

# 2019 Mid-Year Significant Changes to the PHA Plan, Admissions and Continued Occupancy Plan, and Housing Choice Voucher Administrative Plan

The Public Housing Authority (PHA) must define any significant changes to its policies or plans. The PHA defines a “substantial deviation” and “significant amendment/modification” as any change in policy which significantly and substantially alters the Authority’s stated mission and the persons the Authority serves. The proposed changes below have not been deemed “significant”.

New language is indicated in red. Deleted language is shown in ~~strikeout~~.

## PUBLIC HOUSING AGENCY PLAN (PHA PLAN)

The PHA Plan is being amended to include the following attachments and updated definition:

1. Attachment R - Rental Assistance Demonstration (RAD)
2. PIH Notice 2012-32, REV-2 (Section 1.6) and Joint Housing PIH Notice H-2014-09/PIH-2014-17 for resident rights, participation, waiting list, and grievance procedures required for RAD Conversion
3. Updated PHA Plan’s definition for *substantial deviation* to include the following language:

As part of the Rental Assistance Demonstration (RAD), the Housing Authority of the City and County of Sacramento is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items:

- a. The decision to convert to Project Based Voucher Assistance;
- b. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- c. Changes to the construction and rehabilitation plan for each approved RAD conversion; and
- d. Changes to the financing structure for each approved RAD conversion.

**Explanation of the Change:** As a result of being a successful applicant in the Rental Assistance Demonstration (RAD), we are required to amend out PHA Plan to include the above information.

# **ADMISSIONS AND CONTINUED OCCUPANCY POLICY** **(ACOP)**

## **Chapter 12: LEASE TERMINATIONS**

### **B. Termination by PHA, Page 12-3**

The lease may be terminated by the PHA at any time by giving written notice for violation of material terms of the lease, such as, but not limited to, the following: *(The bullets below do not include the full list in the ACOPs)*

- Violating a condition of probation or parole imposed under federal or state law
- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime, or attempt to commit a crime that is a felony
- Committing acts of physical abuse or violence
- **Over-Income**
- Other good cause

**Explanation of the Change:** *This bullet was added to be consistent with HUD Regulations regarding Over-Income Families.*

### **F. Terminations due to Over-Income, Page 12-5**

Over-Income Families [24 CFR 960.261; FR Notice 07/26/2018]

The Housing Opportunity Through Modernization Act (HOTMA) of 2016 placed an income limitation on public housing tenancies. The over-income requirement states that after a family's income has exceeded the most recent HUD-established Very Low Income (VLI) limit for the Sacramento HUD Metro Fair Market Rent Area multiplied by a factor of 2.4 (AMI) (or a different limitation established by the secretary) for two (2) consecutive years. Within six (6) months of the second year's income determination, a PHA must provide the family with the option to either have their tenancy terminate, or have their monthly rent increase to a value that is the higher of:

- The applicable fair market rent (FMR), as established by HUD or
- The total monthly subsidy for the unit, which includes operating subsidy and capital funds, as determined by regulations.

PHAs also have discretion, under 24 CFR 960.261, to adopt policies allowing termination of tenancy for families whose income exceeds the limit for program eligibility. Such policies would exempt families participating in the Family Self Sufficiency (FSS) program or currently receiving the earned income disallowance.

At annual or interim reexamination, if a family's income exceeds the applicable over-income limit, the PHA will document the family file and begin tracking the family's over-income status.

If one year after the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit. Additionally, if the family continues to be over-income for the next 12 consecutive months, the family will be subject to the PHA's over-income policies.

If two years after the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit, and the family has not elected to be terminated from the Housing program, the PHA will charge the family a rent that is the higher of the applicable fair market rent (FMR) or the amount of total monthly subsidy for the unit. The PHA will notify the family in writing of their new rent amount. The new rent amount will be effective 30 days after the PHA's written notice to the family. If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHAs policy. If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of the recertification. The PHA will notify the family in writing that over-income policies no longer apply. If the family's income later exceeds the over-income limit again, the family is entitled to a new two-year grace period. PHA will begin tracking over-income families once these policies have been adopted. The PHA may terminate tenancy for families whose income exceeds the limit for the program eligibility as described at 24 CFR 960.261.

***Explanation of the Change:*** *The language was updated to comply with the new HUD Ruling on Over-Income Families [24 CFR 960.261; FR Notice 7/26/18].*

## **HOUSING CHOICE VOUCHER PROGRAM** **ADMINISTRATIVE PLAN**

### **1. Chapter 4 – ESTABLISHING PREFERENCES AND MAINTAINING THE TENANT BASED VOUCHER WAIT LIST, Page 4-6**

#### **G. MAINSTREAM VOUCHERS**

The PHA received an allocation of 89 Mainstream vouchers in 2018 and will create a new preference for non-elderly homeless persons with disabilities. Families currently on the tenant-based wait list will be queried to determine if they meet this criteria and they will be selected out of order in sufficient number to utilize the allocated Mainstream vouchers. When the tenant-based wait list has been exhausted of non-elderly homeless persons with disabilities, the PHA will give a preference to families meeting this criteria referred from partnering agencies.

***Explanation of the Change:*** *This language was a condition of receiving the Mainstream vouchers and had to be added to the Administrative Plan within 12 months of receiving the award.*

## **2. Chapter 5 – SUBSIDY STANDARDS, page 5-2**

### **Adding Additional Members to the Household**

All additions (except for additions by birth to a household member) must have the prior approval of the owner (landlord) and the PHA. Approvable additions may include:

- A spouse/partner and his or her minor children,
- A minor who had been part of the assisted household who moved out and is returning to the household,
- A PHA pre-approved live-in aide,
- Birth of children by an existing family member,
- Adoption of children,
- Long-term foster placement or court-ordered custody,
- Court granted guardianship or conservatorship,
- Adult children under 24 years of age who left only to attend school,
- **The adult, disabled child of the head or spouse,**
- The parent or grandparent of the head, spouse or co-head who is elderly or disabled, and
- Family members previously removed from the assisted household due to military deployment.

*Explanation of the Change:* This language allows the family to support a family member not able to support themselves.

## **3. Chapter 6 – FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION, page 6-9**

### **Caretaker for Child(ren)**

If the only remaining member/s of the assisted family is/are minor(s), the PHA may allocate the voucher to a person who was not previously part of the assisted family, who has gained legal custody or guardianship of the minor(s), as long as the original minor(s) remain in the home. This person will be subject to meeting all eligibility criteria.

If legal custody or guardianship cannot be established within 90 days, or if the person who obtains custody or guardianship of the minor/s does not meet program eligibility criteria, the PHA will terminate the family's assistance.

If custody or guardianship is awarded for a limited period of time, the PHA will state in writing that the transfer of the voucher is for that period time or as long as the individual will have custody or guardianship of the children.

When the PHA approves a person to reside in the unit as caretaker for the child(ren), the income of the guardian will be counted in the household income.

The guardian is eligible to receive the full benefits of the HCV assistance as long as guardianship of the children is retained. ~~If the guardianship is terminated or a minor child reaches 18 years of age, the voucher will transfer to the new guardian or the adult child.~~

The PHA will work with the appropriate service agencies and the landlord to provide as smooth a transition as possible in these cases.

*Explanation of the Change:* This language allows the guardian to maintain the voucher after the minor child becomes an adult.

**4. GLOSSARY**, page GL-4(also updated in the ACOP – City, Glossary-9 and ACOP-County,Glossary-11)

**DISPLACED FAMILY:** A family in which each member, or whose sole member, is a person:

1. displaced by governmental action resulting from the:
  - a. prepayment of a mortgage or
  - b. voluntary termination of a mortgage insurance contract or
  - c. termination from housing due to a lack of funding or
  - d. demolition or disposition of a public or Indian housing project, or
2. a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief (24 CFR 5.403)

*Explanation of the Change:* This definition has been added to comply with State law.

**5. GLOSSARY**, page GL-14 (also updated in the ACOP – City, Glossary-20 and ACOP-County,Glossary-21)

**VETERAN:**

a person who has served in the active military, who was called to active duty by a federal order of the United States at any time and who was discharged or released under conditions other than dishonorable.  
A person who has served in the active military, reserves, or National Guard who was called to active duty by a federal order of the United States at any time and who has been other than dishonorably discharged or released from service

*Explanation of the Change:* This is HUD’s definition of veteran.