trusts |
| Fairs | Partners | Health, Employment Transportation |
| Holiday Event | Partners | Giving Connection Turkey Give Away |
| It's Your Time to Shine | HACA | FSS Participant's Accomplishments Gift cards Restaurants |
| Scholarships Opportunities | HACA | Scholarships Opportunities |
| Memorial Scholarship Opportunities | HACA | Memorial Scholarship Opportunities |
| NAHRO Scholarship Opportunities | NAHRO | Scholarship Opportunities |

ATTACHMENT A - PAGE 111**4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)]**

In addition to offering incentives for FSS participation, PHAs also conduct outreach to recruit more FSS participants from eligible families. The FSS action plan must include a description of these efforts to recruit FSS participants, including notification and outreach, the actions the PHA will take to assure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known.

HACA Policy

The PHA will notify eligible families about the FSS program using the following outreach locations, activities, methods, and languages, where appropriate. These points of contact and methods have been selected to ensure that both minority and nonminority groups are informed about the FSS program.

4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]

A family's housing assistance or admission into assisted housing should never depend on whether they choose to participate in the FSS program, and PHAs need to make this known as part of the recruitment process. For this reason, the PHA's action plan must include an assurance that a family's decision to not participate in the FSS program will not affect the family's admission to the Section 8 or public housing programs, nor will it affect the family's right to occupancy in accordance with the lease.

HACA Policy

Participation in the FSS program is strictly voluntary. Section 8 participants and public housing residents will be notified in all literature and media presentations related to the FSS program that should they decide not to participate in the FSS program, it will not affect their Section 8 or public housing. This material will also specify that the family will retain the right to occupancy according to their lease and family obligations contract.

| Location/Activity | Staff/Partner | Method | Language |
|--------------------------|------------------------|-------------------------------|-----------------|
| Briefings | PHA FSS Coordinator | Brochure | Language Line |
| Orientations | | Presentation | |
| Lobby | PHA Staff Receptionist | Banners Flyer Brochures | Language Line |
| Website | Website | Interest Card | Language Line |

PART II: FAMILY SELECTION

4-II.A. OVERVIEW

The FSS action plan is required to contain a statement indicating the procedures for selecting families for FSS program participation, including a description of how the PHA will do so without regard to race, color, religion, sex (including actual or perceived gender identity), familial status, or national origin. This part describes these procedures, considering whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so, in addition to defining the factors the PHA will use in screening families for program participation.

4-II.B. FSS SELECTION PREFERENCES

As part of the process for selecting families for participation in the FSS program, the PHA may choose whether to employ the use of preferences. If the PHA so chooses, it has the option of giving a selection preference for up to 50 percent of its FSS program slots to eligible families who have one or more family members currently enrolled in an FSS-related service program or who are on the waiting list for such a program. Such a preference may be further limited to participants in and applicants for one or more specific eligible FSS-related service programs.

Should the PHA choose to adopt such a preference, it would need to include the following information in its action plan:

- The percentage of FSS slots, not to exceed 50 percent of the total number of FSS slots for each of its FSS programs, for which it will give a selection preference
- The FSS related service programs to which it will give a selection preference to the programs' participants and applicants
- The method of outreach to and selection of families with one or more members participating in the identified programs [24 CFR 984.203(a)]

A PHA may wish to adopt additional selection preferences as well [Notice PIH 93-24].

HACA Policy

HACA will not adopt the use of preferences when selecting families for participation in the FSS program.

The PHA may use either of the following to select among applicants on the FSS waiting list with the same preference status [24 CFR 984.203(b)]:

- Date and time of application to the FSS program; or
- A drawing or other random choice technique.

HACA Policy

The PHA will use the date the family expressed an interest in participating in the FSS program to fill the FSS slots.

4-II.C. SELECTION FACTORS

Many factors contribute to whether a PHA may choose to select a family for participation in the FSS program. These selection factors can help the PHA screen families for admission, and ultimately contribute to the PHA's decision to either allow or deny a family's admission into the FSS program.

Motivation Selection Factors [24 CFR 984.203(d)(1)]

A PHA may screen families for interest and motivation to participate in the FSS program provided that the factors utilized by the PHA are those which solely measure the family's interest and motivation to participate in the FSS program. For this reason, PHAs must only apply motivational screening factors that are permissible under the regulations.

Permissible Motivation Selection Factors

Permitted motivational factors include requiring attendance at FSS orientation sessions or pre-selection interviews or assigning certain tasks indicating the family's willingness to undertake the obligations that may be imposed by the FSS contract of participation. However, any tasks assigned should be readily accomplishable by the family based on the family members' educational level, abilities, or disabilities, if any. Reasonable accommodations must be made for individuals whose disability (mobility, manual, sensory, speech impairments, mental, or developmental disabilities) creates a barrier to accomplishing the tasks [24 CFR 984.203(d)(2)].

HACA Policy

The PHA will screen families for interest and motivation to participate in the FSS program by assigning a meeting or workshop which is the same type of meeting or workshop for each family. The PHA will only use the fact that the family attended as a screening factor, even if tasks or exercises are not completed in the meeting. In addition, if the family needs either childcare or transportation to be able to attend, or requests an accommodation for a disability, the PHA will either refer the family to available services or exempt the family from this screening factor.

ATTACHMENT A - PAGE 114***Prohibited Motivation Selection Factors***

Prohibited motivational screening factors include the family's educational level, educational or standardized motivational test results, previous job history or job performance, credit rating, marital status, number of children, or other factors, such as sensory or manual skills, and any factors which may result in discriminatory practices or treatment toward individuals with disabilities or minority or nonminority groups [24 CFR 984.203(d)(3)].

Other Selection Factors

In addition to motivational screening, the PHA may also wish to screen families for the following additional factors.

PHA Debt Selection Factor

The PHA may deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance [Notice PIH 93-24, B-18].

HACA Policy

The PHA will deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance. Families that owe money to a PHA who have entered into a repayment agreement and are current on that repayment agreement will not be denied FSS participation.

Unavailable Support Services Selection Factor

If the PHA determines, after consulting with the family, that a missing service is essential to the family's needs, the PHA may skip that family (and other similar families) and offer the FSS slot to the next family for which there are available services [Notice PIH 93-24, B-8].

HACA Policy

A family that requests participation in FSS and is missing a service that is essential for the head of FSS family to be employed, will be accepted into the program, and referred to knowledgeable professionals of their choice in the area of the missing service. The knowledgeable professional will determine, based on well accepted professional assessment, if the participant is able to work without the unavailable service.

If they are unable to work without the unavailable service the FSS applicant/participant may withdraw from the FSS program or, as provided by law, may request a reasonable accommodation.

Previous Participation Selection Factor

A PHA may refuse to select a family for participation in the FSS program a second time if that family previously participated unsuccessfully (i.e., the family participated, did not meet its FSS obligations, and was terminated from the FSS program) [Notice PIH 93-24, B-14].

HACA Policy

The PHA will not refuse to select a family for participation in the FSS program a second time if that family previously participated and did not complete.

ATTACHMENT A - PAGE 115

The PHA will enroll a family for participation in the FSS program a second time if that family previously participated, completed the COP, and received a final distribution of their escrow account. First time participants will be given a priority on the FSS waiting list.

4-II.D. SELECTION OF HEAD OF HOUSEHOLD

Each eligible family that is selected to participate in an FSS program must enter a contract of participation with the PHA. There will be no more than one contract at any time for each family. There may be an ITSP for as many members of the family who wish to participate. The contract shall be signed by a representative of the PHA and the head of FSS family, as designated by the family. This head of FSS family does not have to be the same as the official head of household for rental assistance purposes [24 CFR 984.303(a)].

HACA Policy

The PHA will meet, through any method of communication, with the family to detail the obligations, rights, and privileges that pertain to the FSS head of household and require each adult family member to certify their agreement as to their designated head of the FSS family. These certifications will be a permanent part of the FSS family's record and will be updated with each change of head of household.

PART III: ACTIVITIES AND SUPPORT SERVICES

4-III.A. OVERVIEW

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of Section 8 and public housing assistance programs with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program. The PHA must make a good faith effort to replace the obtained services from another agency.

4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS

[24 CFR 984.201(d)(8)]

Before a PHA can determine the services and activities it will provide to FSS families, it must identify the services and activities appropriate to each family. The action plan must contain a description of how the program will identify the needs of FSS families and deliver the services and activities according to these needs.

HACA Policy

Supportive services needs will be identified by completion of an informal needs assessment with the FSS coordinator or case manager before completion of the initial individual training and services plan and signing of the contract of participation. After enrollment in HACA's FSS program, a formal needs assessment, including vocational assessment, educational counseling, and employment planning, as needed will be conducted. In this situation "as needed" means when Department of Labor Workforce and Department of Education resources permit and the participant:

- Has not had a vocational assessment or educational counseling within the last 3-5 years; or
- Chooses not to take advantage of this opportunity; or
- Has employment that offers promotional opportunities, earnings increases, and the participant expresses satisfaction with this employment; or
- Is willing and interested in referral to a knowledgeable professional to determine the needed for vocational assessment or educational counseling.

The following partners on the PCC will provide these vocational assessments or educational counseling:

WIA One Stop Center

These results are used to modify the ITSP, if requested by the family.

ATTACHMENT A - PAGE 117**4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION
[24 CFR 984.201(d)(7)]**

As part of the required contents of the action plan, PHAs must both describe the activities and supportive services to be provided by public and private resources to FSS families and identify the public and private resources that are expected to provide the supportive services.

Of course, this task assumes that the PHA has first identified the needed activities and supportive services.

HACA Policy

The PHA's FSS program, through its partners on the program coordinating committee, will provide the following activities and support services to FSS families:

| Support Service General | Support Service Specific | Source/Partner |
|--------------------------------|---|--|
| Assessment | *Vocational Assessment *Educational Assessment *Vocational Planning *Educational Planning *Disability Assessment *Disability Vocational *Assessment/Planning *Disability Educational *Assessment/Planning *Drug/Alcohol Assessment *Drug/Alcohol Planning | Adult Basic Education Career Center Community College Community Based Organizations Career Center Community College Vocational Rehabilitation Health Department Career Center Community-based Organizations |
| Education | High School English as a Second Language GED Post-secondary College | High School Adult Basic Education Community College University |

ATTACHMENT A - PAGE 118

| Support Service General | Support Service Specific | Source/Partner |
|---|--|---|
| Training | Day Care Medical Assisting CNA Solar Warehouse Trades Forklift Construction Skills Training Emerging Technologies Training Biomedical Training On-the-Job Training Functional Context Training | Adult Basic Education Community College University Community-based Organizations Workforce Investment |
| Job Search Assistance | Resume Preparation Interviewing Skills Dress for Success Workplace Skills | Adult Basic Education Community College University Community-based Organizations Workforce Investment |
| Transportation | Bus Train/Trolley | Metropolitan Transit |
| Health Care | Dental Care Medical Alcohol and Drug Prevention Alcohol and Drug Treatment | HMO Health Department Community Clinic General Hospital |
| Utilities | Payments | |
| Micro and Small Business Development | Training Planning Technical Assistance Mentoring | Operation Hope Microbusiness Assistance Program Small Business Administration Business Incubator |

ATTACHMENT A - PAGE 119

| Support Service General | Support Service Specific | Source/Partner |
|--|--|---|
| Homeownership | Training Planning Debt Resolution | Operation Hope Habitat for Humanity Public Housing Authority Housing Counseling Organization Community-based Organizations |
| Individual Development Accounts | Match Savings Accounts Distribution of IDA Funds | Public Housing Authority TANF Office of Community Services in DHHS Office of Refugee Resettlement Beginner Farmers and Ranchers Community-based Organizations |
| Child Care | Infant Care Toddler Care Preschool Care Afterschool Care Homework Assistance | Child Care Resource Parks and Recreation |
| Crisis Services | Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution | Crisis Team Senior Crisis Team Poison Center Domestic Violence Shelter |
| Child/Adult Protective Services | Needs Assessment Case Planning Information Referral Crisis Management | Senior Services Adult Services In-home Support Services Adult Abuse Hotline Child Abuse Hotline Foster Care Adoption Services |
| Legal Services | Representation Document Review Counsel or Advice | ACLU Legal Aid |
| Debt Resolution | Needs Assessment Case Planning Advocacy Negotiation | Workshops Consumer Credit Counselors |

4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(D)(12)]

The FSS action plan is required to contain a certification that the development of the activities and services under the FSS program has been coordinated with the JOBS program (now Welfare to Work under TANF), the programs under title I of the Workforce Innovation and Opportunity Act,, and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of the FSS program's activities and services must continue to be coordinated as such to avoid duplication of activities and services.

HACA Policy

The PHA certifies that its FSS program has developed its services and activities in coordination with programs under Title I of the Workforce Innovation and Opportunity Act, Workforce Investment Board and American Job Centers (also known as Workforce Centers or One Stop Career Centers), and any other relevant employment, childcare, transportation, training, and education programs in the applicable area. The implementation of these activities and services will continue to be coordinated in this manner to avoid duplication of activities and services.

Chapter 5

CONTRACT OF PARTICIPATION

INTRODUCTION

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303].

This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

PART I: OVERVIEW AND FAMILY OBLIGATIONS

5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation of the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals the FSS family will meet along the family's way to completing the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION

Individual Training and Services Plan

There will only ever be one FSS contract of participation (CoP) at any time for each FSS family. As part of the required contents of the FSS contract of participation (CoP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Regulations require the establishment of a final goal that includes both employment for the head of the FSS family and independence from welfare assistance for all family members regardless of age.

Interim Goals [24 CFR 984.303(b)(2)]

PHAs must work with each participant to establish realistic and individualized goals and may not include additional mandatory goals or mandatory modifications of the two mandatory goals.

Individual Training and Service Plans for Other than FSS Head [24 CFR 984.103]

An individual training and services plan is required for the head of the FSS family and all adults choosing to participate. ITSPs must be prepared for each adult family member participating. ITSPs are prepared by the PHA, in consultation with the participating family member [Notice PIH 93-24, G-16.

5-I.C. FAMILY OBLIGATIONS

Compliance with Lease Terms [24 CFR 984.303(b)(3)]

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the Section 8 or public housing lease.

Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)]. It is up to the PHA to determine the plan of action for FSS families found in noncompliance with the lease and how the PHA will precisely define the term *comply with the lease*. All considerations allowed for other assisted residents regarding violations of the lease, must also be allowed for FSS participants.

HACA Policy

The PHA's FSS program will not terminate the FSS contract of participation for failure to comply with the terms of the lease.

The PHA will define *comply with the lease* to mean the FSS family has not been evicted for repeated or serious violations of the lease as defined in the Section 8 Administrative Plan; or if they have been evicted for repeated and serious violations of the lease, the family has pursued their right to grieve, and the family has prevailed in either the grievance hearing or the informal hearing process.

Employment Obligation [24 CFR 984.303 (b)(4)]

Another obligation set forth by the contract of participation is for the head of the FSS family to *seek and maintain suitable employment* during the term of the contract and any extension.

Although other members of the FSS family may seek and maintain suitable employment during the term of the contract, it is only a requirement for the head of the FSS family.

The obligation for the head of the FSS family to *seek employment* is defined in the regulatory language as meaning that the head of the FSS family has searched for jobs, applied for employment, attended job interviews, and has otherwise followed through on employment opportunities. However, this definition still leaves room for policy decisions on the part of the PHA because it does not define the level of activity involved in "seeking."

There is no regulatory definition of *maintain suitable employment*. For this reason, it is up to the PHA to define the term. However, there can be no minimum period of time that the head of the FSS family must work.

With the agreement of the FSS family member, the PHA makes a determination of what it means to maintain suitable employment based on the skills, education, and job training of the head of the FSS family, receipt of other benefits of the family member, and the available job opportunities within the jurisdiction served by the PHA. This means that the PHA must consult with the family member and agreement must be reached as to what *maintain suitable employment* is for that family member [24 CFR 984.303 (b)(4), Notice PIH 93-24, G-3].

HACA Policy

For purposes of the PHA's FSS program, *seek employment* means the head of the FSS family has applied for employment, attended job interviews, and otherwise followed through on employment opportunities as outlined in the individual training and services plan of their contract of participation.

ATTACHMENT A - PAGE 124

Maintain suitable employment is employment, on the last day of the contract, which is outlined in the individual training and service plan and is based on the skills, education, job training, and receipt of other benefits of the head of the FSS family. The PHA will require verification of this employment or enrollment.

5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT

Consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the Section 8 or public housing lease), the PHA may:

- Withhold supportive services
- Terminate the family's participation in the FSS program

PHAs are not permitted to terminate a family's housing assistance due to the family's failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

HACA Policy

The contract of participation (CoP) will be terminated before the expiration of the contract term if the participant fails to meet, without "good cause," their obligations as outlined in the CoP. If the participant fails to meet its obligations outlined in the CoP, the FSS coordinator, or their designee, will first meet with the family to reassess the need for supportive services or a change in the individual training and services plan (ITSP).

If a reassessment of supportive services and a change in the ITSP is not successful in bringing the family into compliance, the FSS coordinator will reassess the need for, and availability of, supportive services for a second time and refer the participant to a knowledgeable professional for a formal assessment of the challenges leading to the noncompliance.

The FSS Coordinator will use this formal assessment to identify and refer to resources that remove the challenges, so the participant is able to meet their obligations outlined in the CoP.

Finally, if neither of these alternatives is successful, the FSS coordinator will terminate the CoP for failure to complete the tasks, interim goals, or final goals of the ITSP in a timely manner, and thus failure to complete the obligations outlined in the CoP.

The FSS coordinator will make an exception to the actions in terminating the CoP if the participant can, with the assistance of the FSS Coordinator, demonstrate "good cause" for the failure to meet its obligations as outlined in the CoP.

ATTACHMENT A - PAGE 125

For purposes of the PHA FSS program, *good cause* includes circumstances beyond the control of the FSS family:

Family circumstances

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of the FSS family through death, incarceration, or removal from lease

Change in the ITSP improving progress toward economic self-sufficiency

Community circumstances

Significant reduction in workforce (over 20 percent reduction in employment field)

Significant interruption in service delivery (over 3 month's interruption)

Provider noncompliance with regulation

Provider unable or unwilling to provide service

Provider offering inferior service

Active pursuit of a current or additional self-sufficiency goal

Resolution of a barrier to employment

Completion of a college degree or technical training

Completion of a work-related certification

Credit repair towards homeownership readiness

PART II: CONTRACT SPECIFICATIONS

5-II.A. OVERVIEW

In addition to making clear the family's obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

5-II.B. CONTRACT TERM [24 CFR 984.303(c)]

The contract term is five years. This means that the family has no more than five years from the effective date of the contract of participation (CoP) to fulfill their obligations as specified in the contract. This five year term requirement will be specified in the CoP.

Contract Extension [24 CFR 984.303(d)]

While the term set forth in the contract of participation is for five years, contract extensions are available. According to regulation, PHAs must for "good cause" extend the term of the contract for a period not to exceed two years for any FSS family that requests an extension of the contract in writing or verbally. The family's written or verbal (documented by the FSS Coordinator) request for an extension must include a description of the need for the extension. *Good cause* means circumstances beyond the control of the FSS family, as determined by the PHA, such as a serious illness or involuntary loss of employment (further defined by PHA policy in Section 5-I.D.). Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family's FSS account.

ATTACHMENT A - PAGE 127**5-II.C. MODIFICATION OF THE CONTRACT**

The PHA and the family may mutually agree to modify the CoP. This includes modifications in writing with respect to the individual training and services plans (ITSPs), the contract term (See Section 5-II.B. above), and designation of the head of the family [24 CFR 984.303(f)]. The conditions under which the PHA will modify the contract are set forth in the policy below.

HACA Policy

In HACA's FSS program, the COP will be modified by mutual agreement between HACA and the head of the FSS family for the following reasons:

- When modifications to the ITSP improve the participant's ability to complete their obligations in the COP or progress toward economic self-sufficiency. When requested, or required in an area requiring formal assessment, a knowledgeable professional (as defined in Chapter 1 "Definitions") will certify that the modification will improve the participant's ability to complete their obligations in the COP or progress toward economic self-sufficiency.
- When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with the public housing or HCV program representative, designate another family member to be the head of the FSS family and receive escrow funds
- When a relocating family is entering the FSS program of a receiving PHA and the start date of the COP must be changed to reflect the date the new COP is signed with the receiving PHA

No modifications will be made in the last 6 months of the COP except in an emergency that makes it impossible to achieve the training, education, or homeownership goals in the contract. These emergencies are limited to the following:

Family circumstances

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of the FSS family through death, incarceration, or removal from lease

Community circumstances

Significant reduction in workforce (over 20 percent reduction in employment field)

Significant interruption in service delivery (over 3 month's interruption)

Provider noncompliance with regulation

ATTACHMENT A - PAGE 128

Provider unable/unwilling to provide service

Provider offering inferior service

5-II.D. COMPLETION OF THE CONTRACT

By regulation, the contract of participation is considered to be completed when the head of the FSS family is employed, the FSS family has fulfilled all of its obligations under the contract of participation, including all family members' ITSPs, on or before the expiration of the contract term, including any extension thereof.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this action plan.

5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former completed FSS family. If the family still resides in Section 8 or public housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in Section 8 or public housing, these supportive services would be offered for becoming self-sufficient or remaining self-sufficient. Transitional services for families who no longer reside in Section 8 or public housing, may only be offered using sources that are not HUD funds or HUD restricted funds [24 CFR 984.303(j)].

HACA Policy

The PHA will continue to offer supportive services to a former FSS family who has completed its contract of participation.

5-II.F. TERMINATION OF THE CONTRACT**Termination of the Contract with Escrow Distribution [24 CFR 984.303(k)]**

The contract of participation will be terminated with escrow distribution before the expiration of the contract term, during any extension of the contract, or at end of the term of the contract if all obligations under such have not been met, when:

- Services that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable, as described in Section 5-II.H. of this Action Plan. This type of termination is also referred to as "nullification" in the FSS regulations at 24 CFR 984.
- The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family; or
- An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at 24 CFR 982.353) for good cause and continuation of the CoP after the move or completion of the CoP prior to the move is not possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

Termination of the Contract without Escrow Distribution [24 CFR 984.303(h)]

The contract of participation may be terminated before the expiration of the contract term and any extension of the contract by the following:

Mutual consent of the parties

Failure of the FSS family to meet its obligations under the contract of participation without good cause, including in a Section 8 FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA

The family's withdrawal from the FSS program

Such other act as is deemed inconsistent with the purpose of the FSS program

Operation of law

ATTACHMENT A - PAGE 131

HACA Policy

The CoP will be terminated before the expiration of the contract term, and any extension thereof, for any of the following reasons

Mutual consent of the parties.

Family's withdrawal from the FSS program.

Failure of the FSS family to meet its obligations under the contract of participation without good cause. *Good cause* for the purposes of the FSS program is also defined in Section 5-I.D. of this Action Plan.

Such other act as is deemed inconsistent with the purpose of the FSS program.

Operation of law.

If the FSS family faces termination due to failing to meet, without good cause, its obligations under the CoP, the PHA will follow the relevant policy specified in Section 5-I.D. of this action plan.

Note: If the family is unable to meet the requirements of the contract of participation because essential services are not available, the contract is *nullified*, not terminated.

In addition, the contract of participation is automatically terminated if the family's Section 8 assistance is terminated in accordance with HUD requirements [24 CFR 984.303(h)].

5-II.G. OPTION TO WITHHOLD SUPPORTIVE SERVICE [24 CFR 984.303(b)(5)(i)]

As touched upon in Section 5-I.D. of this action plan, the PHA has the option to withhold supportive services or the FSS family's participation in the FSS program if the PHA determines that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

PHAs are not permitted to terminate Section 8 assistance to a family due to the family's failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

5-II.H. PHA OBLIGATION TO MAKE GOOD FAITH EFFORT TO REPLACE UNAVAILABLE SUPPORT SERVICES [24 CFR 984.303(e)]

PHA s must make an extensive good faith effort to replace services that community agencies either cannot or will not provide. If all of the steps below are exhausted without the provision of an integral service, the contract of participation can be ended ahead of time as a result. This, however, should only occur as a last resort. The PHAs good faith effort must be demonstrated by taking the following steps:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.
- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services *are* determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall terminate the contract of participation and follow the requirements in Section 5-II.F. of this Action Plan.

Termination of the contract of participation based on unavailability of supportive services shall never be grounds for termination of Section 8 or public housing assistance.

5-II.I. GRIEVANCE PROCEDURES

When adverse action is taken by the PHA against a family, the PHA is required to provide a grievance hearing in the public housing program, or an informal hearing in the Section 8 program [24 CFR 966 subpart B, 24 CFR 982.554].

According to regulatory requirements, the FSS action plan must contain the grievance and hearing procedures available for FSS families against whom the PHA has taken adverse action with regards to FSS [24 CFR 984.201(d)(9)].

HACA Policy

The grievance and informal hearing procedures for the FSS program will be the same as the grievance and hearing procedures adopted in the HCV program Administrative Plan Chapter 16.

Adverse actions taken within the FSS program include:

- Denial of admission into the FSS program
- Denial of request for supportive services
- Denial of request to change the ITSP
- Denial of request to change the head of the FSS family
- Denial of request for interim disbursement of the escrow account
- Denial of request to complete the CoP
- Denial of a request for extension to the FSS CoP
- Denial of request for either interim or final distribution of escrow account
- Withholding of support services
- Termination of the FSS CoP
- Denial of request for termination with escrow
- Denial of transitional services

Chapter 6

ESCROW ACCOUNT

INTRODUCTION

The establishment of an escrow account is offered as a support and financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, and the part of the rent representing the increase is deposited into an account as an escrow credit. The funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation and may become available earlier at the housing authority's option.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit, disbursing the funds, and the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

PART I: THE ESCROW ACCOUNT

6-I.A. OVERVIEW

As an integral incentive to the FSS program, it is especially important to have clear-cut policy spelling out how the escrow account works. This includes policy regarding the calculation of the FSS credit amount, the disbursement of FSS account funds, the use of account funds for homeownership, and forfeiture of the FSS escrow account.

6-I.B. CALCULATING THE FSS CREDIT AMOUNT

Determination of Baseline Annual Earned Income and Baseline Monthly Rent

When determining the family's baseline annual earned income and the baseline monthly rent amounts for purposes of computing the FSS escrow credit, the PHA must use the amounts on the family's most recent income reexamination in effect.

For purposes of determining the FSS credit, baseline monthly rent for families paying an income-based rent is the family's Total Tenant Payment (TTP) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract.

For families in public housing who are paying either flat or ceiling rent, family rent is the amount of the flat rent (including the applicable utility allowance) or ceiling rent (including any hardship discounts) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract [24 CFR 984.103(b)].

Determination of the Escrow Credit

To calculate the FSS credit, the PHA must accurately determine the family's baseline earned income and baseline monthly rent and compare those figures with the family's current earned income and current monthly rent. The FSS credit is the lesser of 30 percent of one-twelfth or 2.5 percent of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or the increase in the family's monthly rent. The increase in the family's monthly rent is the lower of either the amount by which the family's current monthly rent exceeds the family's baseline monthly rent, or for Section 8 families, the difference between the baseline monthly rent and the current gross rent (*i.e.*, rent to owner plus any utility allowance) or the payment standard, whichever is lower [24 CFR 984.305(b)(2)].

Determination of Escrow Credit for Families Who Are Not Low Income

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

Increases in FSS Family Income [24 CFR 984.304]

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent are deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or an asset for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD.

Cessation of FSS Credit [24 CFR 984.305(b)(4)]

ATTACHMENT A - PAGE 136

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, when the contract of participation is terminated, when the family is not low-income, or during the time a Section 8 family is in the process of moving to a new unit.

6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS**Disbursement before Completion of Contract**

The PHA may at its sole option disburse FSS account funds before completion of the contract if the family needs a portion of the funds for purposes consistent with the contract of participation and the PHA determines that the FSS family has fulfilled certain interim goals established in the contract of participation. These interim disbursements could include using the funds to assist the family in meeting expenses related to completion of higher education (e.g., college, graduate school) or job training, or to meet start-up expenses involved in creation of a small business [24 984.305(c)(2)(ii)].

HACA Policy

HACA will not disburse any portion of the FSS escrow account funds before completion of the COP.

Disbursement at Completion of Contract [24 CFR 984.305(c)(1) and 24 984.305(c)(2)(i)]

When the contract has been completed, at or before the expiration date, according to regulation, the amount in the FSS account in excess of any amount the FSS family owes to the PHA will be paid to the head of the FSS family. To receive the disbursement, the head of the FSS family must submit a certification (as defined in 24 CFR 984.103) to the PHA at the time of contract completion that, to the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

ATTACHMENT A - PAGE 137**Disbursement at Contract Termination [24 CFR 984.305(c)(3)]**

The PHA must disburse to the family its FSS escrow account funds in excess of any amount owed to the PHA when the contract has been terminated in certain circumstances. These circumstances include services are not available to the family that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency, when the head of the FSS family becomes permanently disabled and unable to work during the period of the contract (unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family), or when an FSS family moves outside the jurisdiction of the PHA and continuation of the CoP after the move is not possible according to the regulations. In circumstances where a family is not able to continue in FSS after the move, it is also possible for the PHA and the family to determine if the contract can be modified to make completion and receipt of the escrow monies, possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

Verification of Family Certification at Disbursement

The PHA must verify that the family has met the requirements of either interim, final, or termination of contract with escrow. Interim disbursement may only occur after the family has completed certain interim goals and funds are needed to complete other interim goals. Final disbursement can only occur after the family has completed the contract of participation and all members are welfare-free as defined by regulation. Disbursement at contract termination only occurs if the family circumstances involve an integral missing service, the disability of the head of the FSS family, or an FSS family porting out of the jurisdiction of the PHA and HUD regulations do not allow continuation of the FSS contract. In each of these circumstances, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

At interim disbursement and before final disbursement of the FSS account funds to the family, the PHA must verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(4)].

HUD provides verification guidance in Notice PIH 2018-18. This guidance is mandatory for the Section 8 and public housing programs. The PHA's Administrative Plan or ACOP must contain verification policies following the hierarchy in this notice. The policies contained in the PHA's ACOP and Administrative Plan cover verification policies related to the FSS program in general. However, determining the need for interim disbursements may require more clarification as to what constitutes an acceptable third-party source.

HACA Policy

HACA does not provide disbursements (interim disbursements) from the escrow account prior to completion of the contract of participation.

Succession to FSS Account [24 CFR 984.305(d)]

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in Section 8 or public housing,

ATTACHMENT A - PAGE 138

the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP

According to regulation, a Section 8 or public housing FSS family may use their final distribution of FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other federal, state, or local homeownership programs, unless the use is prohibited by the statute or regulations governing the particular homeownership program [24 CFR 984.305(e)].

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

6-I.E. USE OF FORFEITURE OF FSS ACCOUNT FUNDS

Amounts in the FSS account will be forfeited when the contract of participation is terminated without escrow disbursement, or when the contract of participation is completed by the family (see Section 5-II.D. of this action plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].

Use of forfeited escrow accounts is described in detail in Section 3-I.F. of this FSS Action Plan.

Treatment of Forfeited FSS Account Funds

FSS escrow account funds forfeited by the FSS family must be used by the PHA for the benefit of the FSS participants. These funds may only be used for support for FSS participants in good standing. These supports include transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the CoP; or training for FSS Program Coordinator(s). Forfeited FSS escrow accounts may not be used for salary and fringe benefits of FSS Program Coordinators, general administrative costs of the FSS program, for housing assistance payments (HAP) expenses or public housing operating funds.

PART II: ESCROW FUND ACCOUNTING AND REPORTING

6-II.A. OVERVIEW

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes those requirements and the PHA policy necessary for managing the account from the PHA perspective.

6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS

When establishing FSS escrow accounts, the PHA must deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account for each (Section 8 or public housing) program. These funds are determined at each reexamination after the effective date of the contract and must be deposited each month to each family's subsidiary line item in the PHA's escrow account. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

Crediting the Escrow Account [24 CFR 984.305(a)(2)(i)]

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA must credit the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account every month.

Proration of Investment Income [24 CFR 984.305(a)(2)(ii)]

Because the FSS account funds are to be invested, the investment income for those funds in the FSS account will also need to be credited to each family's account subsidiary line item. By regulation, these funds are to be prorated and credited to each family's FSS account based on the balance in each family's FSS account at the end of the period for which the investment income is credited.

HACA Policy

Each month the full amount of the investment income for funds in the HCV FSS account will be prorated and credited to each family's subsidiary line item.

Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]

At the time of final disbursement of FSS escrow funds, if the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the Section 8 lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA in the HCV program).

If the FSS family has underreported income after the baseline annual income is set, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

If the FSS family is found to have under-reported income in the reexamination used to set the baseline, the escrow for the entire period of the CoP will be recalculated using the correct income to set the baseline and then calculate subsequent escrow amounts.

ATTACHMENT A - PAGE 140**6-II.C. REPORTING ON THE FSS ACCOUNT**

Each PHA must make a report, at least once annually, to each FSS family on the status of the family's FSS account.

At a minimum, the report must include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period
- Any deductions made from the account for amounts due the PHA before interest is distributed
- The amount of interest earned on the account during the year
- The total in the account at the end of the reporting period

HACA Policy

The PHA will provide FSS participants an annual statement on the status of their FSS escrow account.

Chapter 7

PORTABILITY IN SECTION 8 FSS PROGRAMS

INTRODUCTION

PHAs operating Section 8 FSS programs must be familiar with the rules and regulations regarding portability under the Section 8 program. As with the case of portability in the Section 8 program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

In the event that an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of Section 8 program assistance.

PART I: PORTABILITY IN THE FSS PROGRAM

7-I.A. OVERVIEW

Portability is a statutory feature of the Section 8 FSS program—it is included in the law. As such, PHAs operating an Section 8 FSS program need to understand the effects that portability will have on Section 8 FSS families and program operation. This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

7-I.B. DEFINITIONS

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means both:
 1. A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
 2. A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

7-I.C. RESIDENCY REQUIREMENTS

Families participating in a Section 8 FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the initial PHA may approve a family's request to move outside its jurisdiction under portability during this period if the move is in accordance with the regulations at 24 CFR 982.353 [24 CFR 984.306(a)(1)].

HACA Policy

The PHA will approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the contract of participation if the move is in accordance with the regulations for such moves at 24 CFR 982.353.

After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(a)(2)].

7-I.D. PORTABILITY REQUIREMENTS FOR FSS PARTICIPANTS

Termination of FSS contract and Forfeiture of Escrow Account [984.306(e)]

If an FSS family relocates to another jurisdiction and is unable to fulfill its obligations under the contract, including any modifications, the PHA, which is a party to the contract, **must terminate the FSS family from the FSS program**. The family's FSS escrow account will be forfeited.

Termination of FSS program participation and forfeiture of FSS escrow must be used only as a last resort after the PHA determines, in consultation with the family, that the family would be unable to fulfill its obligations under the contract after the move, that locating another receiving housing authority with a FSS program is not possible, that the current contract cannot be modified to allow for completion prior to porting, and that the current contract cannot be terminated with FSS escrow disbursement. When termination is the only option, the PHA must clearly notify the family that the move will result in the loss of escrow funds. The PHA must follow its policy for clearly notifying the FSS family of the forfeiture.

Receiving PHA Manages an FSS Program [24 CFR 984.306(b)]

Whether the receiving PHA bills the initial PHA or absorbs the FSS family into its Section 8 program, the receiving PHA must enroll an FSS family in good standing in its FSS program. However, if the receiving PHA is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract or the receiving PHA, the initial PHA may agree to the FSS family's continued participation in the initial PHA's FSS program. Prior to the PHAs agreeing to the continued participation, the initial PHA must determine that the relocating FSS family has demonstrated that, notwithstanding the move, it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

HACA Policy

The PHA, as the initial housing authority, will not agree to the participant's continued participation in their FSS program.

Where continued FSS participation is not possible, the initial PHA **must** clearly discuss the options that may be available to the family. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

HACA Policy

The PHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract to complete prior to the move, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow. If the family does not meet the above, HACA will request a waiver of 24 CFR 984.305(f) for good cause so that the escrow funds in the family's escrow account at the time of the move can be disbursed to the family regardless of completion

ATTACHMENT A - PAGE 144

of the FSS contract of participation. Such requests will be processed under normal waiver procedures as specified in PIH Notice 2013-20. Good cause for a move includes moving to achieve self-sufficiency goals as established under the FSS contract of participation and the criteria for good cause found in 5-I.D.

Receiving PHA Does Not Administer an FSS Program [24 CFR 984.306(c)]

If the receiving PHA does not administer an FSS program and the receiving housing authority is absorbing the voucher, the FSS family may not continue participation in the FSS program. The initial PHA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving PHA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

HACA Policy

The PHA will, as stated above, clearly discuss the options that may be available to the family where continued FSS participation is not possible. Depending on the family's contract specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

If the receiving PHA does not administer an FSS program and the receiving housing authority is administering the voucher, the FSS family may continue participation in the FSS program of the initial housing authority. The initial PHA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving PHA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

HACA Policy

The PHA, as the initial housing authority, will not agree to the participant's continued participation in their FSS program.

The PHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract to complete prior to the move, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

If the family does not meet the above, HACA will request a waiver of 24 CFR 984.305(f) for good cause so that the escrow funds in the family's escrow account at the time of the move can be disbursed to the family regardless of completion of the FSS contract of participation. Such requests will be processed under normal waiver procedures as specified in PIH Notice 2013-20.

Good cause for a move includes moving to achieve self-sufficiency goals as established under the FSS contract of participation and the criteria for good cause found in 5-I.D.

Single Contract of Participation

If the FSS family enrolls in the receiving PHA's FSS program, the receiving PHA will enter a new contract with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will end its contract with the family.

If the FSS family remains in the FSS program of the initial PHA, pursuant to this section, the contract executed by the initial PHA will remain as the contract in place.

7-I.E. NEW FSS ENROLLMENT INTO RECEIVING PHA'S FSS PROGRAM

Administering and Billing of the Voucher

If a non-FSS family ports and the receiving PHA bills the initial PHA that manages an FSS program, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program, if and only if, the initial PHA manages an FSS program and agrees to such enrollment.

HACA Policy

HACA will enroll a non-FSS family who is porting when the initial housing authority manages an FSS program and agrees to such an enrollment so long as there is an open slot available. If no open slot is available, the family will be added to HACA's FSS wait list.

If the receiving PHA bills the initial PHA, but the initial PHA does not manage an FSS program, the family may not enroll in the receiving PHA's FSS

Absorption of the Voucher

If the receiving PHA absorbs the family into its Section 8 program, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program.

Exhibit 7.A. Portability Impact of FSS Family

The impacts of HUD portability regulations and HACA portability policies are illustrated on the following pages in two sets of charts. The first set of charts depicts HUDs regulations and are adapted from PIH Notice 2016-8 *Inventory Management System/PIH Information Center (IMS/PIC) Family Self-Sufficiency (FSS) Reporting and FSS Program Portability Provisions*. The second set of charts were developed by HACA to clearly show the impact on the FSS family of HACAs local portability policies as allowed by the FSS regulations at 24 CFR 984.

ATTACHMENT A - PAGE 147

HUD Portability FSS Impact on FSS Family

| Family FSS Status | | PHA FSS Status | Port Scenario | FSS Impact | PHA or HUD Decides |
|--------------------------|------------------|--|----------------------|---|---|
| 1. | FSS family ports | Receiving PHA has FSS program Initial PHA has FSS program | Billed | Family may continue participation in initial PHA's FSS program or Family may enroll in receiving PHA's FSS program | Determined by the initial PHA Determined by the receiving PHA |
| 2. | FSS family ports | Receiving PHA has FSS program Initial PHA has FSS program | Absorbed | Family may enroll in receiving PHA's FSS program or Family may continue participation at initial PHA's FSS program. | Determined by the receiving PHA Determined by the receiving PHA *Agreement from the receiving PHA is needed because they would be responsible for most of the FSS tasks under this scenario. |
| 3. | FSS family ports | Receiving PHA does not have FSS program Initial PHA administers FSS program | Billed | Family may continue participation in initial PHA's FSS program | First, determined by the initial PHA. Then, receiving PHA must agree *The receiving PHA would be responsible for submitting the FSS information for the family into IMS/PIC. Receiving PHA's determination must be based on an undue financial or administrative hardship such as the cost of adding an FSS module to their existing systems. If continued participation is agreed to by the PHAs, the initial PHA must provide the receiving PHA with timely and complete FSS addendum information and the receiving PHA is responsible for timely and accurate submission of the FSS information into IMS/PIC. |
| 4. | FSS family ports | Receiving PHA does not have FSS program Initial PHA administers FSS program | Absorbed | Family may not continue participation in initial PHA's FSS program | HUD The receiving PHA would be responsible for managing escrow and the receiving PHA does not administer an FSS program. |

ATTACHMENT A - PAGE 148

HUD Portability FSS Impact on Non-FSS Family

| Family FSS Status | | PHA FSS Status | Port Scenario | FSS Impact | PHA or HUD Decides |
|--------------------------|--------------------------------|--|----------------------|--|---|
| 1. | Non-FSS family ports | Initial PHA has FSS program Receiving PHA has FSS program | Billed | Family may enroll in receiving PHA's FSS program | Initial PHA * Initial PHA agreement is needed because they would be responsible for managing the FSS escrow account |
| 2. | Non-FSS family ports | Initial PHA has FSS program Receiving PHA has FSS program | Absorbed | Family may enroll in receiving PHA's FSS program | Receiving PHA |
| 3. | Non-FSS family ports | Initial PHA does not have FSS program Receiving PHA has FSS program | Billed | Family may not enroll in receiving PHA's FSS program | HUD *The initial PHA would be responsible for managing the FSS escrow account and the initial PHA does not administer an FSS program |
| 4. | Non-FSS family ports | Initial PHA does not have FSS program Receiving PHA has FSS program | Absorbed | Family may enroll in receiving PHA's FSS program | Receiving PHA |

ATTACHMENT A - PAGE 149

HACA Portability FSS Impact on FSS Family

| Scenario | Requirements | |
|---------------------------------|--|--|
| HACA is Initial PHA | Billing | Absorbing |
| Receiving PHA has FSS | ~ Family cannot continue in HACA's FSS program ~ Family may enroll in Receiving PHA FSS program if approved by Receiving PHA ~ If the family is unable to enroll in the Receiving PHA's FSS program, HACA will discuss options with the family | ~ Family cannot continue in HACA's FSS program ~ Family may enroll in Receiving PHA FSS program if approved by Receiving PHA ~ If the family is unable to enroll in the Receiving PHA's FSS program, HACA will discuss options with the family |
| | See 7-I.D. Receiving PHA Manages an FSS Program | |
| Receiving PHA does not have FSS | ~ Family cannot continue in HACA's FSS program ~ HACA will discuss options with family | ~ Family cannot continue in HACA's FSS program ~ HACA will discuss options with family |
| | See 7-I.D. Receiving PHA Does Not Administer an FSS Program | |
| Scenario | Requirements | |
| HACA is Receiving PHA | Billing | Absorbing |
| Initial PHA has FSS | ~ Family may enroll in HACA's FSS program if there is an open slot. If there is no slot, family will be added to HACA's FSS wait list. ~ Family may continue participation in Initial PHA's FSS program as determined by the Initial PHA. | ~ Family may enroll in HACA's FSS program if there is an open slot. If there is no slot, family will be added to HACA's FSS wait list. |
| | See 7-I.D. Receiving PHA Manages an FSS Program | |

ATTACHMENT A - PAGE 150

HACA Portability FSS Impact on Non-FSS family

| Scenario | Requirements | |
|-------------------------------|---|--|
| HACA as Initial PHA | Billing | Absorbing |
| Receiving PHA has FSS | ~ Family cannot enroll in HACA's or the Receiving PHA's FSS program ~ If family is on HACA's FSS waitlist, the family will be removed | ~ If family is on HACA's FSS waitlist, the family will be removed ~ Family may enroll in the Receiving PHA's FSS program as determined by the Receiving PHA |
| | See 7-I.D. Receiving PHA Manages an FSS Program & 7-I.E. New FSS Enrollment into Receiving PHA's FSS Program | |
| Scenario | Requirements | |
| HACA is Receiving PHA | Billing | Absorbing |
| Initial PHA has FSS | ~ Family may enroll in HACA's FSS program if there is an open slot and the Initial PHA agrees. If there is no slot, family will be added to HACA's FSS wait list. | ~ Family may enroll in HACA's FSS program if there is an open slot. If there is no slot, family will be added to HACA's FSS wait list. |
| | See 7-I.D. Receiving PHA Manages an FSS Program & 7-I.E. New FSS Enrollment into Receiving PHA's FSS Program | |
| Initial PHA does not have FSS | ~ Family cannot join HACA's FSS program | ~ Family may enroll in HACA's FSS program if there is an open slot. If there is no slot, family will be added to HACA's FSS wait list. |
| | See 7-I.D. Receiving PHA Manages an FSS Program & 7-I.E. New FSS Enrollment into Receiving PHA's FSS Program | |

PART II: REPORTING

7-II.A. OVERVIEW

Each PHA that carries out an FSS program shall submit to HUD, in the form prescribed by HUD, a report regarding its FSS program.

7-II.B. CONTENTS OF THE FSS REPORT [24 CFR 984.401]

The report submitted to HUD must include a description of the activities carried out in the FSS program; a description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency, including the number of families enrolled and graduated and the number of established escrow accounts and positive escrow balances; a description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and any recommendations by the PHA or the appropriate local Program Coordinating Committee for legislative or administrative action that would improve the FSS program and ensure the effectiveness of the program.

7-II.C. FAMILY SELF-SUFFICIENCY GRANT PROGRAM REVIEW PHA SELF-ASSESSMENT

HUD provides a detailed checklist for PHAs to conduct their own self-assessment of their FSS program. The form is administered by the local field office and allows each PHA to gather concrete and comprehensive data covering aspects of the program from FSS Action Plans and Composite Scores through FSS program size, participants, and graduations to reductions in FSS grants and current Memoranda of Agreement with community partners. The detailed example of the FSS Self-Assessment is available at HUD's FSS Resource page, which can be located by searching "HUD FSS" on any browser.

Attachment B.3

Progress Report

Below states the progress HACA has made in meeting its goals and objectives described in the 5-Year Plan cover FY 2020-2024.

Goal 1. Maintain, improve, and implement HACA policy that supports affordable housing and fair housing.

- a) Ongoing compliance with fair housing laws and policies. HACA continues to make fair housing materials available to program participants through website postings. HACA also continues to provide yearly fair housing training for its staff.
- b) HACA continues its progress to meet its regional fair housing goals under Alameda County's Regional Analysis of Impediments to Fair Housing Choice (AI). These goals coincide with HACA's 5-Year Plan goals and objectives.

Goal 2. Expand the supply of assisted housing.

- a) HACA continues to explore opportunities that expand the supply of assisted housing to low-income families through the commitment and issuance of project-based vouchers and by applying for additional HUD program funding.

In FY 2021-2022, HACA was awarded 252 Emergency Housing Voucher program vouchers for homeless, at risk of experiencing homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or recently homeless or having high risk of housing instability.

In FY 2022-2023 HACA was awarded 36 "fair share" vouchers under the Consolidated Appropriations Act 2022 (P.L. 117-103) and 20 VASH vouchers for homeless veterans.

In FY 2022-2023 HACA awarded a total of 147 project-based vouchers (PBV) as follows: 5 PBVs serving homeless families in Albany, 48 PBVs serving the elderly in Hayward, 14 PBVs serving homeless families in unincorporated Cherryland, 60 PBVs serving homeless families in Newark, and 20 PBVs serving the elderly in Newark.

Goal 3. Increase operational efficiency and effectiveness.

- a) HACA continues to evaluate and update its policies and procedures to ensure compliance, consistency, and efficiency in operations.

ATTACHMENT A - PAGE 153

- b) HACA continues to utilize HUD's Two-Year Tool regularly to ensure effective utilization of its vouchers and program funds.
- c) HACA continues to evaluate and adjust operations to improve the delivery of services to our constituents and to prepare for future growth.

Goal 4. Preserve and rehabilitate HACA's/PACH's existing affordable housing stock.

- a) HACA continues to assess preservation and rehabilitation needs of its existing affordable housing stock and rehabilitates its units as they become vacant and as funding allows.

Goal 5. Validate the cost-effectiveness of the HACA Family Self-Sufficiency (FSS) Program.

- a) As of FY 2020-2021, HACA has completed its participation in HUD's national assessment undertaken by MDRC, HUD's contracted consultant. MDRC continues to work with the participant families directly.

Goal 6. Assist as many qualified families as possible.

- a) HACA continues to voluntarily administer its FSS program and its Home Ownership Program.
- b) HACA currently maintains at least 98% utilization of its HCV funding.

Goal 7. Enhance business continuity capabilities in order to ensure that HACA's operations and core business functions are not severely impacted in the event of an emergency or disaster.

- a) HACA continues to evaluate and adjust operations with continuity and succession planning in mind.
- b) HACA continues to update and maintain its cloud/remote infrastructure and will seek opportunities to improve its systems.

ATTACHMENT B



Housing Authority of the County of Alameda

Procurement Policy

Procurement Policy

Table of Contents

| Section | Description | Page |
|---------|--|------|
| 1.0 | Introduction | 4 |
| 1.1 | General | 4 |
| 1.2 | References to Federal Procurement Caps & Thresholds | 4 |
| 1.3 | Approval Thresholds | 4 |
| 2.0 | General Provisions | 5 |
| 2.1 | General | 5 |
| 2.2 | Application | 5 |
| 2.3 | Exclusions | 5 |
| 2.4 | State and Local Requirements | 6 |
| 2.5 | Definition of Procurement | 6 |
| 2.6 | Changes in Laws and Regulations | 6 |
| 2.7 | Public Access to Procurement Information | 6 |
| 3.0 | Ethics in Public Contracting | 6 |
| 3.1 | General | 6 |
| 3.2 | Conflict of Interest | 6 |
| 3.3 | Gratuities, Kickbacks, and Use of Confidential Information | 7 |
| 3.4 | Prohibition Against Contingent Fees | 7 |
| 4.0 | Procurement Planning | 7 |
| 4.1 | General | 7 |
| 5.0 | Procurement Methods | 7 |
| 5.1 | Micro Purchase Procedures | 7 |
| 5.2 | Small Purchase Procedures | 8 |
| 5.3 | Sealed Bids | 8 |
| 5.4 | Competitive Proposals | 9 |
| 5.5 | Noncompetitive Proposals | 11 |
| 5.6 | Cooperative Purchasing/Intergovernmental Agreements | 12 |
| 6.0 | [THIS SECTION INTENTIONALLY LEFT BLANK] | |
| 7.0 | Cost and Price Analysis (CPA) | 12 |
| 7.1 | General | 12 |
| 8.0 | Solicitation and Advertising | 13 |
| 8.1 | Method of Solicitation | 13 |
| 8.2 | Time Frame | 14 |
| 8.3 | Form | 14 |
| 8.4 | Time Period for submission of Bids | 14 |
| 8.5 | Cancellation of Solicitations | 14 |
| 8.6 | Credit (or Purchasing) Cards | 15 |

Procurement Policy

Table of Contents (cont'd)

| Section | Description | Page |
|---------|--------------------------------------|------|
| 9.0 | Bonding Requirements | 15 |
| 9.1 | General | 15 |
| 10.0 | Contractor Qualifications and Duties | 16 |
| 10.1 | Contractor Responsibility | 16 |
| 10.2 | Suspension and Debarment | 17 |
| 10.3 | Vendor Lists | 17 |
| 11.0 | Contract Pricing Arrangements | 17 |
| 11.1 | Contract Types | 17 |
| 11.2 | Options | 17 |
| 12.0 | Contract Clauses | 18 |
| 12.1 | Contract Pricing Arrangements | 18 |
| 12.2 | Required Forms | 18 |
| 13.0 | Contract Administration | 19 |
| 13.1 | General | 19 |
| 14.0 | Specifications | 19 |
| 14.1 | General | 19 |
| 14.2 | Limitation | 19 |
| 15.0 | Appeals and Remedies | 19 |
| 15.1 | General | 19 |
| 15.2 | Informal Appeals Procedure | 20 |
| 15.3 | Formal Appeals Procedure | 20 |
| 16.0 | Delegation of Contracting Authority | 20 |
| 16.1 | Delegation | 20 |
| 16.2 | Procedures | 20 |
| 17.0 | Documentation | 20 |
| 17.1 | Required Records | 20 |
| 17.2 | Level of Documentation | 21 |
| 17.3 | Record Retention | 21 |
| 18.0 | Disposition of Surplus Property | 21 |
| 18.1 | General | 21 |
| 19.0 | Funding Availability | 22 |
| 19.1 | General | 23 |
| 20.0 | Self-Certification | 23 |
| 20.1 | General. | 23 |

Procurement Policy

1.0 INTRODUCTION

1.1 General. Established for the Housing Authority of the County of Alameda (Agency) by Action of the Agency Board of Commissioners (Commission) on October 8, 2008, and revised on March 08, 2023 this Procurement Policy (Policy) complies with the Annual Contributions Contract (ACC) between the Agency and the United States Department of Housing and Urban Development (HUD), Federal Regulations at 2 CFR §200.317 through §200.326, herein referred to as **Federal Procurement Standards**, the procurement standards of the Procurement Handbook for Public Housing Authorities (PHAs), HUD Handbook 7460.8, REV 2, to the extent not superseded by subsequent laws and regulations, and applicable State and Local laws.

1.2 References to Federal Procurement Caps and Thresholds. This Policy refers to federal thresholds for procurement types at amounts current at issuance of this policy, which amounts are derived from federal standards at 48 CFR, Subpart 2.1 and HUD's implementation. If the department of labor increases such thresholds and HUD implements such increase, references herein shall increase automatically **even if** Agency has not yet reissued this Procurement Policy with conforming amendments.

1.2.1 Micro-Purchase Cap, which is established by the Agency to cover procurements up to and including \$10,000.00 (except for contracts triggering Davis Bacon requirements which have a cap of \$2,000)

1.2.2 Small Purchase Cap/Simplified Acquisition Cap, which are procurements above the Micro-Purchase cap and up to the Simplified Acquisition Threshold, set at \$250,000 when this Policy was adopted threshold.

1.2.3 Standard Purchase, any procurement whose value is expected to exceed the federal Simplified Acquisition Threshold, currently set at \$250,000.

1.3 Approval Thresholds.

1.3.1 Micro-purchase Approvals. The Contracting Officer may approve contracts and orders for supplies, services and equipment up to the Micro-purchase Cap without additional approvals.

1.3.2 Mini-Purchase Approvals. Contracts and orders for supplies, services and equipment in excess of the Micro-Purchase Cap but not exceeding \$25,000 shall also require signature by the Finance Director or the Executive Director. If the signatories are not available the Accountant may substitute for the Finance Director and the Deputy Executive Director may substitute for the Executive Director.

1.3.3 Small Purchase Approvals. Individual contracts in excess of [mini-purchase cap] and less than the Simplified Acquisition Threshold shall be brought to the Agency, at the next available monthly meeting, as an information item.

- 1.3.4 Approvals above the Simplified Acquisition** Thresholds shall be brought to the Commission for approval at the next available meeting.
- 1.3.5** It is the responsibility of the Agency Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein prior to contract execution.

2.0 GENERAL PROVISIONS

2.1 General. The Agency shall:

- 2.1.1** Provide for a procurement system of quality and integrity;
- 2.1.2** Provide for the fair and equitable treatment of all persons or firms involved in purchasing by the Agency;
- 2.1.3** Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable and valuable prices available to the Agency;
- 2.1.4** Promote competition in contracting; and
- 2.1.5** Assure that the Agency purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State, and local laws.

2.2 Application. This Policy applies to all procurement actions of the Agency, regardless of the source of funds, except as noted under “exclusions” below. However, nothing in this Policy shall prevent the Agency from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

2.3 Exclusions: The following shall not be governed by this Policy unless otherwise indicated:

- 2.3.2** Real estate purchase and sale transactions
- 2.3.3** Loan transactions and documents
- 2.3.4** Acquisition of goods or services for administering any non-federally funded program
- 2.3.5** Sub-recipient or sub-grantee agreements and related change orders.
- 2.3.6** Employment contracts
- 2.3.7** Limited partnership agreements.
- 2.3.8** Agency selection of owners for Project Based Voucher contracts, which is governed by 24 CFR 983 and the Agency’s Section 8 Administrative Plan

2.3.9 Administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of Housing Assistance Payments contracts selected by voucher holders, and income that is not program income.

2.3.10 Other activities not governed by the Federal Procurement Standards

2.3.11 Solicitation of financing sources. These excluded areas are still subject to applicable State and local requirements.

2.4 State and local requirements. Notwithstanding anything in this Article 1.0 of this Policy to the contrary, state and local laws and regulations govern acquisition of services by the Agency. Such laws include

2.4.2 Cal. Labor Code sections 1720-1861 (Public Works)

2.4.3 Cal. Public Contract Code

2.4.4 Cal. Government Code

2.4.5 Title 2 of the California Code of Regulations at sections 18110 – 18997 (Conflicts of Interest)

2.4.6 Title 8 of the California Code of Regulations at sections 16000-16403 (Payment of Prevailing Wages upon Public Works)

2.5 Definition of Procurement. The term “procurement,” as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

2.6 Changes in Laws and Regulations. In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with this Policy, automatically supersede this Policy.

2.7 Public Access to Procurement Information. Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the California Public Records Act Code Section 6250 et seq. and, if directed by HUD because of information transmitted to HUD, the federal Freedom of Information Act.

3.0 ETHICS IN PUBLIC CONTRACTING

3.1 General. The Agency hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct is consistent with applicable Federal, State, or local law.

3.2 Conflicts of Interest. No employee, officer, Commission member, or agent of the Agency shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

- 3.2.1 An employee, officer, Commission member, or agent involved in making the award;
- 3.2.2 His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, grandparent, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister);
- 3.2.3 His/her partner; or
- 3.2.4 An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

3.3 Gratuities, Kickbacks, and Use of Confidential Information. No officer, employee, Commission member, or agent of the Agency shall ask for or accept any gratuities, favors, or items of more than nominal value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

3.4 Prohibition Against Contingent Fees. Contractors wanting to do business with the Agency must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

4.0 PROCUREMENT PLANNING

4.1 General. Planning is essential to managing the procurement function properly. Hence, the Agency will periodically review its record of prior purchases, as well as future needs, to:

- 4.1.1 Find patterns of procurement actions that could be performed more efficiently or economically;
- 4.1.2 Maximize competition and competitive pricing among contracts and decrease the Agency's procurement costs;
- 4.1.3 Reduce Agency administrative costs;
- 4.1.4 Ensure that supplies and services are obtained without any need for re-procurement (i.e. g., resolving bid protests); and
- 4.1.5 Minimize errors that occur when there is inadequate lead time.

Consideration shall be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

5.0 PROCUREMENT METHODS

5.1 Micro Purchase Procedures. The Agency may award Micro Purchases without soliciting competitive quotations if the Contracting Officer considers the price to be reasonable (e.g., based on recent research, experience, or purchases). To the extent practicable, the Agency will distribute Micro Purchases equitably among qualified vendors. For Micro-Purchases, only one

quotation need be solicited if the price is considered reasonable. The quotation can be verbal but a faxed, written, web-based, emailed, or electronic vendor quotation is preferred. The quote must be attached to the purchase order. However, Contracts over triggering the Davis Bacon wage rate requirements (currently set at \$2,000) must follow the small purchase procedures at Section 5.2.

5.2 Small Purchase Procedures. For contracts of any amounts over the Micro-Purchase cap but not exceeding the Simplified Acquisition Threshold cap, the Agency may use Small Purchase Procedures. Under Small Purchase Procedures, the Agency shall obtain a reasonable number of quotes (preferably three) with opportunities distributed among qualified sources.

5.2.1 Quotations for Small Purchases (QSP), or quotes, may be obtained orally (either in person or by phone), by fax, email, in writing, or through e-procurement. Award shall be made to the responsive and responsible vendor that submits the lowest cost to the Agency. If award is to be made for reasons other than lowest price, documentation shall be provided in the contract file.

5.2.2 The Agency shall not break down requirements aggregating more than the Small Purchase cap (or the Micro Purchase cap) into multiple purchases that are less than the applicable cap merely to: (1) permit use of the Small Purchase Procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase cap.

5.3 Sealed Bids. Sealed bidding, also known as Invitation for Bids (IFB), shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals or non-competitive proposals, as these terms are defined in this Policy. Under sealed bids, the Agency publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsive and responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed the Simplified Acquisition Threshold.

5.3.1 Conditions for Using Sealed Bids. The Agency shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification, or purchase description is available; three or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.

5.3.2 Solicitation and Receipt of Bids. An IFB is issued that includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place both for receiving the bids and the public bid opening. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

5.3.3 Bid Opening and Award. Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, which shall then be made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis.

5.3.4 Mistakes in Bids. Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall not be permitted.

5.4 Competitive Proposals. Unlike sealed bidding, the competitive proposal method, also known as Request for Proposals (RFP), permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.

5.4.1 Conditions for Use. Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold. As detailed within Section 7.2.B of HUD Procurement Handbook 7460.8 REV 2, "Only under limited circumstances would construction services be procured by competitive proposals;" accordingly, construction services will most typically be procured utilizing the sealed bid (IFB) or small purchase procedures (QSP).

5.4.2 Form of Solicitation. Other than A/E services, developer-related services and energy performance contracting, competitive proposals shall be solicited through the issuance of an RFP. The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The Agency may assign price a

specific weight in the evaluation factors or the Agency may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.

5.4.3 Evaluation. The proposals shall be evaluated only on the factors stated in the RFP. Where not apparent from the evaluation factors, the Agency shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.

5.4.4 Negotiations. Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations.

Negotiations are exchanges (in either a competitive or sole source environment) between the Agency and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining.

Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions.

Discussions are tailored to each offeror's proposal, and shall be conducted by the Contracting Officer with each offeror within the competitive range. The primary object of discussions is to maximize the Agency's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The Contracting Officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as technical approach, past performance, and terms and conditions) that could, in the opinion of the Contracting Officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the Contracting Officer's judgment.

The Contracting Officer may inform an offeror that its price is considered by the Agency to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price

that the Agency's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower its price) is prohibited.

5.4.4 Award. After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the Agency provided that the price is within the maximum total project budgeted amount established for the specific property or activity.

5.4.6 A/E Services. The Agency may elect to contract for A/E services using Qualifications-based Selection (QBS) procedures, utilizing a Request for Qualifications (RFQ). Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures shall not be used to purchase other types of services, other than Energy Performance Contracting and Developer services, though architectural/engineering firms are potential sources.

5.5 Noncompetitive Proposals. [2 CFR 200.320(d)(4)]

5.5.1 Conditions for Use. Procurement by Noncompetitive Proposals (sole-source or only one respondent) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:

5.5.1.1 The acquisition of property or services, the aggregate dollar amount of which does not exceed the Micro Purchase Cap;

5.5.1.2 The item or service is available only from a single source, based on a good faith review of available sources.

5.5.1.3 A public exigency or emergency exists for the requirement that would not permit a delay resulting from publicizing a competitive solicitation. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency.

5.5.1.4 HUD authorizes the use of noncompetitive proposals in response to a written request from the Agency; or

5.5.1.5 After solicitation of multiple sources, competition is determined inadequate by the Agency.

5.5.2 Justification. Each procurement based on a noncompetitive proposal shall be supported by a written justification for the selection of this method. The

justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the procurement file, should include the following information:

- 5.5.2.1** Description of the requirement;
- 5.5.2.2** History of prior purchases and their nature (competitive vs. noncompetitive);
- 5.5.2.3** The specific exception in 2 CFR §200.320(c)(1)-(4) (or Section 5.5.1 above) which applies;
- 5.5.2.4** Statement as to the unique circumstances that require award by noncompetitive proposals;
- 5.5.2.5** Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);
- 5.5.2.6** Statement as to efforts that will be taken in the future to promote competition for the requirement;
- 5.5.2.7** Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer); and
- 5.5.2.8** Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

5.6 Cooperative Purchasing/Intergovernmental Agreements. The Agency may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Agency may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with *Federal Procurement Standards*.

6.0 [THIS SECTION INTENTIONALLY LEFT BLANK]

7.0 COST AND PRICE ANALYSIS (CPA)

7.1 General. Before entering into a contract, the Agency shall determine that the price is reasonable (which determination may include an independent cost estimate), in accordance with the following instructions. [2 CFR 200.404]

- 7.1.1 Micro Purchases.** No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.
- 7.1.2 Small Purchases.** A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, or any other reasonable basis.
- 7.1.3 Sealed Bids.** The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and where the Agency cannot reasonably determine price reasonableness, the Agency must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.
- 7.1.4 Competitive Proposals.** The presence of adequate competition should generally be sufficient to establish price reasonableness. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, the Agency must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.
- 7.1.5 Contract Modifications.** A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of the Simplified Acquisition Threshold.

8.0 SOLICITATION AND ADVERTISING

8.1 Method of Solicitation.

- 8.1.1 Micro Purchases.** The Agency may contact only one source if the price is considered reasonable.
- 8.1.2 Small Purchases.** Quotes may be solicited orally, through fax, e-procurement, email, or by any other reasonable method.
- 8.1.3 Sealed Bids and Competitive Proposals.** Solicitation must be done publicly. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.
 - 8.1.3.1** Advertising in newspapers or other print mediums of local or general circulation.

8.1.3.2 Advertising in various trade journals or publications (for construction).

8.1.3.3 E-Procurement. The Agency may conduct its public procurements through the Internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with *Federal Procurement Standards*, State and local requirements, and the Agency's procurement policy.

8.2 Time Frame. For purchases of more than the Small Purchase cap , the public notice should run not less than once each week for two consecutive weeks.

8.3 Form. Notices/ advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact that can provide a copy of, and information about, the solicitation, and a brief description of the needed item(s).

8.4 Time Period for Submission of Bids. A minimum of 21 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.

8.5 Cancellation of Solicitations.

8.5.1 An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:

8.5.1.1 The supplies, services or construction is/are no longer required;

8.5.1.2 The funds are no longer available;

8.5.1.3 Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or

8.5.1.4 Other similar reasons.

8.5.2 A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:

8.5.2.1 The supplies or services (including construction) are no longer required;

8.5.2.2 Ambiguous or otherwise inadequate specifications were part of the solicitation;

8.5.2.3 All factors of significance to the Agency were not considered;

8.5.2.4 Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;

8.5.2.5 There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or

8.5.2.6 For good cause of a similar nature when it is in the best interest of the Agency.

- 8.5.3 The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
- 8.5.4 A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.
- 8.5.5 If all otherwise acceptable bids received in response to an IFB are at unreasonable prices, an analysis should be conducted to see if there is a problem in either the specifications or the Agency's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either:
 - 8.5.5.1 Re-solicit using an RFP; or
 - 8.5.5.2 Complete the ongoing procurement by using the competitive proposal method. The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of the Agency's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
- 8.5.6 If problems are found with the specifications, the Agency should cancel the solicitation, revise the specifications and re-solicit using an IFB.
- 8.6 **Credit (or Purchasing) Cards.** Credit card usage should follow the rules for all other Micro-Purchases and Small Purchases.
 - 8.6.1 The Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable.
 - 8.6.2 For amounts above the Micro Purchase level but below the Small Purchase Threshold, the Contracting Officer shall have obtained a reasonable number of quotes before purchasing via a credit card. When using credit cards, the Agency shall use the following reasonable safeguards:
 - 8.6.3 Use of credit cards shall be limited to authorized Agency business travel (including meals and related travel expenses not covered by a per diem), payment for gasoline for an official Agency vehicle, conference registration, workshop and internet-based seminar fees, and payment for materials, goods, and supplies, subject to the Micro Purchase limit, without approval by the Executive Director
 - 8.6.4 **Without exception, the credit card may not be used at any time for personal expenses or purchases,** even if the employee subsequently reimburses the Agency, unless approved in advance by the Executive Director. Personal use of an Agency credit card constitutes an unauthorized use of funds, and shall be deemed a violation of this Policy and may be subject to discipline, up to and including termination.

9.0 BONDING REQUIREMENTS

9.1 General. The standards under this section apply to construction contracts that exceed the Small Purchase Threshold. There are no bonding requirements for small purchases or for competitive proposals. The Agency may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

9.1.1 Bid Bonds. For construction contracts exceeding the Small Purchase Threshold offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price.

9.1.2 Payment and Performance Bonds. For construction contracts exceeding the Small Purchase Threshold, the successful bidder shall furnish an assurance of completion that Agency deems to adequately protect the federal interest. This assurance may be any one of the following four:

9.1.2.1 A performance or payment bond in a penal sum of 100% of the contract price; or

9.1.2.2 Separate performance and payment bonds, each for 50% or more of the contract price; or

9.1.2.3 A 20 % cash escrow by an FDIC-insured bank; or

9.1.2.4 A 100 % irrevocable letter of credit from an FDIC-insured bank, unless approved by the Executive Director, but not less than 50%..

9.1.2.5 Such other assurance as if approved by the Agency.,

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State of California. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory. Costs of bonding required pursuant to the terms and conditions of the HUD award are allowable.

10.0 CONTRACTOR QUALIFICATIONS AND DUTIES

10.1 Contractor Responsibility

10.1.1 The Agency shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

10.1.1.1 Have adequate financial resources to perform the contract, or the ability to obtain them;

10.1.1.2 Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all of the

bidder's/offeror's existing commercial and governmental business commitments;

10.1.1.3 Have a satisfactory performance record;

10.1.1.4 Have a satisfactory record of integrity and business ethics;

10.1.1.5 Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

10.1.1.6 Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and

10.1.1.7 Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed LDP are barred from federal contracting pursuant to SAMs.

10.1.2 If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

10.2 Suspension and Debarment. Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations, *Federal Procurement Standards*, requirements or by other Federal agencies, e.g., Department of Labor for violation of labor regulations, when necessary to protect PHAs in their business dealings. Prior to issuance of a contract, Agency shall, pursuant to 24 CFR part 24, conduct the required searches within the HUD Limited Denial of Participation (LDP) system and, per 2 CFR part 2424, the U.S. General Services Administration System for Award Management (SAM) list of Excluded Parties Listing System (EPLS), and place within the applicable contract file a printed copy of the results of each such search.

10.3 Vendor Lists. All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

11.0 CONTRACT PRICING ARRANGEMENTS

11.1 Contract Types. Any type of contract which is appropriate to the procurement and which will promote the best interests of the Agency may be used, **provided the cost-plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used.** All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and the Agency. For all cost reimbursement contracts, the Agency must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

- 11.2 Options.** Options for additional quantities or performance periods may be included in contracts, provided that:
- 11.2.1** The option is contained in the solicitation;
 - 11.2.2** The option is a unilateral right of the Agency;
 - 11.2.3** The contract states a limit on the additional quantities and the overall term of the contract;
 - 11.2.4** The options are evaluated as part of the initial competition;
 - 11.2.5** The contract states the period within which the options may be exercised;
 - 11.2.6** The options may be exercised only at the price specified in or reasonably determinable from the contract; and
 - 11.2.7** The options may be exercised only if determined to be more advantageous to the Agency than conducting a new procurement.

12.0 CONTRACT CLAUSES

- 12.1 Contract Pricing Arrangements.** All contracts shall identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the Agency.
- 12.2 Required Forms for HUD Funded Solicitations and Contracts. (As of issuance of the policy)**
- 12.2.1. HUD-5369 “Instructions to Bidders for Contracts”**
Include in all Invitations for Bid (IFBs) for construction work.
 - 12.2.2. HUD-5369-A “Representations, Certifications, and Other Statements of Bidders”**
Include in all IFBs for construction work.
 - 12.2.4 HUD-5370-EZ “General Conditions of the Contract for Small Construction Development Contracts”**
Include in all construction contracts over Davis-Bacon limit (currently \$2,000) and through the Simplified Acquisition Threshold (currently \$250,000)
 - 12.2.5. HUD-5370 “General Conditions of the Contract for Construction” –**
Include in all construction contracts over the Simplified Acquisition Threshold
 - 12.2.6 HUD-5369-B “Instructions to Offerors-Non-Construction”**
Include in all requests for proposals for goods and services (i.e., not for construction services) NOT related to construction
 - 12.2.7 HUD-5370-C “General Contract Conditions for Non-Construction Contracts” -**
Include in all non-construction contracts with the applicable section filled out:

(a) *Section I - Non-construction contracts (without maintenance)*

- i. greater than the Simplified Acquisition Threshold (Section I)

(b) *Section II - Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 905.100)*

- i. greater than \$2,000 but no more than the Simplified Acquisition Threshold

(c) *Section III - Maintenance contracts (including nonroutine maintenance),*

- i. greater than the Simplified Acquisition Threshold

12.3 Required Contract Clauses: The Agency shall ensure that each contract executed by the Agency contains the required contract clauses detailed within 2 CFR §200.326 and Appendix II to the *Federal Procurement Standards*.

13.0 CONTRACT ADMINISTRATION

13.1 General. The Agency shall maintain a system of contract administration designed to ensure that Contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in 2 CFR part 200.

14.0 SPECIFICATIONS

14.1 General. All specifications shall promote overall economy for the purpose intended and to encourage competition in satisfying the Agency's needs. Agency staff shall review specifications prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

14.2 Limitation. The following types of specifications shall be avoided:

14.2.1 Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);

14.2.2 Brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).

Nothing in this Policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

15.0 APPEALS AND REMEDIES

15.1 General. It is Agency policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

15.2 Informal Appeals Procedure. The Agency shall adopt an informal bid protest/appeal procedure for contracts of up to the Simplified Acquisition Threshold. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.

15.3 Formal Appeals Procedure. A formal appeals procedure shall be established for solicitations/contracts greater than the Simplified Acquisition Threshold-

15.3.1 Bid Protest. Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

15.3.2 Contractor Claims All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer for a written decision. For claims of more than \$10,000, the contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of its appeal rights to the Executive Director whose decision will be final. Contractor claims shall be governed by the Changes clause in the relevant form HUD-5370.

16.0 DELEGATION OF CONTRACTING AUTHORITY

16.1 Delegation. While the Executive Director is responsible for ensuring that the Agency's procurements comply with this Policy, the Executive Director may delegate in writing all procurement authority as is necessary and appropriate to conduct the business of the Agency. The Executive Director herein delegates procurement authority, unless specified elsewhere in this Policy, to the Deputy Executive Director. The Procurement Manager herein delegates procurement authority, unless specified elsewhere in this Policy, to the Finance director.

16.2 Procedures. Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in Section 3.0 herein, consistent with Federal, State, or local law.

17.1 DOCUMENTATION

17.1 Required Records. The Agency must maintain records sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:

17.1.1 Rationale for the method of procurement (if not self-evident

17.1.2 Rationale of contract pricing arrangement (also if not self-evident);

17.1.3 Reason for accepting or rejecting the bids or offers; Basis for the contract price (as prescribed in this Policy);

17.1.4 A copy of the contract documents awarded or issued and signed by the Contracting Officer;

17.1.5 Basis for contract modifications; and Related contract administration actions.

17.2 Level of Documentation. The level of documentation should be commensurate with the value of the procurement.

17.3 Record Retention. Records are to be retained for a period of three years after final payment and all matters pertaining to the contact are closed.

18.1 DISPOSITION OF SURPLUS PROPERTY

18.1 General. Property no longer necessary for the Agency's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations., including but not limited to 2 CFR part 200 and the explanatory guidelines in PIH notice 2019-13. The Procurement Manager shall, in conjunction with appropriate Agency staff, determine the appropriate method of disposition of excess Agency property in accordance with the policy herein listed. Property shall mean items recorded in the Agency's inventory. Property determined to have no significant salvage value shall be recorded as disposed and hauled to the appropriate disposal or recycle facility under contract with the Agency.

18.2 Property determined to have value shall be disposed of by:

18.2.1 Trading in such property towards the purchase of new property or towards credit on the Agency's account;

18.2.2 Contracting with another government agency for the formal disposal of the property;

18.2.3 Soliciting competition for the procurement of the property;

18.2.4 Donating the property to a charitable or non-profit organization;

18.2.5 Holding a public auction.

18.3 Donating the property to qualified participants in the Agency's Family Self-Sufficiency Program (FSS). This shall be limited to computer hardware and other computer-related equipment. Agency employees enrolled in the FSS program are ineligible to receive property under this section.

- 18.4** Once sold or disposed of, the capital and/or non-capital property shall be recorded as such and any funds generated by the sale shall be credited to the appropriate program in accordance with HUD regulations.
- 18.5** Personal property will not be sold or exchanged for less than its fair value. Personal property with an estimated fair value of Three-Thousand Dollars (\$3,000.00) or more which is to be sold to other than a public body for a public use will be sold at public sale, including the use of electronic websites.
- 18.6** Sales of personal property will be made in accordance with the following:
- 18.6.1** If the estimated value of the personal property offered for sale is less than the estimated cost of negotiating a sale on the open market (\$5,000.00, as such number may be increased per 2 CFR 200.314 from time to time), the appropriate HACA staff will initiate the disposition, document the destruction or donation, and will retain such documentation as a part of the permanent record.
 - 18.6.2** Single sales from Five-Thousand Dollars (\$5,000.00) (as such number may be increased per 2 CFR 200.314 from time to time) or more (and all HACA vehicles with trade-in potential) will be made only after publicly advertising for formal bids for a sufficient period of time. Bids will be opened publicly at the time and place specified in the advertisement. A tabulation of all bids received will be prepared and filed as part of the permanent record. The Executive Director will approve all such sales.
 - 18.6.3** The sale of personal property to a public body for public use may be negotiated at its fair value.
 - 18.6.4** All sales will be documented by an appropriate bill of sale.
- 18.7** Personal property which has no scrap or salvage value will be destroyed or donated; the appropriate Agency staff will document the destruction or donation and will retain such documentation as a part of the permanent record
- 18.8** When items of personal property are lost, stolen, destroyed or abandoned, the Executive Director or staff designated by the Executive Director will obtain all the facts relating to each case and determine 1) whether the person who had custody of the property is to be held responsible for the loss, theft, or destruction, or is to be relieved of responsibility; and 2) the amount, if any, such person will be required to reimburse the HACA if held responsible for the loss.
- 18.9** For cases where items are abandoned, the Executive Director or designated staff will ascertain whether or not such items have a re-sale or trade-in value.
- 18.10** To determine whether or not an item should be repaired or replaced, the Procurement Manager or appropriate Agency staff will determine whether repair or replacement is the most cost effective for the Agency.

19.0 FUNDING AVAILABILITY

191.1 General. Before initiating any contract, the Agency shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

20.0 SELF-CERTIFICATION 2 CFR 200.325(c)(2).

20.1 General. The Agency self-certifies that this Procurement Policy, and the Agency's procurement system, complies with all applicable Federal regulations and, as such, the Agency is exempt from prior HUD review and approval of individual procurement actions.