



# Memorandum

**TO:** SAN JOSE HOUSING AUTHORITY  
BOARD OF COMMISSIONERS

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** March 24, 2020

Approved

Date

3/27/20

**SUBJECT: SUPPORT FOR THE 2021 MOVING TO WORK (MTW) ANNUAL PLAN**

## **RECOMMENDATION**

Board of Commissioners for the Housing Authority of the City of San José authorize the City Housing Authority's Executive Director to submit a letter to the Santa Clara County Housing Authority to support the 2021 Moving to Work Annual Plan.

## **OUTCOME**

The 2021 Moving To Work (MTW) Annual Plan (Attachment A) will be submitted for consideration to the U.S. Department of Housing and Urban Development (HUD). If HUD approves the 2021 MTW Annual Plan, the Santa Clara County Housing Authority (SCCHA) will be authorized to preserve the long-term affordability of its expiring subsidized properties, reduce administrative costs and staff processing times, implement SCCHA's minimum rent hardship policy and limit the Project Based Voucher conversions to Housing Choice Vouchers to ten percent of Housing Choice Vouchers issued each year. The Housing Authority of the City of San José's (City Housing Authority) letter in support of the 2021 MTW Annual Plan will help ensure its approval by HUD.

## **BACKGROUND**

Among other activities, the SCCHA administers and manages public housing and approximately 17,000 Housing Choice Vouchers (Section 8) on behalf of HUD to provide rental assistance programs for lower-income families, seniors, and persons with disabilities. The SCCHA also administers and manages the rental voucher programs issued for the City Housing Authority pursuant to an assignment agreement (Agreement) with the SCCHA. Approximately, sixty percent (60%) of the SCCHA's Moving to Work vouchers are administered under SCCHA's contract with HUD; approximately forty percent (40%) of SCCHA's Moving to Work vouchers

are administered under a contract between HUD and the City Housing Authority's name (City Program).

The Agreement requires that the SCCHA consult with the City Housing Authority and obtain approval of any significant policy decisions regarding administration of the City Program, including the approval of the MTW Annual Plan.

### **Moving to Work (MTW) Annual Plan FY 2021**

Established by Congress in 1996, MTW is a federal demonstration program that links broad federal goals with locally-designed initiatives. The MTW Program encourages selected housing authorities to propose and, upon HUD approval, implement innovative changes to the way in which affordable housing programs are administered in order to meet at least one of the following three broad federal goals:

- Decrease costs and increase cost effectiveness in housing program operations;
- Promote participants' economic self-sufficiency; and
- Expand participants' housing choices.

The MTW Annual Plan is a major policy document which includes numerous policies and guidelines impacting the use, administration management, and oversight of the SCCHA and City Housing Authority rental voucher programs. Each year, the SCCHA releases a MTW Annual Plan describing new policies that may be implemented as part of its MTW Program. Once HUD approves the proposed policies, the SCCHA can implement those policies through programs that meet the housing needs of the local community.

### **ANALYSIS**

The SCCHA is proposing four new activities in the 2021 MTW Annual Plan:

- Proposed Activity (2021-01) – Impose limits on Project Based Voucher to Housing Choice Voucher Conversion;
- Proposed Activity (2021-02) – Streamline Conversion of Subsidized Units to Project Based Vouchers;
- Proposed Activity (2021-03) – Waive Earned Income Verification Report for Interim Reexaminations and New Admissions; and
- Proposed Activity (2021-04) – Simplify Minimum Rent Hardship Exemption.

The Housing Department has reviewed the draft MTW 2021 Annual Plan and supports the activities (further described in detail below) SCCHA will submit to HUD for consideration.

***Proposed Activity (2021-01) – Impose limits on Project Based Voucher to Housing Choice Voucher Conversions.***

Project Based Vouchers (PBV) are rental subsidies that are tied to a specific-property, not a tenant. HUD regulations require that when a tenant moves from a Project Based Voucher property that the public housing authority continue to pay the tenant's rental subsidy in the form of a Housing Choice Voucher (HCV). If a voucher is not immediately available, the tenant must be given priority for the next available voucher. SCCHA is proposing to limit the number of PBV to HCV conversions to ten percent of the number of HCV's it plans to issue each year. This activity will allow SCCHA to exhaust its 14 year old waiting list sooner.

Each year, SCCHA predicts the number of vouchers it will need to release to new applicants, using a formula that takes into consideration the average number of vouchers permanently released by tenants (turnover vouchers), the number of vouchers committed to PBV units under construction and SCCHA's annual funding availability. For example, if SCCHA's analysis identifies that the agency should issue 600 vouchers that year, SCCHA could release up to 60 of those vouchers to tenants in PBV units (PBV tenants) requesting to convert to HCV tenant-based assistance.

Vouchers will be released to PBV tenants on a first come-first served basis until the maximum allotment is met. When the quota is met, PBV tenants will be notified that they can move from the PBV unit or remain in place but if they move, they cannot be provided an HCV until the next calendar year. Per current HUD regulations, SCCHA will keep a waiting list of the eligible PBV tenants who requested and were denied an HCV and will contact as many on the list that may be assisted the next calendar year. SCCHA will waive this activity and issue a tenant-based voucher in cases where a PBV tenant has an approved reasonable accommodation, in domestic violence (VAWA) cases, or when the PBV tenant is requesting to move out of Santa Clara County.

***Proposed Activity (20201-02) – Streamline Conversion of Subsidized Units to Project Based Vouchers***

Under this activity, SCCHA is proposing to convert expiring subsidized units into PBV units. The conversion of expiring units into PBV units would be contingent upon the property owner's consent.

Upon receipt of any additional allocation of HUD issued Tenant Protection Vouchers, SCCHA will convert them to Project Based Vouchers. A tenant in an expiring subsidized unit can remain in place under the PBV program instead of receiving an Enhanced Voucher (EV). Enhanced Vouchers are typically complicated to calculate, administratively burdensome to process and tie the tenant to a minimum rent that is generally cost prohibitive, especially if the tenant's income decreases.

If tenants choose to move out prior to the unit's conversion to the PBV program, the tenant can move with the Tenant Protection Voucher and SCCHA will project base the vacated unit with a voucher from its own pool. Conversion of subsidized units into PBV units increases housing

choices for low income families and preserves the long-term affordability of expiring subsidized properties.

***Proposed Activity (2021-03) – Waive Earned Income Verification Report for Interim Reexamination and New Admissions***

This activity requests an exemption from generating and reviewing the Earned Income Verification (EIV) Income Report during interim reexaminations for participants and new admissions processing for applicants. The requirement to use the EIV income report for interim reexaminations and new admission processing often results in additional staff time spent accessing and reviewing outdated EIV reports that are not accurate for income calculation purposes.

The earned income information contained in EIV at the time of the interim reexamination or new admission is not up-to-date (the earnings information included on the EIV income report is generally delayed by two quarters), therefore, unreported income and patterns of undisclosed income are most likely to be identified during the regular reexamination process. The proposed activity does not eliminate the requirement to generate and review EIV Income Reports during regular reexaminations, or at any time where such verification is necessary. SCCHA staff will continue to generate and review the report and use the tool at regular reexaminations to look for possible mis-reporting of income.

In addition, SCCHA regularly reviews and monitors the many reports contained in the EIV system (Deceased Tenants, Multiple Subsidy and Identity Verification reports) to assure compliance with Federal requirements. Through this MTW activity, SCCHA is not requesting modification for the use of these EIV reports; rather the request is centered only on waiving the requirement to use the EIV Income Report during interim reexaminations for participants and as part of the new admissions process for applicants. The proposed activity eliminates additional SCCHA staff time expended accessing and reviewing out dated EIV income reports that are not accurate for income calculation purposes.

***Proposed Activity (2021-04) – Simplify Minimum Rent Hardship Exemption***

This activity seeks approval to waive HUD's Minimum Rent Hardship Exemption requirement and instead implement a simpler version that better suits the needs of SCCHA's participants. The current HUD rent hardship exemption requires a Housing Authority to determine if a hardship is temporary or long term. It also requires Housing Authorities develop reasonable repayment agreements, an administratively burdensome process. The proposed Hardship Exemption policy would not differentiate between a temporary and long-term hardship and would not require SCCHA staff to track and receive repayment from participants.

SCCHA's Minimum Rent Hardship Policy will be applied in circumstances as outlined in the Administrative Plan, such as:

- Family has lost government assistance (including welfare payments or Supplemental Security Income) for reasons other than fraud or sanctions or is awaiting an eligibility determination.

- Family income has decreased due to a change in circumstances, such as a loss of employment from layoff or termination or non-voluntary reduction in hours.
- A recent death in the participant family occurs resulting in a financial hardship such that the family is unable to pay the minimum rent.
- Those unable to work and ineligible for permanent disability benefits.

When an exemption from paying the minimum rent is requested, the minimum rent will be suspended beginning the first of the month following the request. If the hardship exemption is granted the family will pay 32% of household income in lieu of the minimum rent. The exemption from paying the minimum rent will continue until the end of the qualifying hardship, at which time the minimum rent will be reinstated.

If SCCHA determines there is no financial hardship, the minimum rent will be reinstated on the first of the month following the determination.

## **CONCLUSION**

HUD approval of the 2021 MTW Annual Plan means the SCCHA will be authorized to preserve the long-term affordability of its expiring subsidized properties, reduce administrative costs and staff processing times, implement SCCHA's minimum rent hardship policy and limit the Project Based Voucher conversions to Housing Choice Vouchers to ten percent of Housing Choice Vouchers issued each year. The City Housing Authority's letter in support of the 2021 MTW Annual Plan will help ensure approval by HUD.

## **EVALUATION AND FOLLOW-UP**

The Housing Department will continue to work with the SCCHA to ensure that City Housing Authority priorities are considered throughout the MTW process. As appropriate, the Executive Director will return to the Board of Commissioners if action is needed to provide formal City Housing Authority comments and direction.

## **CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José's energy, water, or mobility goals.

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## **PUBLIC OUTREACH**

From December 2019 through March 2020, the SCCHA hosted several meetings with the community and other stakeholders regarding the 2021 MTW Annual Plan. In February 2020, the SCCHA published the draft 2021 MTW Annual Plan on its website for a 30-day public review period. Additionally, on March 12<sup>th</sup> the SCCHA held a public hearing. The approved 2021 MTW Annual Plan will be submitted to HUD by April 15, 2020. This memorandum will be posted to the City's website for the April 7, 2020, City Council and Board of Commissioners meeting.

## **COORDINATION**

This memorandum has been coordinated with the City Manager's Budget Office and the Office of the City Attorney.

## **COMMISSION RECOMMENDATION/INPUT**

This item was not heard by the Housing and Community Development Commission, as it does not fall under the functions, powers and duties of the Commission delineated in Section 2.08.2840 of the San José Municipal Code.

## **CEQA**

Not a Project, File No PP17-008, General Procedure and Policy Making resulting in no changes to the physical environment.

/s/

JACKY MORALES-FERRAND

Executive Director, City Housing Authority

For questions, please contact Ragan Henninger, Deputy Director at (408) 535-3854.

Attachment A: Draft Moving to Work 2021 Annual Plan



# FY2021 Moving to Work Annual Plan

Housing Authorities  
of the  
County of Santa Clara  
&  
City of San José

Submitted April XX, 2020

# FY2021 Moving to Work Annual Plan

## SANTA CLARA COUNTY HOUSING AUTHORITY (SCCHA)

(Housing Authorities of the County of Santa Clara & The City of San José)

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*SCCHA's mission is to provide and inspire affordable housing solutions to enable low-income people in Santa Clara County to achieve financial stability and self-reliance.*

Serving residents throughout Santa Clara County, the heart of Silicon Valley and part of the greater San Francisco Bay Area, our clients include families with children, seniors, veterans, the disabled and the formerly homeless. The vast majority of our client households are extremely low-income (30% of area median income or less) with half of our assisted households occupied by seniors. **SCCHA currently assists over 19,000 households.**

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## I. Introduction

### Purpose of this Plan

In 1967, the Santa Clara County Board of Supervisors established the Santa Clara County Housing Authority of the County of Santa Clara (SCCHA). SCCHA has an agreement with the City of San José to administer and manage the Housing Authority of the City of San José (HACSJ)'s Housing Choice Voucher program. This MTW Plan presents a consolidated strategy to be implemented for both the County and City programs.

In 2008, SCCHA entered into a 10-year agreement (which has been extended until the conclusion of Fiscal Year 2028) with the Department of Housing and Urban Development (HUD) to become a Moving to Work (MTW) agency. This MTW Annual Plan illustrates how SCCHA proposes to carry out the MTW program in Fiscal Year 2021 (FY2021) from July 1, 2020 through June 30, 2021. The MTW Plan is an annual requirement by HUD and systematically describes how each activity advances SCCHA's vision and goals within the framework of the MTW charter.

### What is MTW?

Established by Congress in 1996, MTW is a Federal demonstration program that links broad Federal goals with locally designed initiatives. MTW encourages select housing authorities to propose and, upon HUD approval, implement innovative changes to the way affordable housing programs are administered to meet at least one of the following three broad Federal goals:

- DECREASE** administrative costs and increase cost effectiveness in housing program operations;
- PROMOTE** participants' economic self-sufficiency, and
- EXPAND** participants' housing choices.

MTW requires SCCHA to strive for these goals while ensuring that the Agency continues to serve substantially the same mix of tenants (in terms of income level and family size) and at least as many households as the Agency had before its MTW status.

### SCCHA's Vision and Goals

In FY2014, SCCHA developed a five-year Strategic Plan to guide the Agency's direction over the long range. The Strategic Plan affirmed SCCHA's mission to provide and inspire affordable housing solutions that enable low-income people in Santa Clara County to achieve financial stability and self-reliance, identified the Agency's core values, and established SCCHA's short-term and long-term goals built upon MTW objectives.

The FY2014-FY2019 Strategic Plan expired on June 30, 2019. SCCHA began the process of creating the successor Strategic Plan in early 2019. Every SCCHA employee was given the chance to weigh in on the new guiding principles for the agency, as well as the Board of Commissioners, tenants, and landlords. The new FY2020-FY2025 Strategic Plan was approved by the Board of Commissioners and adopted August 1, 2019.

While SCCHA's mission and vision remained the same, the new Strategic Plan shifted focus to goals in the areas of housing availability, agency partnerships, and operational excellence. The goals and objectives of the new Strategic Plan are:

### Housing Availability & Affordability

**Goal 1.** Increase the number of and equitable access to housing opportunities for low-income Santa Clara County residents

**Objective 1.1:** Develop new affordable housing, including extremely low-income (ELI) and permanent supportive housing.

**Objective 1.2:** Leverage varied sources of public and private funding to support financial feasibility of Housing Authority projects.

**Objective 1.3:** Enable voucher holders to easily and efficiently locate housing.

**Objective 1.4:** Manage rental subsidies offered by the Housing Authority to increase the number of families served.

**Goal 2.** Preserve the existing housing opportunities available to low-income Santa Clara County residents to counter displacement of those who are most impacted by Santa Clara County's income disparity and housing crisis.

**Objective 2.1:** Preserve the Housing Authority's existing affordable housing portfolio.

**Objective 2.2:** Support efforts to preserve other affordable housing in Santa Clara County.

**Objective 2.3:** Maintain and increase the number of landlords participating in the Housing Authority's voucher programs.

### Partnerships

**Goal 3.** Build strong partnerships that promote better outcomes for those in need of maintaining, affording or securing housing

**Objective 3.1:** Partner with local governments and non-profits to provide services for target populations and promote resident self-sufficiency

**Objective 3.2:** Establish an understood network of service providers to connect those in need with safety net services

**Objective 3.3:** Partner with key stakeholders to promote and advocate for innovative housing policies and additional affordable housing resources

**Objective 3.4:** Understand and address the needs of low and extremely low-income individuals and how the Housing Authority's federal and local programs can best help them to be self-sufficient

## Operational Excellence

**Goal 4.** Maximize agency fiscal health, efficiency and effectiveness by streamlining processes, adopting technology and embracing innovation

**Objective 4.1:** Promote an organizational culture and work environment that supports staff professional development and personal excellence

**Objective 4.2:** Attract, develop and retain a skilled, engaged and collaborative staff

**Objective 4.3:** Monitor and enhance the customer experience of the Housing Authority's clients and stakeholders

**Objective 4.4:** Increase the efficiency and effectiveness of internal processes through technology, staff training and development

**Objective 4.5:** Maintain the Housing Authority's fiscal health and integrity

Using the Strategic Plan as a compass, SCCHA is pursuing strategies within FY2021 and beyond that will set the foundation for the Agency to fulfill its MTW and non-MTW long-term goals.

### SCCHA's Short-Term Goals and Proposed MTW Activities for Fiscal Year 2021

SCCHA last opened its waiting list in 2006, where over 50,000 applicants showed up at the Housing Authority offices to register. Currently there are approximately 4,200 applicants remaining on the waiting list. Beginning in late Calendar Year (CY) 2017, SCCHA began releasing vouchers to qualified Housing Choice Voucher (HCV) waiting list applicants. SCCHA projects to re-open the HCV waiting list in late FY2020, through the creation of an always-open HCV "interest list" once the 2006 waiting list is exhausted. The interest list will be available to all potential applicants, who will only need to log-in to their online profile once per year on a computer or smart phone in order to remain on the interest list. New vouchers, when released by the Housing Authority, will go to active interest list registrants who are chosen by random lottery. This new system will be fair to all applicants and provide hope of obtaining housing assistance without the prospect of a decade or longer wait.

SCCHA's Project-Based Voucher (PBV) and Moderate Rehabilitation program properties will also be included in the development of this online interest list. Rather than maintaining agency-wide PBV and Mod Rehab waiting lists for all projects, applicants will have the choice to sign up for the site-based interest list of specific properties. Applicants will be able to view project information when making the choice to sign up, empowering them to decide what sites would work best for them and their families.

As vacancy rates continue to remain very low in Santa Clara County, SCCHA will closely monitor housing success rates for families 'shopping' for new homes with Housing Choice Vouchers and

provide housing search assistance if a family is unable to find a new home within the first 120 days of their shopping voucher.

Santa Clara County is in the midst of a well-publicized affordable housing crisis. The community's recognition of the need for more affordable housing was demonstrated by the overwhelming voter approval of \$950 million in Measure A bond funds for affordable housing development, the bulk of which is directed to extremely low-income households and permanent supportive housing.

Attaching Project Based Vouchers (PBVs) to projects receiving Measure A development funds ensures that units will be affordable for the County's vulnerable populations, and that new construction properties will have enough long-lasting operating revenue. SCCHA is committed to making available as many additional PBVs in support of Measure A as HUD regulations and funding availability allow. By the end of FY2020, SCCHA will have awarded or conditionally awarded 1,032 Moving-to-Work PBVs and 115 HUD-VASH PBVs (in conjunction with the Veterans Affairs Palo Alto Health Care System) to Measure A projects. Several Measure A projects, such as the Veranda in Cupertino, Villas on the Park in San Jose, and Crossings on Monterey in Morgan Hill have already completed construction, with the rest expected to complete construction in FY2021, FY2022, and FY2023.

SCCHA's housing development partners provide hope for the future by actively creating new housing dedicated to alleviating homelessness. New affordable housing projects are currently under construction throughout the County. The properties leasing up in FY2021 have all been awarded funds under Santa Clara County's Measure A housing referendum, which targeted almost \$1 Billion in bonds for the development of affordable housing in the county. SCCHA's partnership with the county will provide PBVs at the following projects in FY2021:

- Leigh Avenue Senior Apartments will be a new permanent supportive housing project in San Jose with 63 PBVs for chronically homeless seniors.
- Quetzal Gardens will house chronically homeless individuals and families through the use of 28 PBVs. An additional 4 PBV units will be filled by families from SCCHA's Waiting List.
- North San Pedro Apartments will be a 100% PBV project with 60 units set aside for chronically homeless and 49 for VASH participants.

In addition to these projects, SCCHA has conditionally awarded PBVs to several other projects under development by its affordable housing partners. These projects are expected to be complete in FY2022 and FY2023. They include 359 PBVs for projects throughout San Jose; 80 for a project in Santa Clara; and 40 for a project in Milpitas.

SCCHA's development team is busy developing its own affordable housing. Predevelopment efforts continue on Alvarado Park Senior Housing and Bellarmino Place Family Housing. The adjacent developments, purchased with \$12 million in MTW funds, will provide 89 affordable

units for seniors and 115 affordable units for families in an amenity rich neighborhood in San José.

MTW funds in the amount of \$30 million were used to acquire property on East Santa Clara Street. This property will be home to a new office for SCCHA, hundreds of multi-family affordable housing units and open space green areas. Design development will continue into FY2021 and MTW funds will be used to pursue necessary land use approvals.

SCCHA's Information Technology Department is continually striving to improve the agency's efficiency, and to meet staff's ongoing technological needs. The agency is building a new mobile application for current tenants that will facilitate information requests, submission of documents, and communications with Housing Authority staff. In FY2021, the agency will be developing additional features in the mobile application that will allow applicants to sign up for and manage their information on the new applicant interest list that was highlighted earlier in this section.

To conclude, a continued priority for SCCHA is to ensure that the Housing Choice Voucher (HCV) program operates in an efficient and effective way. To continue to meet that priority, SCCHA re-proposes one activity focused on increasing cost effectiveness within the Agency and proposes four new activities that focus on increasing housing choices for low-income families, helping families achieve self-sufficiency and improving the agency's cost effectiveness:

- ❖ **Re-Propose Activity 2011-02: Simplify Requirements Regarding Third-Party Inspections and Rent Services:** HUD requires an independent entity to perform various functions on behalf of Public Housing Authorities (**PHAs**) when Section 8 subsidies are attached to PHA-owned properties. Activity 2011-02 was first proposed to eliminate HUD's approval of the independent entity. SCCHA is re-proposing this activity to further eliminate independent entity requirements of:
  - Establishing contract rents (initial rent to owner and redetermined rent to owner);
  - Approving contract terms;
  - Determining rent reasonableness; and
  - Assisting the family in negotiating the rent with the owner.

These requirements will still occur but will be completed by SCCHA staff. The Housing Authority already uses a third-party rent reasonableness database to determine contract rents for all Section 8 units, including its own. In addition, the agency has a Compliance team whose purpose is to investigate potential fraud and to review Section 8 certifications/transactions to ensure all processes are followed consistently and correctly. Removing the need for a third party to provide these services allows the Housing Authority to become more cost effective by utilizing its own staff to perform functions that they are already responsible for when processing and maintaining Housing Choice Vouchers. It will also improve delivery time by eliminating a third-party to process certain work.

*(MTW Statutory Objective: Increase Cost Effectiveness)*

- ❖ **Impose Limits on Project Based Voucher (PBV) to Housing Choice Voucher (HCV) Conversion (2021-01):** HUD regulations require that a public housing agency provide tenant-based assistance (in the form of a Housing Choice Voucher or other similar subsidy) to any PBV tenant who provides a notice to move from the PBV property (in compliance with their lease and HUD regulations) with continued tenant-based assistance. PBV tenants are given priority to receive available tenant-based vouchers above waiting list applicants.

Due to the significant demand for affordable rental housing in Santa Clara County and because the Housing Authority continues to assist persons off a Section 8 waiting list that is fourteen years old (last opening of the waiting list occurred in April 2006), the Housing Authority is proposing to limit the number of PBV to HCV conversions to ten percent of the number of HCVs it plans to issue each year. This will allow the agency to exhaust its waiting list sooner.

Housing Choice Vouchers will be released to PBV tenants on a first come-first served basis until the maximum allotment is met. When the maximum is met, PBV tenants will be notified that they will not be able to receive an HCV until the next calendar year.

*(MTW Statutory Objectives: Increase Housing Choices & Cost Effectiveness)*

- ❖ **Streamline Conversion of Subsidized Units to Project Based Vouchers (PBV) (2021-02):** This activity seeks to convert HUD non-Section 8 subsidized units into Project Based Voucher units upon expiration or opt out of the HUD contract. Conversion of expiring subsidized units into Project Based Voucher units is contingent upon the owner's consent and agreement. Tenants will be able to remain in place under the PBV program rather than being issued an Enhanced Voucher (EV), which are complicated to calculate, administratively burdensome to administer and ties the tenant to a minimum tenant rent that can be cost prohibitive, especially if the tenant's income decreases.

The Housing Authority will administer the PBV Housing Assistance Payments (HAP) contract and Project Based Vouchers to participants. As part of the conversion into PBV units, the owner would also have to agree to enter into a PBV HAP contract for a period of twenty (20) years and comply with all requirements of the PBV program, including all applicable fair housing and civil rights requirements.

Conversion of subsidized units into PBV units increases housing choices for low-income families and preserves the long-term affordability of expiring subsidized properties.

*(MTW Statutory Objectives: Increase Housing Choices & Cost Effectiveness)*

- ❖ **Waive Earned Income Verification (EIV) Report for Interim Reexaminations & New Admissions (2021-03):** This activity seeks an exemption from generating and reviewing the EIV Income Report and EIV Income Validation tool for income discrepancies during interim reexaminations for participants and new admissions processing for applicants. The requirement to use the EIV income report for interim reexaminations and new admission processing translates to additional staff time spent accessing and reviewing outdated EIV income reports that are not accurate for income calculation purposes. The EIV reports

usually aren't available for new admissions until four months after the family's first certification, requiring staff to track and pull the reports when they do become available and because SCCCHA does not process interim increases in income, the reports are not useful during interim reexaminations.

The generation and review of the EIV income report adds time to what is supposed to be a more efficient process for staff. Eliminating this step in the process will result in an improvement in the amount of staff time spent processing documentation that does not impact participants and applicants. Staff will continue to generate and review the report and use the tool at regular reexaminations to look for possible misreporting of income.

*(MTW Statutory Objective: Increase Cost Effectiveness)*

- ❖ **Simplify Minimum Rent Hardship Exemption (2021-04):** Approval is also sought to waive HUD's Minimum Rent financial hardship exemption and replace it with a simpler exemption policy that better addresses the needs of SCCCHA's participants. The proposed policy does not differentiate between a temporary and long-term hardship and does not require the Housing Authority staff to track and receive repayment from participants after the hardship waiver is lifted.

Minimum rent will be suspended beginning the first of the month following the hardship request and will continue until the family submits new sources of income. If the Housing Authority determines there is no longer a financial hardship, the minimum rent will be reinstated on the first of the month following the determination.

*(MTW Statutory Objectives: Increase Self-Sufficiency & Cost Effectiveness)*

Full details of the proposed activities can be found in Section III of this MTW Plan.

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### SCCHA's Long-Term Vision

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SCCHA continues to focus on its vision and core values, as guided by its five-year Strategic Plan. Every six months, SCCHA reports to its Board the progress on the action items and objectives developed from the Agency's Strategic Plan Goals. These updates encourage the agency to re-prioritize or revise the objectives of the Plan as necessary and provide a status report to both internal and external stakeholders on how SCCHA's initiatives align with the Strategic Plan.

Santa Clara County is in the midst of a well-publicized affordable housing crisis. This need is demonstrated by the overwhelming voter approval of \$950 million in Measure A bond funds that will be committed to the development of affordable housing, the bulk of the funds are for the development of housing affordable to extremely low-income households and for permanent supportive housing. As described earlier, SCCHA partnered with the County of Santa Clara by providing 258 additional Section 8 PBVs for developers seeking Measure A bond funds. Attaching



vouchers to the Measure A development funds ensures that units will be affordable for the County's vulnerable populations, and that new construction properties will have sufficient and long-lasting operating revenue. SCCHA is committed to making available as many additional PBVs in support of Measure A as HUD regulations and funding availability allow.

SCCHA will continue to preserve and improve its affordable housing portfolio and expand the availability of new affordable housing to meet community needs. In addition to using MTW funds where necessary, SCCHA has created a pool of non-federal funds to continue the preservation and rehabilitation of existing SCCHA-managed units. SCCHA will continue to look for other opportunities to invest in new housing opportunities within the County.

### Overview of SCCHA's MTW Activities

**Note:** Closed Out Activities 2009-3, 2009-4, 2009-6, 2009-7, 2009-10, 2009-12, 2010-1, 2012-1 and 2015-1 are not shown.

ACTIVITY # (PROPOSED PLAN YEAR + ACTIVITY #)	ACTIVITY	MTW Statutory Objectives		
		REDUCE COST & ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF- SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
2009-1 (Amended in FY2016)	Reduced Frequency of Tenant Reexaminations	X	X	
2009-2	Expediting the Initial Eligibility Income Verification Process	X		
2009-5	Exploring New Housing Opportunities for the Chronically Homeless			X
2009-8	30-Day Referral Process for Project-based Vacancies	X		
2009-9	Utilization of Low-Income Housing Tax Credit (LIHTC) Tenant Income Certification (TIC) for Income and Asset Verification	X		
2009-11	Project-Base 100 Percent of Units in Family Projects			X
2009-13	Combined Waiting Lists for the County of Santa Clara and the City of San José	X		
2009-14 (amended in FY2014)	Payment Standard Changes Between Regular Reexaminations	X		

ACTIVITY # (PROPOSED PLAN YEAR + ACTIVITY #)	ACTIVITY	MTW Statutory Objectives		
		REDUCE COST & ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF- SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
2010-2	Excluding Asset Income from Income Calculations for Families with Assets Under \$50,000	X		
2010-3	Applying Current Increased Payment Standards at Interim Reexaminations	X		
2010-4	Allocating Project-Based Vouchers to SCCHA-Owned Projects Without Competition	X		
2010-5**	Assisting Over-Income Families Residing at SCCHA-Owned Project Based Voucher Properties			X
2011-1	Streamlined Approval Process for Exception Payment Standard for Reasonable Accommodation – HCV			X
2011-2	Simplify Requirements Regarding Third-Party Inspections and Rent Services	X		
2012-2	Minimum Two-year Occupancy in Project-Based Unit	X		
2012-3	Create Affordable Housing Acquisition and Development Fund	X		X
2012-4	Create Affordable Housing Preservation Fund for SCCHA- and Affiliate-Owned Properties	X		X
2012-5**	Expand Tenant Services at SCCHA or Affiliate-Owned Affordable Housing Properties		X	
2013-1	Elimination of the Earned Income Disallowance (EID) Calculation	X		
2014-1a*	(Re-Proposed) Focus Forward Pilot Program Part I, Case Management, Incentives and Escrow		X	
2014-1b*	(Re-Proposed) Focus Forward Part II, Time Limit and Rent Structure		X	
2014-2*	Eliminate Requirement to Re-Determine Rent Reasonableness when HUD Decreases Fair Market Rents (FMRs)	X		
2014-3**	Freeze on Contract Rent Increases	X		
2014-4 (amended in FY2015)	Increased Tenant Contribution—Up to 35 Percent of Gross Income	X		

ACTIVITY # (PROPOSED PLAN YEAR + ACTIVITY #)	ACTIVITY	MTW Statutory Objectives		
		REDUCE COST & ACHIEVE GREATER COST EFFECTIVENESS IN FEDERAL EXPENDITURES	PROVIDE INCENTIVES TO FAMILIES LEADING TOWARD ECONOMIC SELF- SUFFICIENCY	INCREASE HOUSING CHOICES FOR LOW- INCOME FAMILIES
2015-2	Project-Based Voucher Inspection Self-Certification	X		
2016-1*	Restriction on Head of Household Changes		X	
2016-2*	Streamlining of PBV Selection Requirements		X	
2017-1	Phasing in the Subsidy Standard Change	X		
2017-2	Special Needs Population Direct Referral Program			X
2017-3 (amended in FY2018 & FY2019)	Landlord Initiatives			X
2017-4*	Setting the Payment Standards Above 110 Percent of HUD Fair Market Rents			X
2018-1*	Strengthening Partnerships through Capacity Building			X
2019-1*	Graduation Bonus		X	
2019-2	Family Self-Sufficiency Program- Waive Contract of Participation Requirements		X	
2019-3	Waiving the Requirement that a PHA Re-Determine Rent Reasonableness for Manufactured Home Spaces Annually	X		
2019-4	Streamlining the Lease-Up Process	X		X
2020-1	Increase Percentage of Project based Vouchers (PBV)			X
2020-2	Interim Housing			X
2020-3	Over Housed/Under Housed Project Based Voucher (PBV) Households			X
2020-4	Rent to Owners & Rent Reasonableness			X

\* Activities Not Yet Implemented

\*\* Activities on Hold

## II. General SCCHA Operating Information

### A. HOUSING STOCK INFORMATION

#### i. Planned New Public Housing Units

New public housing units that the MTW PHA anticipates will be added during the Plan Year.

ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER	BEDROOM SIZE						TOTAL UNITS	POPULATION TYPE*	# of Uniform Federal Accessibility Standards (UFAS) Units	
	0/1	2	3	4	5	6+			Fully Accessible	Adaptable
None	0	0	0	0	0	0	0	None	0	0
None	0	0	0	0	0	0	0	None	0	0
None	0	0	0	0	0	0	0	None	0	0

Total Public Housing Units to be Added in the Plan Year

0

\* Select "Population Type" from: General, Elderly, Disabled, Elderly/Disabled, Other

If "Population Type" is "Other" please describe:

N/A

#### ii. Planned Public Housing Units to be Removed

Public housing units that the MTW PHA anticipates will be removed during the Plan Year.

AMP NAME AND NUMBER	NUMBER OF UNITS TO BE REMOVED	EXPLANATION FOR REMOVAL
None	0	N/A
None	0	N/A
None	0	N/A

0

Total Public Housing Units to be Removed in the Plan Year

**iii. Planned New Project Based Vouchers**

Tenant-based vouchers that the MTW PHA anticipates project-basing for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) will be in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

PROPERTY NAME	NUMBER OF VOUCHERS TO BE PROJECT-BASED	RAD?	DESCRIPTION OF PROJECT
Agrihood Senior Apartments	54	No	New construction senior project consisting of 165 total units. 109 of the units will be affordable, and of those 54 will be supported with PBVs for seniors.
West San Carlos Housing	40	No	New construction family project consisting of 80 total units. 40 PBVs will support the project, directed towards those with special needs.
Blossom Hill	49	No	New construction senior project consisting of 147 total units. 49 PBVs will support the project, directed towards seniors with special needs.
Alum Rock Family Housing	29	No	New construction family project consisting of 87 total units. 29 PBVs will support the project, directed towards the homeless and those with special needs.
Corvin	80	No	New construction family project consisting of 136 units. 80 PBVs will support the project, directed toward the homeless and those with special needs.
Page Street	27	No	New construction family project consisting of 81 total units. 27 PBVs will support the project, directed toward the homeless and those with special needs.
Sango Court	40	No	New construction family project consisting of 101 total units. 40 PBVs will support the project, directed toward the homeless and those with special needs.
Auzerais	64	No	New construction family project consisting of 128 total units. 64 PBVs will support the project, directed toward the homeless and those with special needs.
Gallup & Mesa	23	No	New construction family project consisting of 45 total units. 23 PBVs will support the project, directed toward the homeless and those with special needs.
<b>406</b>		<b>Planned Total Vouchers to be Newly Project-Based</b>	

**iv. Planned Existing Project Based Vouchers**

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP is already in place at the beginning of the Plan Year. Indicate whether the unit is included in RAD.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
1701 ECR	16	Leased/Issued	No	14 Studio and 2 1-bedroom units. PBVs are for the chronically homeless and those with special needs.
2275 Ellena Dr	1	Leased/Issued	No	Family project consisting of 4 units (4 2-bedroom). One PBV unit.
2287 Pasetta Dr	1	Leased/Issued	No	Family project consisting of 4 units (4 2-bedroom). One PBV unit.
Anne Way Residence	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Blossom Hill Residence	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Carroll Inn	20	Leased/Issued	No	Family project consisting of 121 Studio units. PBV units are for disabled persons.
Casa De Novo	27	Leased/Issued	No	Family project consisting of 56 units. 27 units provide long-term supportive housing, 29 units operate as a hotel offering temporary supportive housing. PBV units are for chronically homeless families.
Casa Feliz Studios	6	Leased/Issued	No	Family project consisting of 60 studio units. PBV units are for chronically homeless families.
Connell Apartments	5	Leased/Issued	No	Family project consisting of 28 units (1 studio, 17 1-bedroom, and 10 2-bedroom). PBV units (2-Bedroom) are for families.
Corde Terra Senior Apartments	199	Leased/Issued	No	Senior project consisting of 199 1-bedroom units. PBV units are for persons aged 55 years and over.
Corinthian House	6	Leased/Issued	No	Senior project consisting of 102 units (62 studios and 40 1-bedroom). PBV units (1-bedroom) are for persons aged 62 years and over.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Country Hills	37	Leased/Issued	No	Family project consisting of 152 units (40 studio, 64 1-bedroom, and 48 2-bedroom). PBV units (8 studio, 16 1-bedroom, and 13 2-Bedroom) are for families.
Crescent Terrace	20	Leased/Issued	No	Senior project consisting of 48 1-bedroom units. PBV units are for persons aged 62 years and over.
Crossings on Monterey	20	Leased/Issued	No	Family, new construction project, consisting of 39 units (6, 1-bedroom, 18, 2-bedroom and 15, 3-bedroom). PBV units are for chronically homeless families.
Curtner SRO's	6	Leased/Issued	No	Senior project consisting of 6 SRO units. PBV units are for persons aged 62 years and over.
Cypress Gardens Senior Apartments	124	Leased/Issued	No	Senior project consisting of 124 units (111 1-bedroom and 13 2-bedroom). PBV units are for persons aged 55 years and over.
Dent Avenue Apartments	4	Leased/Issued	No	Family project consisting of 24 units (6 studio, 12 1-bedroom, and 5 2-bedroom). PBV units (2 SRO and 2 2-bedroom) are for families.
Donner Lofts – CHDR	20	Leased/Issued	No	Family project consisting of 101 units (92 studio and 9 1-bedroom). PBV units are for chronically homeless families.
Edwina Benner Plaza	23	Leased/Issued	No	Family new construction project consisting of 66 total units. 23 PBVs for families and those with special needs.
Eklund Gardens I Apartments	9	Leased/Issued	No	Family project consisting of 10 2-bedroom units. PBV units are for families.
Eklund Gardens II Apartments	6	Leased/Issued	No	Family project consisting of 6 3-bedroom units. PBV units are for families.
Emerson North	1	Leased/Issued	No	Family project consisting of 6 studio units. PBV unit is for families.
Emerson South	1	Leased/Issued	No	Family project consisting of 6 studio units. PBV unit is for families.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Fair Oaks Senior Plaza	93	Leased/Issued	No	Senior project consisting of 124 units (11 1-bedroom and 14 2-bedroom). PBV units (80 1-bedroom and 13 2-bedroom) are for persons aged 62 years and over.
Fairlands SRO's	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Ferne	1	Leased/Issued	No	Family project consisting of 16 2-bedroom units. PBV unit is for families.
Fuji Towers	104	Leased/Issued	No	Senior project consisting of 124 units (72 studio and 68 1-bedroom). PBV units (53 studio and 51 1-bedroom) are for persons aged 62 years and over.
Gish Apartments	6	Leased/Issued	No	Family project consisting of 35 units (9 studio, 14 2-bedroom, and 12 3-bedroom units). PBV units (3 studio and 3 2-bedroom) are for disabled families.
Homestead SRO's	4	Leased/Issued	No	Senior project consisting of 4 SRO units. PBV units are for persons aged 60 years and over.
Julian Gardens	9	Leased/Issued	No	Family, new construction project, consisting of 9 3-bedroom units. PBV units are for families.
Kings Crossing Apartments	25	Leased/Issued	No	Family project consisting of 94 units (34 1-bedroom, 34 2-bedroom, and 26 3-bedroom units). PBV units (9 1-bedroom, 12 2-bedroom, and 4 3-bedroom) are for chronically homeless families.
Klee/Offenbach SRO's	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Laurel Grove Family Apartments	81	Leased/Issued	No	Family, new construction project, consisting of 82 units (14 1-bedroom, 43 2-bedroom, and 25 3-bedroom units). PBV units are for families and to be identified special needs and/or chronically homeless families.
Leigh Avenue Senior Apartments	63	Committed	No	New construction senior project, 100% PBVs for seniors.



PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Lenzen Gardens Senior Apartments	93	Leased/Issued	No	Senior project consisting of 94 units (89 1-bedroom and 5 2-bedroom). PBV units (89 1-bedroom and 4 2-bedroom) are for persons aged 62 years and over.
Llewellyn Residence	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Lucretia Gardens	16	Leased/Issued	No	Family project consisting of 16 3-bedroom units. PBV units are for families.
Maryce Freelen Place	18	Leased/Issued	No	Family project consisting of 74 units (24 1-bedroom, 26 2-bedroom, and 24 3-bedroom units). PBV units (2 1-bedroom, 6 2-bedroom, and 10 3-bedroom units) are for families.
Met South	10	Leased/Issued	No	Family, new construction project, consisting of 31 units (9 studios, 8 1-bedroom, 5 2-bedroom, and 9 3-bedroom). PBV units are for seniors and large families.
Miramar Apartments	16	Leased/Issued	No	Family project consisting of 16 units (8 1-bedroom and 8 2-bedroom). PBV units are for families.
Monticelli Apartments	23	Leased/Issued	No	Family and Senior project consisting of 52 units (25 1-bedroom and 27 3-bedroom). 14 1-bedroom PBV units are for persons aged 62 and over, and 9 3-bedroom PBV units are for families.
Monterey Gateway	37	Leased/Issued	No	Senior, new construction project, consisting of 75 units (64, 1-bedroom and 11, 2-bedroom). PBV units are for chronically homeless and homeless seniors.
Morgan Hill Family – Scattered Site (Palomino)	18	Leased/Issued	No	Family, new construction project, consisting of 18 total units. PBVs units are for large families, those with special needs, and chronically homeless families
Morgan Hill Family – Scattered Site (Overo)	8	Leased/Issued	No	Family, new construction project, consisting of 8 units. PBVs are for those at risk of homelessness

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Morgan Hill Family – Scattered Site (Tobiano)	14	Leased/Issued	No	Family, new construction project, consisting of 14 total units. PBVs units are for large families, families at risk of homelessness, and chronically homeless families
Moulton Plaza	8	Leased/Issued	No	Family project consisting of 66 units (30 1-bedroom, 26 2-bedroom, and 10 3-bedroom). PBV units (2 2-bedroom, and 6 3-bedroom) are for families.
North San Pedro Apartments	60	Committed	No	Family and veteran's new construction project, with 135 total units. 60 PBVs will be dedicated to the chronically homeless and 49 for HUD-VASH.
Onizuka Crossing - CHDR	13	Leased/Issued	No	Family, new construction project, consisting of 58 units (27 1-bedroom, 11 2-bedroom, and 20 3-bedroo). PBV units (13 1-bedroom) are for chronically homeless families.
Opportunity Center	55	Leased/Issued	No	Family project consisting of 88 units (70 studios, 12 1-bedroom, and 6 2-bedroom). PBV units (48 studio, 3 1-bedroom, and 4 2-bedroom) are for chronically homeless families.
Park Avenue Senior Housing	99	Committed	No	Senior, new construction, 94 1-bedroom, 5 2-bederoom. PBV units are for persons aged 55 years and over.
Parkside Studios	7	Leased/Issued	No	Family project consisting of 59 units (58 studios and 1 1-bedroom). PBV units (7 studios) are for chronically homeless families.
Parkview Senior Apartments	24	Leased/Issued	No	Senior project consisting of 140 1-bedroom units. PBV (24 1-bedroom) units are for persons aged 55 years and over.
Poco Way Apartments	10	Leased/Issued	No	Family project consisting of 130 units (14 1-bedroom, 54 2-bedroom, 54 3-bedroom and 8 3-bedroom units). PBV units (3 1-bedroom, 3 2-bedroom, and 4 3-bedroom) are for families.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Pollard SRO's	5	Leased/Issued	No	Senior project consisting of 5 SRO units. PBV units are for persons aged 60 years and over.
Quetzal Gardens	32	Committed	No	Family, new construction project, consisting of 70 total units. 32 PBVs dedicated to large families, those with special needs, and the chronically homeless
Renascent Place	160	Leased/Issued	No	Family, new construction project, consisting of 160 units. PBV units are for chronically homeless families.
Rincon Gardens Senior Apartments	198	Leased/Issued	No	Senior project consisting of 200 units (190 1-bedroom and 10 2-bedroom). PBV units (189 1-bedroom and 9 2-bedroom) are for persons aged 55 years and over.
San Antonio Place	30	Leased/Issued	No	Family project consisting of 120 units (118 studio, 1 1-bedroom, and 1 2-bedroom). 30 studio PBV units are for families
San Veron Park Apartments	6	Leased/Issued	No	Family project consisting of 32 units (10 2-bedroom, 15 3-bedroom, and 7 4-bedroom). PBV units (3 2-bedroom, 2 3-bedroom, and 1 4-bedroom) are for families
Santa Familia	13	Leased/Issued	No	Family project consisting of 79 units (30 1-bedroom, 23 2-bedroom, and 26 3-bedroom). PBV units (4 1-bedroom, 4 2-bedroom, and 5 3-bedroom) are for families
Second Street Studios	134	Leased/Issued	No	Family, new construction project, consisting of 135 units (128 studios, 6 1-bedroom, and 1 2-bedroom units). PBV units are for chronically homeless families.
Shorebreeze	20	Committed	No	Family, new construction project, consisting of 61 total units. 20 PBVs for those at risk of homelessness.
Stevenson House	9	Leased/Issued	No	Senior project consisting of 120 studio and 1-bedroom units. PBV units (6 studio and 3 1-bedroom) are for persons aged 62 years and over.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Sunset Gardens Senior Apartments	74	Leased/Issued	No	Senior project consisting of 75 units (70 1-bedroom and 5 2-bedroom). PBV units (70 1-bedroom and 4 2-bedroom) are for persons aged 55 years and over.
Timberwood Apartments	20	Leased/Issued	No	Family project consisting of 286 units (84 studios, 164 1-bedroom, and 38 2-bedroom). PBV units (6 studio, 6 1-bedroom, and 8 2-bedroom) are for families.
Tully Gardens	20	Leased/Issued	No	152-unit family project with 10 SRO PBV units for disabled families and 10 PBV units for chronically homeless families.
Tyrella Gardens Apartments	13	Leased/Issued	No	Family project consisting of 56 units (12 1-bedroom, 32 2-bedroom, and 12 3-bedroom). PBV units (4 1-bedroom, 6 2-bedroom, and 3 3-bedroom) are for families.
Ventura	1	Leased/Issued	No	Family project consisting of 12 1- and 2-bedroom units. One 2-bedroom PBV units are for families.
Ventura Apartments	1	Leased/Issued	No	Family project consisting of 12 1- and 2-bedroom units. One 2-bedroom PBV units are for families.
Veranda	6	Leased/Issued	No	Senior, new construction project, consisting of 19 units. 6 studio PBV units are for persons aged 55 years and over.
Village at Willow Glen	20	Leased/Issued	No	Senior project consisting of 133 units. PBV units (17 1-bedroom and 3 2-bedroom) are for persons aged 55 years and over.
Villas on the Park	83	Leased/Issued	No	Family project consisting of 83 units. PBVs are for the chronically homeless.
Waldo	3	Leased/Issued	No	Family project consisting of six 1- and 2-bedroom units. Three 1-bedroom PBV units are for families.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR*	RAD?	DESCRIPTION OF PROJECT
Wheeler Manor	10	Leased/Issued	No	Senior project consisting of 111 1-bedroom units. PBV units (10 1-bedroom) are for persons aged 62 years and over.
Wolfe SRO's	4	Leased/Issued	No	Senior project consisting of 4 SRO units. PBV units are for persons aged 60 years and over.

2,354

Planned Total Existing Project-Based Vouchers

**v. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year**

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

**PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR**

SCCHA does not anticipate holding any units off-line or acquiring or developing any additional local, non-traditional units during the Plan year.

**vi. General Description of All Planned Capital Expenditures During the Plan Year**

Narrative general description of all planned capital expenditures of MTW funds during the Plan Year.

**GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR**

SCCHA acquired 2.3 acres of land on Race Street in San José, utilizing \$12 million in MTW funds. Two projects are planned at this site, Alvarado Park Senior Housing that includes 89 affordable units that targets seniors and Bellarmino Place Family Housing comprised of 115 affordable units for families. SCCHA anticipates being permit ready for both projects in FY2021.

In prior Plan Years, MTW funds in the amount of \$30 million were used to acquire property on East Santa Clara Street. This property will become home to the new SCCHA offices, multi-family affordable housing units, and open space green areas. Design development will continue in to FY2021 and MTW funds will be used in pursuing necessary land use approvals.

Approximately \$3.7 million of MTW funds will be used for the rehabilitation of 20 units at San Pedro Gardens apartments, \$8 million for the refinancing of a City of San José loan on El Parador Apartments and \$650,000 for a garage repair at Helzer Court Apartments.

## B. LEASING INFORMATION

### i. Planned Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA plans to serve at the end of the Plan Year.

PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH:	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED**
MTW Public Housing Units Leased	48	4
MTW Housing Choice Vouchers (HCV) Utilized	201,300	16,775
Local, Non-Traditional: Tenant-Based^	0	0
Local, Non-Traditional: Property-Based^	14,100	1,175
Local, Non-Traditional: Homeownership^	0	0
<b>Planned Total Households Served</b>	<b>215,448</b>	<b>17,954</b>

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED*	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED*
Tenant-Based	N/A	0	0
Property-Based	Create Affordable Housing Preservation Fund for SCCHA and Affiliate-Owned Properties/Activity 2012-4	14,100	1,175
Homeownership	N/A	0	0

### ii. Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing

Discussions of any anticipated issues and solutions in the MTW housing programs listed.

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	None
MTW Housing Choice Voucher	The Santa Clara County rental market continues to be a challenge to leasing up of Housing Choice Vouchers. HCV holders who are looking for housing continue to face extremely high rents and reluctance on the part of landlords. In FY2020, SCCHA increased its voucher payment standards for SRO, one-bedroom and two-bedroom units and continued landlord recruitment and retention efforts. SCCHA continues to engage a community partner to assist voucher holders in their housing search. SCCHA is also continuing to encourage the expansion of affordable housing supply through the use of Project-Based Vouchers in partnership with the City of San José and the County of Santa Clara. SCCHA anticipates that approximately 325 PBV units will finish construction.
Local, Non-Traditional	None

### C. WAITING LIST INFORMATION

#### i. Waiting List Information Anticipated

Snapshot information of waiting list data as anticipated at the beginning of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR
Federal MTW Public Housing Units	Site Based	636	Closed	No
Federal MTW Housing Choice Voucher Program	Program Specific	3,856	Closed	Yes
Project-Based, Local, Non-Traditional MTW Housing Assistance Program	Site Based	6,233	Partially Open	Yes

Please describe any duplication of applicants across waiting lists:

SCCHA has 13 properties where households are assisted through Project-Based, Local, Non-Traditional MTW Housing Assistance Programs. Buena Vista Mobile Home Park does not have a waitlist. The number of people on the waitlists for the rest of the projects are as follows: 99 for DeRose, 178 for El Parador, 50 for San Pedro Gardens, 187 for Pinmore Gardens, 48 for Blossom River, 135 for Helzer Court Apartments, 98 for Morrone Gardens, 372 for Clarendon Apartments, 741 for Bendorf Drive Apartments, 3900 for Ford Road Plaza, 202 for Laurel Grove and 358 for Park Avenue.

#### ii. Planned Changes to Waiting List in the Plan Year

Please describe any anticipated changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
Federal MTW Housing Choice Voucher Program	Waiting list is projected to re-open in FY2021 and remain open as an Open Interest List allowing individuals to add themselves to the list at any time and/or update their information.

### III. Proposed MTW Activities (HUD Approval Requested)

This section describes the one re-proposed and four new MTW activities that SCCHA proposes to implement in FY2021.

#### RE-PROPOSED 2011-02

*(Re-Proposed Activity)*

#### WAIVE INDEPENDENT ENTITY REQUIREMENTS FOR SCCHA-OWNED PROPERTIES

##### Activity Description

SCCHA initially proposed activity 2011-02 to eliminate the requirement that HUD approve the independent entity that conducts HQS inspections and rent reasonableness services for SCCHA-owned units utilizing the PBV and HCV programs. The activity was also proposed to remove the requirement that the independent entity furnish copies of each inspection report and rent reasonableness determination to the HUD field office. It was determined that these requirements were not cost-effective and delayed the housing of eligible families.

To further lower costs and accelerate the lease-up process, SCCHA is now re-proposing activity 2011-02 to waive the remaining HUD requirement that independent entities perform various tasks on behalf of Public Housing Authorities (PHAs) when Section 8 subsidies are attached to PHA-owned properties. SCCHA seeks waivers from the following remaining tasks:

- Establishing contract rents (initial rent to owner and redetermined rent to owner);
- Establishing term of initial and any renewal HAP contract;
- Determining rent reasonableness; and
- Assisting the family in negotiating the rent with the owner.

These tasks will be performed by internal staff, rather than independent entities. SCCHA currently utilizes a third-party rent reasonableness database to determine contract rents for all Section 8 units, including its own. In addition, SCCHA's Compliance Unit regularly reviews Section 8 certifications/transactions to ensure all processes are followed consistently and correctly.

Removing the requirement for a contracted third party to perform these tasks allows SCCHA to increase its cost effectiveness by utilizing its own staff to perform tasks that they are already doing as part of processing and maintaining Section 8 Housing Choice Vouchers. It will also improve the amount of processing time associated with the lease-up process allowing families to move into their units at a quicker rate.

##### Relation to Statutory Objectives

This activity supports the statutory objectives of delivering services in a cost-effective manner through the reduction of administrative costs.



## Anticipated Schedule for Achieving the Stated Objectives

Upon approval, SCCHA anticipates implementing this activity during the latter half of FY2021.

## Proposed Baseline, Benchmarks, Metrics and Data Collection

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, SCCHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

Activity 2011-02 Waive Independent Entity Requirements for SCCHA-Owned Properties				
Unit of Measurement	Baseline	Benchmark	Projected Outcome	Benchmark Achieved?
<b>CE #1: Agency Cost Savings</b>				
Total cost of performing task in dollars (decrease).	\$4,373	\$0	\$0	N/A
<b>CE #2: Staff Time Savings</b>				
Total time to complete the contract task in staff hours (decrease).	327	0	0	0

## Cost Implications

SCCHA anticipates that there are no cost implications related to the implementation of the proposed activity. However, SCCHA projects that the re-proposed activity 2011-02, when adopted and implemented, will result in a reduction in costs to SCCHA from the elimination of third-party contracts for services.

## Authorization for the Activity

This proposed activity is authorized in SCCHA's Moving To Work Agreement, Attachment C, Paragraphs D.1.a, D.2.b, D.2.c, and D5. These authorizations waive certain provisions of Section 8(o)(7), Section (o)(10) and 8(o)(13) of the 1937 Act, and 24 CFR 982.162, 982.308, 982.451, 982.507, 982.352(b)(iv)(B), 983(f)(2), 983.59(b), and 983 Subpart E as necessary to implement SCCHA's MTW Plan. This authorization is needed to waive the HUD requirement that independent entities perform various tasks on behalf of Public Housing Authorities (PHAs) when Section 8 subsidies are attached to PHA-owned properties.

## Rent Reform Impact Analysis, Hardship Case Criteria, Annual Reevaluation and Transition Period

This activity does not qualify as a Rent Reform Initiative.

2021-01

(Proposed Activity)

## IMPOSE LIMITS ON PROJECT BASED VOUCHER TO HOUSING CHOICE VOUCHER CONVERSION

### Activity Description

HUD regulations require that a public housing agency provide tenant-based assistance (in the form of a Housing Choice Voucher or other similar subsidy) to any Project Based Voucher (PBV) tenant who provides a notice to move from the PBV property (in compliance with their lease and HUD regulations) with continued tenant-based assistance. If such assistance is not immediately available, the tenant must be given priority for the next available voucher. The Santa Clara County Housing Authority (SCCHA) is proposing to revise this requirement by placing a limit on the number of PBV to HCV conversions per year.

As a result of the huge need for affordable rental housing in Santa Clara County and because SCCHA continues to assist persons off a Section 8 waiting list that is fourteen years old (last opening of the waiting list occurred in April 2006), SCCHA is proposing to limit the number of PBV to HCV conversions to ten percent of the number of HCVs it plans to issue each year. Each year, SCCHA predicts the number of vouchers it will need to release to new applicants, using a formula that takes into consideration the average number of vouchers permanently released (turnover vouchers), the number of vouchers shelved for committed PBV units under construction and annual funding availability. So, if SCCHA's analysis identifies that the agency should issue 600 vouchers that year, SCCHA could release up to 60 vouchers to PBV applicants requesting to convert to tenant-based assistance.

Each month that SCCHA selects applicants from its HCV waiting list to potentially provide voucher assistance to, it will commit vouchers for PBV conversion that will equal ten percent of the prorated monthly number of vouchers it plans to issue that year. For example, if SCCHA plans to issue 600 Housing Choice Vouchers that year, SCCHA could issue up to 60 vouchers for PBV to HCV conversion that year, or 5 conversion vouchers per month for those months when we pull from the waiting list. Vouchers will be released to PBV tenants on a first come-first served basis until the maximum allotment is met. When the quota is met, PBV tenants will be notified that they can move from the PBV unit or remain in place but cannot be provided an HCV until the next calendar year. Per current HUD regulations, SCCHA will keep a waiting list of the eligible PBV tenants who requested and were denied an HCV and will contact as many on the list that may be assisted the next calendar year.

SCCHA will waive this activity and issue a tenant-based voucher in cases where a PBV tenant has an approved reasonable accommodation, VAWA cases, or is requesting to port out of Santa Clara County.

### Relation to Statutory Objectives

This activity supports the statutory objective of increasing housing choices and improving cost effectiveness by reducing staff time spent in the processing of vouchers and move-outs.

## Anticipated Schedule for Achieving the Stated Objectives

Once this activity is approved, SCCHA anticipates implementing the activity immediately upon the completion of updating staff work manuals.

## Proposed Baseline, Benchmarks, Metrics and Data Collection

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, SCCHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

Activity 2021-01 Impose Limits on Project Based Voucher to Housing Choice Voucher Conversion				
Unit of Measurement	Baseline	Benchmark	Projected Outcome	Benchmark Achieved?
<b>CE #1: Agency Cost Savings</b>				
Total cost of task in dollars (decrease).	\$6,366	\$3,183		
<b>CE #2: Staff Time Savings</b>				
Total time to complete the task in staff hours (decrease).	198	99		
<b>HC #3: Decrease in Wait List Time</b>				
Average applicant time on wait list in months (decrease).	192	180		

## Cost Implications

SCCHA anticipates that there are no cost implications to the proposed activity.

## Authorization for the Activity

The proposed activity is authorized in Attachment C, Paragraph D, Section 1, Subsection e. of SCCHA's MTW Agreement with HUD and waives certain provisions of Section 8(o)(13)(B) of the 1937 Act and 24 CFR 983 as necessary to implement SCCHA's MTW Plan. This authorization is needed to place limits to the current PBV regulation that when tenant-based assistance is available, PBV tenants have priority to receive this assistance.

## Rent Reform Impact Analysis, Hardship Case Criteria, Annual Reevaluation and Transition Period

This activity does not qualify as a Rent Reform Initiative.

**2021-02**

*(Proposed Activity)*

## **STREAMLINE CONVERSION OF SUBSIDIZED UNITS TO PROJECT BASED VOUCHERS**

### **Activity Description**

This activity allows SCCHA to convert subsidized units into Project Based Voucher (PBV) units. The conversion of expiring subsidized units into PBV units is contingent upon the owner's consent and agreement. SCCHA requests that upon receipt of HUD- issued Tenant Protection Vouchers (TPVs), to allow the conversion of the newly received additional allocated Tenant Protection Vouchers (TPVs) to PBV. However, when tenants residing in PBV units move out, SCCHA will issue TPVs from the Agency's existing pool of regular Housing Choice Vouchers. The rental units will remain as PBV units.

As part of the conversion into PBV units, an owner must agree to enter into a PBV HAP contract for a period of twenty (20) years and comply with all the requirements of the PBV program, to include all applicable fair housing and civil rights requirements. By converting subsidized units into PBV units, this MTW Activity will increase housing choices for low-income families and will preserve the long-term affordability of expiring subsidized properties.

Santa Clara County is marked by one of the highest rental costs in the nation, wide income disparity, and a region-wide housing shortage. As affordable housing units have decreased, the preservation of long-term affordable housing for low-income households fulfills an urgent housing need and benefits the community by expanding housing choices for low-income families who are most vulnerable to displacement and homelessness. Furthermore, preserving affordable housing units will meet the goals of deconcentrating poverty and expanding housing and economic opportunities for the community.

This activity may apply to Section 8 Moderate Rehabilitation (Mod Rehab), Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program, Rent Supplement, Rental Assistance Payment (PBRAs), and Section 202 Supportive Housing for the Elderly program (202 PRAC) contracts.

### **Relation to Statutory Objectives**

This activity supports the statutory objective of the MTW program by increasing housing choices for low-income families. It will expand housing choices over time as properties remain affordable by extending the life of subsidized projects and reduce rent burdens.

### **Anticipated Schedule for Achieving the Stated Objectives**

This activity is anticipated to be implemented upon approval.

## Proposed Baseline, Benchmarks, Metrics and Data Collection

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, SCCHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

Activity 2021-02 Streamline Conversion of Subsidized Units to Project Based Vouchers				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<b>HC #1: Additional Units of Housing Made Available</b>				
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	74		
<b>HC #2: Units of Housing Preserved</b>				
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0	74		

## Cost Implications

SCCHA anticipates that the proposed activity will not have any cost implications.

## Authorization for the Activity

The proposed activity is authorized in Attachment C, Paragraph D, Section 1, Subsection e. and Attachment C, Paragraph D, Section 2, Subsection a. of SCCHA's MTW Agreement with HUD and waives section provisions of Section 8(o)(13) of the 1937 Act and 24 CFR 983 as necessary to implement SCCHA's Annual MTW Plan. This authorization is needed to allow SCCHA the ability to preserve affordable housing units while increasing housing choices for low-income families.

## Rent Reform Impact Analysis, Hardship Case Criteria, Annual Reevaluation and Transition Period

This activity does not qualify as a Rent Reform Initiative.

**2021-03**

*(Proposed Activity)*

**WAIVE EARNED INCOME VERIFICATION REPORT  
FOR INTERIM REEXAMINATIONS & NEW ADMISSIONS**

**Activity Description**

Activity 2021-03 seeks an exemption from generating and reviewing the Earned Income Verification (EIV) Income Report during interim reexaminations for participants and new admissions processing for applicants.

The requirement to use the EIV income report for interim reexaminations and new admission processing translates to additional staff time expended accessing and reviewing outdated EIV Income Reports that are not accurate for income calculation purposes.

Currently, based on the family's documentation, SCCHA calculates or recalculates the tenant rent and HAP portions accordingly. The generation and review of the EIV income report only adds time to what is supposed to be a more efficient process for staff.

The earned income information contained in EIV at the time of the interim reexamination or new admission is not up-to-date (the earnings information included on the EIV income report is generally delayed by two quarters), therefore, unreported income and patterns of undisclosed income are most likely to be identified during the regular reexamination process. The proposed activity does not eliminate the requirement to generate and review EIV Income Reports during regular reexaminations, or at any time where such verification is necessary.

In addition, SCCHA regularly reviews and monitors the many reports contained in the EIV system (Deceased Tenants, Multiple Subsidy and Identity Verification reports) to assure compliance with Federal requirements. Through this activity, SCCHA is not requesting modification for the use of these EIV reports; rather the request is centered only on waiving the requirement to use the EIV Income Report during interim reexaminations for participants and as part of the new admissions process for applicants.

**Relation to Statutory Objectives**

This activity supports the statutory objective of reducing administrative costs by decreasing the amount of time spent generating and reviewing EIV Income Reports.

**Anticipated Schedule for Achieving the Stated Objectives**

SCCHA anticipates implementing this activity within 60 days of HUD approval.

**Proposed Baseline, Benchmarks, Metrics and Data Collection**

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, SCCHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.

Activity 2021-03 Waive Earned Income Verification Report for Interim Reexaminations & New Admissions				
Unit of Measurement	Baseline	Benchmark	Projected Outcome	Benchmark Achieved?
<b>CE#1: Agency Cost Savings (Interim)</b>				
Total cost of performing the task in dollars for interim reexaminations.	\$94,925	\$0		
<b>CE#2: Staff Time Savings (Interim)</b>				
Total time to complete the task for interim reexaminations in staff hours.	3,025 hours	0		
<b>CE#1: Agency Cost Savings (New Admission)</b>				
Total cost of performing the task in dollars for new admissions.	\$10,952	\$0		
<b>CE#2: Staff Time Savings (New Admission)</b>				
Total time to complete the task for new admissions in staff hours.	349 hours	0		

In FY2019, 9,076 interim reexaminations were conducted. Generating and reviewing the EIV report per interim requires approximately 20 minutes of staff time equaling approximately 3,025 hours at a cost of \$94,925, annually. Elimination of this task reduces the amount of staff time by 3,025 hours and results in a savings of approximately \$94,925.

There were 1,046 new admissions in FY2019. Generating and reviewing the EIV report for all new admissions at a rate of around 20 minutes of staff time equals 349 hours at a cost of \$10,952, annually. Elimination of this task at New Admissions processing would save SCCHA about 349 hours resulting in a savings of approximately \$10,952.

## Cost Implications

SCCHA anticipates that the proposed activity will save the Agency approximately \$105,877 in administrative costs and 3,374 staff hours combined within one fiscal year.

## Authorization for the Activity

The proposed activity is authorized in Attachment C, Paragraph C, Section 4, of SCCHA's MTW Agreement with HUD and waives certain provisions of Section 3 (a) (1) and 3 (A) (2) of the 1937 Act and 24 CFR 982.516 and 982 Subpart E. as necessary to implement SCCHA's MTW Plan. This authorization is needed to waive the generation and review of the Earned Income Verification (EIV) Income Report as part of the interim reexamination and new admission processes.

## Rent Reform Impact Analysis, Hardship Case Criteria, Annual Reevaluation and Transition Period

This activity does not qualify as a Rent Reform Initiative.

2021-04

(Proposed Activity)

## SIMPLIFY MINIMUM RENT HARDSHIP EXEMPTION

### Activity Description

This activity seeks approval to waive HUD's Minimum Rent Hardship Exemption requirement and implement a version that better suits the needs of SCCHA's participants. The proposed Hardship Exemption policy does not differentiate between a temporary and long-term hardship and does not require SCCHA staff to track and receive repayment from participants.

SCCHA's Minimum Rent Hardship Policy will be applied in circumstances as outlined in the Administrative Plan.

When an exemption from paying the minimum rent is requested, the minimum rent will be suspended beginning the first of the month following the request. If the hardship exemption is granted the family will pay 32% of household income in lieu of the minimum rent. The exemption from paying the minimum rent will continue until the end of the qualifying hardship, at which time the minimum rent will be reinstated.

If SCCHA determines there is no financial hardship, the minimum rent will be reinstated on the first of the month following the determination.

### Relation to Statutory Objectives

This activity supports the statutory objective of increasing the Agency's cost effectiveness through the maximization of dollars spent on rental units.

### Anticipated Schedule for Achieving the Stated Objectives

SCCHA anticipates implementing this activity upon approval. After approval SCCHA will develop a procedure to implement the new minimum rent and will provide 12 months' notice to participants.

### Proposed Baseline, Benchmarks, Metrics and Data Collection

Data related to this activity will be collected and retrieved at least annually from the Agency's electronic database. As this activity is implemented, SCCHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks.



Activity 2021-04 Simplify Minimum Rent Hardship Exemption				
Unit of Measurement	Baseline	Benchmark	Projected Outcome	Benchmark Achieved?
<b>CE#1: Agency Cost Savings</b>				
Total cost of task in dollars (decrease).	\$31,704	0	0	
<b>CE#2: Staff Time Savings</b>				
Total time to complete the task in staff hours (decrease).	27	0	0	

## Cost Implications

SCCHA anticipates that the proposed activity will save approximately \$31,704.

## Authorization for the Activity

The proposed activity is authorized in Attachment C, Paragraph D, Section 2, Subsection a. of SCCHA's MTW Agreement with HUD and waives certain provisions of Section 8(o)(13)(B) of the 1937 Act and 24 CFR 5.630 as necessary to implement SCCHA's MTW Plan. This authorization is needed because HUD regulations require a Minimum Rent Hardship Exemption that is more stringent than what SCCHA wants to implement.

## Rent Reform Impact Analysis, Hardship Case Criteria, Annual Reevaluation and Transition Period

This activity does not qualify as a Rent Reform Initiative.

## IV. Approved MTW Activities (HUD Approval Previously Granted)

To date, SCCHA has had 48 activities approved by HUD. Of these, nine were closed out. The first four numbers of each activity signify the fiscal year in which each activity was approved. Except where indicated in the activity status explanation, SCCHA does not anticipate any changes or modifications to the activities during the Plan year.

### Implemented Activities

#### ACTIVITY 2009-1: REDUCED FREQUENCY OF TENANT REEXAMINATIONS

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2009 AMENDED: FY2016

##### DESCRIPTION OF MTW ACTIVITY

This activity, originally implemented in 2009, reduces the frequency of participant reexaminations in the voucher program. Participants with a fixed income are reexamined every three years and participants with a non-fixed income are reexamined every two years. In FY2016, SCCHA added an amendment to this activity to include its four public housing units under the new reexamination schedule. By including its public housing units under the modified reexamination schedule, SCCHA will be furthering administrative streamlining and labor savings for both its Section 8 and 9 programs.

##### UPDATE ON MTW ACTIVITY

SCCHA will continue to use this activity during FY2021.

##### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes to this activity during FY2021.

##### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no changes to the activity’s metrics, baselines, or benchmarks.

##### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes to this activity during FY2021.

#### ACTIVITY 2009-2: EXPEDITING INITIAL ELIGIBILITY INCOME VERIFICATION PROCESS

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2009 AMENDED: N/A

##### DESCRIPTION OF MTW ACTIVITY

This activity allows SCCHA to extend the time period in which application documents are valid, from 60 days to 120 days.

##### UPDATE ON MTW ACTIVITY

Extending the documentation timeframe continues to provide administrative relief, both to

applicants and to SCCHA. SCCHA will continue to use this activity in FY2021.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### **ACTIVITY 2009-5: EXPLORING NEW HOUSING OPPORTUNITIES FOR THE CHRONICALLY HOMELESS**

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2011 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

The Chronically Homeless Direct Referral (CHDR) program was implemented in FY2011. The CHDR program increases housing choices and mobility by assisting the homeless population through a more targeted and efficient process than the standard voucher waiting list system. Following a housing-first model, identified chronically homeless families not on the voucher waiting list are referred for project-based housing assistance and connected to case management services with local service providers. In FY2016 SCCHA amended and extended its agreement with Santa Clara County's Office of Supportive Housing, which administers the referral of applicant and oversees the agencies providing intensive case management services.

#### **UPDATE ON MTW ACTIVITY**

SCCHA continues to work closely with the County's Office of Supportive Housing to successfully house chronically homeless families throughout the County.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2009-8: 30-DAY REFERRAL PROCESS FOR PROJECT BASED VACANCIES

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2010 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

This activity allows owners to directly refer applicants after 30 days of unsuccessful attempts to fill the Project-Based Voucher (PBV) unit using referrals from the SCCHA waiting list. This activity reduces the vacancy time for owners and the resultant loss in money thus ensuring the continuation of the PBV contract and the affordability of the units for low income households.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis to fill vacancies in both new construction and existing PBV properties. SCCHA will continue to utilize the activity in this fashion during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2009-9: UTILIZATION OF LOW-INCOME HOUSING TAX CREDIT (LIHTC) TENANT INCOME CERTIFICATION (TIC) FOR INCOME AND ASSET VERIFICATION

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2010 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

This activity, first implemented in 2010, allows SCCHA to utilize the owner-provided Tenant Income Certification (TIC) form required under the Low-Income Housing Tax Credit (LIHTC) Program as its sole method for verification of the family's income and assets when filling PBV vacancies for tax credit units. Prior to implementation, households selected to fill a PBV unit that utilized tax credits had to complete initial eligibility calculations under both the Federal LIHTC regulations (Section 42 of the IRS Code) and the Section 8 PBV regulations (24 CFR 5.657, 5.659).

### UPDATE ON MTW ACTIVITY

SCCHA currently uses property-owner TIC documentation for initial eligibility and at each regularly scheduled reexamination to verify income and family composition.

### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### ACTIVITY 2009-11: PROJECT-BASE 100% OF UNITS IN FAMILY PROJECTS

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2010 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This MTW activity allows SCCHA to project-base more than 25% of the units in housing projects that make supportive services available. Although services must be made available and families must be made aware of and encouraged to participate in these services, families do not need to participate in the supportive services. This MTW activity increases housing choices for low-income families by making the units more attractive to families who do not want or need supportive services.

#### UPDATE ON MTW ACTIVITY

The activity continues to reduce SCCHA's administrative burden by removing the required compliance monitoring for families living in the "excepted" units (i.e. units above the 25% cap).

#### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### ACTIVITY 2009-13: COMBINED WAITING LIST FOR THE COUNTY OF SANTA CLARA AND THE CITY OF SAN JOSÉ

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2009 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

In 1976, SCCHA signed an agreement to administer the Housing Choice Voucher program on behalf of the City of San José. This agreement allows SCCHA to operate under one Annual Plan, one Administrative Plan, and one combined MTW plan for both housing authorities. In accordance with this agreement, in FY2009, this activity was implemented to permit SCCHA to waive regulation 24 CFR 982.404(f), and to continue to operate one combined waiting list for both the City of San José and the County of Santa Clara. This activity allows SCCHA to operate a

joint waiting list for the Housing Choice Voucher (HCV) and the Project Based Voucher (PBV) Programs.

#### **UPDATE ON MTW ACTIVITY**

SCCHA continues to operate one combined waiting list for both the City and County housing authorities and for the Housing Choice Voucher (HCV) Program and the Project-Based Voucher (PBV) Program.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

### **2009-14: PAYMENT STANDARD CHANGES BETWEEN REGULAR REEXAMINATIONS**

PLAN YEAR APPROVED: FY2009 IMPLEMENTED: FY2010 AMENDED: FY2014

#### **DESCRIPTION OF MTW ACTIVITY**

This activity allows SCCHA to effectuate an immediate change in voucher size and its corresponding payment standard when changes in family composition or SCCHA's subsidy size policy occur between regular reexaminations. If the application of the new payment standard results in a decrease in the tenant's rent portion, the interim reexamination effective date will be the first of the month following the change. If the application of the new payment results in an increase in the tenant's rent portion, the interim reexamination effective date will be the first of the month following a 30-day notice to the tenant and owner.

#### **UPDATE ON MTW ACTIVITY**

This activity continues to result in Housing Assistance Payment (HAP) cost savings by enabling the new payment standards to take effect at the time of an interim reexamination rather than at the next regular reexamination.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

## **ACTIVITY 2010-2: EXCLUDING ASSET INCOME FROM INCOME CALCULATIONS FOR FAMILIES WITH ASSETS UNDER \$50,000**

PLAN YEAR APPROVED: FY2010 IMPLEMENTED: FY2010 AMENDED: N/A

### **DESCRIPTION OF MTW ACTIVITY**

SCCHA no longer calculates income received from family assets under \$50,000. Since implementation in FY2010, SCCHA has reduced administrative costs through this activity. SCCHA continues to save costs of staff time previously spent on this task.

### **UPDATE ON MTW ACTIVITY**

SCCHA continues to save costs of staff time previously spent on this task.

### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

## **2010-3: APPLYING CURRENT INCREASED PAYMENT STANDARDS AT INTERIM REEXAMINATIONS**

PLAN YEAR APPROVED: FY2010 IMPLEMENTED: FY2010 AMENDED: N/A

### **DESCRIPTION OF MTW ACTIVITY**

This MTW activity allows the application of the current payment standard (if the payment standard has increased since the family's last regular reexamination) to the rental assistance calculation at interim reexaminations.

### **UPDATE ON MTW ACTIVITY**

Since implementation in FY2010, SCCHA has met the statutory objective of reducing administrative costs and increasing housing choice for low-income families. SCCHA has realized savings in staff hours and cost of tasks.

### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### ACTIVITY 2010-4: ALLOCATING PROJECT-BASED VOUCHERS TO SCCHA-OWNED PROJECTS WITHOUT COMPETITION

PLAN YEAR APPROVED: 2010 IMPLEMENTED: 2010 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This MTW activity allows the Agency to select SCCHA-managed housing for project-based assistance without a competitive process, saving both staff time and other costs that would be related to a competitive process. As a result of this activity, SCCHA is able to cost-effectively and efficiently ensure that these project-based units are available.

#### UPDATE ON MTW ACTIVITY

SCCHA last utilized this activity in 2016 to allocate 81 PBVs to the Laurel Grove Family Apartments project and 99 PBVs to the Park Avenue Senior Apartments project, both in San José. There are currently no plans to utilize this MTW activity in FY2021.

#### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

### ACTIVITY 2011-1: STREAMLINED APPROVAL PROCESS FOR EXCEPTION PAYMENT STANDARD FOR REASONABLE ACCOMMODATION – HCV

PLAN YEAR APPROVED: FY2011 IMPLEMENTED: FY2011 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This activity allows SCCHA to approve any requests for an exception payment standard above 110 percent (but not to exceed 120 percent) of the published Fair Market Rent (FMR) as a reasonable accommodation for persons with disabilities.

#### UPDATE ON MTW ACTIVITY

This activity continues to improve SCCHA's responsiveness to the needs of families with members who have disabilities by enabling them to secure an accessible unit more expeditiously.



### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

## **ACTIVITY 2011-2: SIMPLIFY REQUIREMENTS REGARDING THIRD-PARTY INSPECTIONS AND RENT SERVICES**

**PLAN YEAR APPROVED:** FY2011 **IMPLEMENTED:** FY2011 **AMENDED:** N/A

### **DESCRIPTION OF MTW ACTIVITY**

SCCHA implemented this activity to waive the regulatory requirement in which HUD must approve a designated, qualified independent agency to conduct Housing Quality Standards (HQS) inspection and rent reasonableness services for SCCHA-owned units. This qualified independent agency conducts both initial and regularly scheduled HQS inspections, as well as rent reasonable services for initial contracts and requested rent adjustments for SCCHA-owned or -controlled properties. In addition, this activity has allowed SCCHA to waive the second part of the HUD regulation that requires the independent agency to supply copies of each inspection report and rent reasonableness determination to the HUD field office.

### **UPDATE ON MTW ACTIVITY**

SCCHA continues to realize the ongoing benefits associated with reduced costs and administrative streamlining related to the previously approved specifications of this activity.

### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### **PLANNED SIGNIFICANT CHANGES**

SCCHA is re-proposing this activity in its FY2021 MTW Annual Plan. The re-proposal seeks to eliminate the balance of the required tasks associated with this HUD requirement. Specifically:

- Establishing contract rents (initial rent to owner and redetermined rent to owner);
- Establishing term of initial and any renewal HAP contract;
- Determining rent reasonableness; and
- Assisting the family in negotiating the rent with the owner.

The complete elimination of this requirement will continue to decrease costs and increase administrative streamlining at SCCHA.

## ACTIVITY 2012-2: MINIMUM TWO-YEAR OCCUPANCY IN PROJECT-BASED UNIT

PLAN YEAR APPROVED: 2012 IMPLEMENTED: 2015 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

The purpose of the activity is to enhance the occupancy stability in the PBV program, which will result in reduced staff time spent processing PBV move-outs and vacancy outreach. Project-based participants are required to remain in their PBV units for a minimum of two years prior to becoming eligible to request a tenant-based voucher to move with continued assistance.

The activity does not apply to families:

- 1) with an approved reasonable accommodation that requires them to move;
- 2) who experience a change in family composition that affects unit size;
- 3) who present other compelling reasons to move out; and/or
- 4) who request a move under the Violence Against Women Act (VAWA).

To implement the activity, SCCHA created its own PBV Statement of Family Responsibility and PBV Tenancy Addendum forms to replace the HUD forms. The only change in the SCCHA versions of the forms is the two-year, rather than one-year, PBV residency requirement before tenants may move with continued housing assistance.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

### **ACTIVITY 2012-3: CREATE AFFORDABLE HOUSING ACQUISITION AND DEVELOPMENT FUND**

PLAN YEAR APPROVED: FY2012 IMPLEMENTED: FY2012 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity allows SCCHA to use MTW funds to pursue opportunities to build new affordable rental housing units through the acquisition of existing land and/or funding the development of units for new construction or rehabilitation.

#### **UPDATE ON MTW ACTIVITY**

Predevelopment efforts continue on Alvarado Park Senior Housing and Bellarmino Place Family Housing. The adjacent developments, purchased with \$12 million in MTW funds, will provide 89 affordable units for seniors and 115 affordable units for families in an amenity rich neighborhood in San Jose. MTW funds in the amount of \$30 million were used to acquire property on East Santa Clara Street. This property will be home to a new office for SCCHA, hundreds of multi-family affordable housing units, and open space green areas. Design development will continue into FY2021 and MTW funds will be used in pursuing necessary land use approvals.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

### **ACTIVITY 2012-4: CREATE AFFORDABLE HOUSING PRESERVATION FUND FOR SCCHA AND AFFILIATE OWNED PROPERTIES**

PLAN YEAR APPROVED: FY2012 IMPLEMENTED: FY2012 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity allows SCCHA to use MTW funds to assist in its preservation activities and to support the asset management staff that has oversight of the affordable units. The preservation activities include using MTW funds for expenses incurred in rehabilitating the units to extend their useful life and affordability, or to acquire the property or limited partner's interest at the end of the tax credit period to maintain the asset's affordability into the future or pay off existing loans in order to leverage additional financing.

#### **UPDATE ON MTW ACTIVITY**

SCCHA continues to use this activity to preserve the long-term stability and viability of existing SCCHA owned and affiliate owned housing. The fund is used to respond to planned events, such

as paying soft debt to the City of San José to acquire more of an ownership stake in the assets, and unplanned events arising as properties age. Capital projects are planned for several projects, starting with San Pedro Gardens, El Parador and Helzer Court.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

### **ACTIVITY 2013-1: ELIMINATION OF THE EARNED INCOME DISALLOWANCE (EID) CALCULATION**

PLAN YEAR APPROVED: FY2013 IMPLEMENTED: FY2015 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity eliminates the HUD-mandated Earned Income Disallowance (EID) calculation. The agency implemented this activity in early FY2015. Since implementation, this activity continues to decrease staff time required to calculate a family's rent portion and reduces errors associated with calculating potential income exclusions.

#### **UPDATE ON MTW ACTIVITY**

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

#### **PLANNED NON-SIGNIFICANT CHANGES**

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2014-1A: FOCUS FORWARD PILOT PROGRAM PART I - CASE MANAGEMENT, INCENTIVES & ESCROW

PLAN YEAR APPROVED: FY2014 IMPLEMENTED: FY2021 AMENDED: FY2018

### DESCRIPTION OF MTW ACTIVITY

The Focus Forward Program (FFP) is an expanded version of the traditional FSS program and will support HCV participants in increasing and sustaining a higher level of self-sufficiency. Originally proposed in the FY2014 MTW Plan, SCCHA re-proposed the FFP with a more robust case management and ongoing program-incentives component. The enhanced FFP will promote accountability and motivate participants to pursue higher education, develop 21st century job skills and set/achieve realistic self-sufficiency goals.

SCCHA issued a Request for Proposal and hired a consultant to assist in developing policies, procedures, case management strategies, and relationships with community partners necessary to implement FFP in FY2019. SCCHA is currently implementing the activity with the help of a consultant and plan on enrolling participants in Focus Forward in FY2021.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2014-1B: FOCUS FORWARD PILOT PROGRAM PART II - TIME LIMIT, RENT STRUCTURE & LIMITED PORTABILITY

PLAN YEAR APPROVED: FY2014 IMPLEMENTED: FY2021 AMENDED: FY2018 & FY2020

### DESCRIPTION OF MTW ACTIVITY

First approved in the FY2014 MTW plan, this activity was separated into parts 2014-1a and 2014-1b in FY2018. For 2014-1b, families that are currently on the SCCHA waiting list will have the option to enroll in the FFP, with the condition that their assistance will have a ten-year time limit. In addition to the ten-year time limit, and to prepare participants for transitioning off assistance, SCCHA has designed an alternative rent calculation for the FFP in which participants will take on more fiscal responsibility for their rental payments as they progress through the program. SCCHA

also re-proposed this activity in FY2020 to limit the circumstances under which FFP participants may exercise portability to move to a different jurisdiction.

SCCHA issued a Request for Proposal to select a consultant to assist in developing the policies, procedures, case management strategies, and relationships with community partners necessary to implement FFP. SCCHA has been working with the consultant throughout FY2019 and anticipates the first phases of implementation to take place during FY2020.

There have not been any non-significant changes or modifications to the MTW activity since it was approved by HUD.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2014-4: INCREASED TENANT CONTRIBUTION – UP TO 35% OF GROSS INCOME

PLAN YEAR APPROVED: FY2014 IMPLEMENTED: FY2015 AMENDED: FY2015

### DESCRIPTION OF MTW ACTIVITY

This activity simplified the calculation of Total Tenant Payment (TTP) to the higher of between 30 and 35 percent of the participant family's gross monthly income or \$50 (minimum rent). Originally implemented in FY2014, this activity eliminated all standard allowances and deductions, as well eliminated the inclusion of a utility allowance in the tenant rent calculation. The initial implementation of this activity increased the TTP to 35 percent as a cost-saving measure in response to diminished funds resulting from federal sequestration. In September 2014, the TTP was reduced to 32 percent. SCCHA re-proposed this activity in FY2015 to include its four public housing units. This activity provided significant costs savings to SCCHA by reducing the amount of Housing Assistance Payment (HAP) paid to landlords. Additionally, the simplified calculation freed up staff hours by streamlining this task.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2015-2: PROJECT BASED VOUCHER INSPECTION SELF-CERTIFICATION

PLAN YEAR APPROVED: FY2015 IMPLEMENTED: FY2015 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

This activity was approved and implemented in FY2015 and allows Project Based Voucher owners and tenants to self-certify the correction of reported Housing Quality Standards (HQS) deficiencies within the 30-day period after the initial HQS inspection. This activity only applies to HQS deficiencies which are not life threatening. This activity reduces expenditures by eliminating the need for scheduling and conducting a re-inspection.

### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2015-3: MODIFIED ELDERLY DEFINITION FOR PBV

PLAN YEAR APPROVED: FY2015 IMPLEMENTED: FY2015 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

HUD currently defines elderly to be persons aged 62 year or older and elderly families as those whose head, spouse or co-head are 62 years of age or older. This activity modifies the age, for the Project Based Voucher (PBV) program, at which a person or family is considered elderly from persons aged 62 or older to persons aged 55 or older to align with the definition used by several

affordable housing developments in the area. Therefore, PBV sites which define elderly as 55 years of age and older are considered an elderly property.

#### UPDATE ON MTW ACTIVITY

This change in the definition allows SCCHA to refer a larger pool of applicants (any family with Head of Household or Spouse aged 55 and older) from its PBV waiting list to fill vacancies in these units and will allow the Agency to project-base 100% of the units in a project with aged 55 or older limitations (project is not subject to the 25% PBV per project cap). SCCHA increased the number of available units for households who otherwise would not have qualified under the property's definition of elderly. In FY2020, 37 new elderly PBV units were added.

#### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

### ACTIVITY 2016-2: STREAMLINING OF PBV SELECTION REQUIREMENTS

PLAN YEAR APPROVED: FY2016 IMPLEMENTED: FY2018 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This activity enables SCCHA to select Project-Based Voucher proposals without conducting a competitive selection process where: 1) the proposed project was previously selected for award through any form of open public solicitation or invitation process conducted by a Federal, State, or local government entity, where a proposal is selected subject to funding availability; and 2) the proposed project was selected by the other government entity within the last fifteen years. This activity also eliminates the regulatory requirement that the previous selection process not take into account rental assistance for the proposed project and allows proposers to include PBV assistance in their calculations.

#### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

#### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.



### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

### ACTIVITY 2017-1: PHASING IN THE SUBSIDY STANDARD CHANGE

PLAN YEAR APPROVED: FY2017 IMPLEMENTED: FY2017 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

Under this activity, the SCCHA subsidy standards effective January 1, 2017 did not affect households in a unit under a Housing Assistance Payment contract until (1) the family moves; or (2) the rental market vacancy rate remains five percent or higher for at least six months, whichever occurs first.

#### UPDATE ON MTW ACTIVITY

SCCHA continues to monitor the vacancy rate in Santa Clara County and because vacancy rates have not increased to five percent or more, this activity remains in effect. SCCHA and program participants continue to realize the ongoing benefits of this activity.

#### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

### ACTIVITY 2017-2: SPECIAL NEEDS POPULATION DIRECT REFERRAL PROGRAM

PLAN YEAR APPROVED: FY2017 IMPLEMENTED: FY2019 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This activity creates an exception to Section 8 waiting list regulations to create a direct referral program for certain special needs populations who are not best served through a waiting list (such as disabled individuals at risk of institutionalization or transition aged youth). This activity gives SCCHA the flexibility to work directly with community partners to rapidly house and provide supportive services to vulnerable populations.

#### UPDATE ON MTW ACTIVITY

SCCHA continues to utilize this activity to expand housing opportunities for special needs populations.

### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

## ACTIVITY 2017-3: LANDLORD INITIATIVES (& RE-PROPOSED)

PLAN YEAR APPROVED: FY2017 IMPLEMENTED: FY2017 AMENDED: FY2018 & FY2019

### DESCRIPTION OF MTW ACTIVITY

This activity originally authorized SCCHA to administer vacancy payments to Section 8 landlords who re-rent their unit to SCCHA program participants.

Implemented in March 2017, SCCHA re-proposed the activity in FY2018 to streamline the process of administering the vacancy payments originally based on 80 percent of the previous contract rent for up to 30 days. Approved by HUD, vacancy payments are now set within the range of \$500 and \$1,500 – an amount that was determined to be reasonable after evaluating the program-wide contract rent average. Moderate Rehabilitation and Project-Based Voucher units vacancy payments remain at 80 percent of the previous contract rent.

Re-proposed again in FY2019, Activity 2017-3 expands the initiatives SCCHA offers landlords to increase and maintain rental units available for Section 8 families. Offering a one-time bonus payment for new landlords between \$500 and \$2,500—based on a program-wide contract rent average, bonus payments provide new owners with an incentive to participate in the HCV program.

This activity increases the number of HCV units that are re-leased to HCV participants, ensuring the long-term viability of units that will be available to HCV low-income tenants and provides an incentive for new owner participation in the HCV program.

### UPDATE ON MTW ACTIVITY

SCCHA originally implemented the use of vacancy payments in March 2017 before seeking to streamline the process of administering the payments in FY2018. The expansion of the initiative in FY2019 offering one-time bonus payments to new owners who rent to a Section 8 tenant was implemented in January 2019.

### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

## **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

## **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes or modifications to this activity and its authorizations during FY2021.

## **ACTIVITY 2019-2: FAMILY SELF-SUFFICIENCY PROGRAM – WAIVE CONTRACT OF PARTICIPATION REQUIREMENTS**

PLAN YEAR APPROVED: FY2019 IMPLEMENTED: FY2019 AMENDED: N/A

## **DESCRIPTION OF MTW ACTIVITY**

This activity modifies certain aspects of the Family Self Sufficiency (FSS) program in order to reduce the administrative burdens on both the participant families and SCCHA, while broadening the pool of families who could benefit from the FSS program's escrow savings account. First, the activity eliminates the requirement in the FSS Contract of Participation (CoP) (HUD Form 52560) that enrolling families must have been subject to an income reexamination within 120 days of the enrollment, and instead uses the family income as determined at the last regular reexamination, which may be up to two years before enrollment for families which are not on fixed incomes. Second, the activity allows the successful maintained employment of any adult member of the enrolled family – rather than just the Head of Household – to count towards the family's FSS goals. As long as at least one adult family member completes the Individual Training and Services Plan, the family will be considered a "successful FSS completion" and will receive the escrow payout.

## **UPDATE ON MTW ACTIVITY**

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

## **PLANNED NON-SIGNIFICANT CHANGES**

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

## **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no planned changes to the activity's metrics, baselines, or benchmarks.

## **PLANNED SIGNIFICANT CHANGES**

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

### **2019-3: WAIVING THE REQUIREMENT THAT A PHA REDETERMINE RENT REASONABLENESS FOR MANUFACTURED HOME SPACES ANNUALLY**

PLAN YEAR APPROVED: FY2019 IMPLEMENTED: FY2019 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity allows SCCHA to eliminate the HUD requirement that a PHA annually re-determine that the current rent to owner is a reasonable rent for rent charged for a manufactured home space. SCCHA continues to perform a full rent reasonableness review at the time of a new contract, owner requested rent changes, tenant request, or when deemed necessary by SCCHA staff.

#### **UPDATE ON MTW ACTIVITY**

SCCHA continues to use this activity for manufactured home space rentals in the HCV program.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### **2019-4: STREAMLINING THE LEASE UP PROCESS**

PLAN YEAR APPROVED: FY2019 IMPLEMENTED: FY2019 AMENDED: N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity was designed to alleviate the delays associated with the processing and completion of the Request for Tenancy Approval (RTA) packet, tenancy addendum, and lease. HUD approved a waiver of 24 CFR §982.162 and §982.308 as necessary to change the requirement of using Form HUD-52517 and to simplify and streamline what constitutes an approvable lease.

SCCHA created a new RTA form that consolidated certain sections which required owners to input duplicative information. Additionally, SCCHA created a "Mandatory Lease Information" form which acts as an addendum to the owner's lease agreement. The goal of this form is to save staff time by providing the information HUD requires to be in the owner's lease on a single page that the tenant and owner will sign and submit along with the lease. This will save staff time because they will no longer need to sift through the entire lease to find the HUD required elements and simultaneously achieve faster approval of the HAP contract for owners.

#### **UPDATE ON MTW ACTIVITY**

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during

FY2021.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks. The metric HC#1: Additional Units of Housing Made Available will be removed from this activity. As implemented, this activity reduces the staff time required when processing a Request for Tenancy Approval packet and does not increase housing choices for program participants.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

### **2020-1: PBV PROGRAM CAP**

**PLAN YEAR APPROVED:** FY2020 **IMPLEMENTED:** FY2020 **AMENDED:** N/A

#### **DESCRIPTION OF MTW ACTIVITY**

This activity was approved in FY2020 and raises the percentage cap for the Housing Authority of the City of San José (HAC SJ) and the Santa Clara County Housing Authority (SCCHA) to 40% of the respective baseline number of vouchers and removes the restrictions on the types of allowable units.

#### **UPDATE ON MTW ACTIVITY**

SCCHA is in the beginning stages of implementation and will utilize this activity when the number of Project Based Voucher units exceeds the 20% Program Cap threshold.

#### **PLANNED NON-SIGNIFICANT CHANGES**

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

#### **PLANNED CHANGES TO METRICS/DATA COLLECTION**

There are no changes to the activity's metrics, baselines, or benchmarks.

#### **PLANNED SIGNIFICANT CHANGES**

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

## 2020-2: INTERIM HOUSING

PLAN YEAR APPROVED: FY2020 IMPLEMENTED: FY2020 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

This activity was approved in FY2020 and creates a local rental subsidy program to assist special needs populations. SCCHA is partnering with the City of San Jose and the County of Santa Clara to provide interim (short-term) housing to individuals and families who are approved for a Permanent Supportive Housing (PSH) unit to which SCCHA has attached a PBV, but the unit is not yet ready for occupancy. The interim housing will move these highly vulnerable clients off the street while they await their permanent home and will provide stability and allow case managers to begin engaging with the clients.

### UPDATE ON MTW ACTIVITY

SCCHA is in the beginning stages of implementation, currently working with the City of San Jose, the County of Santa Clara, and other community stakeholders.

### PLANNED NON-SIGNIFICANT CHANGES

SCCHA does not anticipate any non-significant changes to this activity and its authorizations during FY2021.

### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no changes to the activity's metrics, baselines, or benchmarks.

### PLANNED SIGNIFICANT CHANGES

SCCHA does not anticipate any significant changes to this activity and its authorizations during FY2021.

## 2020-3: OVER HOUSED/UNDER HOUSED PBV HOUSEHOLDS

PLAN YEAR APPROVED: FY2020 IMPLEMENTED: FY2020 AMENDED: N/A

### DESCRIPTION OF MTW ACTIVITY

This activity modifies SCCHA's subsidy standards of the Project Based Voucher program where if a family is over-housed or under-housed but not in violation of Housing Quality Standards space standards, the family may remain in the wrong sized unit if the rental market vacancy rate is below five percent until (1) an appropriate sized unit becomes available at the project; or (2) the family requests a tenant based voucher, whichever occur first.

Under HUD regulations a family receiving Project Based Voucher assistance must not be over-housed or under-housed based on the PHA's subsidy standards. This restriction applies both at the time of move in and any time during the family's occupancy. If a family's size changes during the PBV tenancy and the change results in the family become over-housed or under-housed in the current PBV unit, HUD requires the family either move to a right-sized PBV unit or receive a tenant-based voucher and a reasonable time to move.

The Santa Clara County rental housing market is one of the most expensive in the nation with

record low vacancy rates. This activity addresses SCCHA concerns with forcing PBV families to move during a time of reduced housing availability and high rents.

#### UPDATE ON MTW ACTIVITY

SCCHA created and implemented policies and procedures associated with this activity in FY2020. SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

#### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

### 2020-4: RENT TO OWNERS & RENT REASONABLENESS

PLAN YEAR APPROVED: FY2020 IMPLEMENTED: FY2020 AMENDED: N/A

#### DESCRIPTION OF MTW ACTIVITY

This activity waives the requirement to reduce the approved contract rent in these circumstances. Instead, SCCHA only reduces the approved contract rent in those cases (identified through owner-initiated rent increases) where the HUD-issued Fair Market Rents (FMRs) for the applicable bedroom size have dropped by 10% or more since the unit's last rent reasonableness review.

#### UPDATE ON MTW ACTIVITY

SCCHA utilizes this activity on an ongoing basis and will continue to utilize the activity during FY2021.

#### PLANNED NON-SIGNIFICANT CHANGES

There are no planned non-significant changes or modifications to this activity and its authorizations during FY2021.

#### PLANNED CHANGES TO METRICS/DATA COLLECTION

There are no planned changes to the activity's metrics, baselines, or benchmarks.

#### PLANNED SIGNIFICANT CHANGES

There are no planned significant changes or modifications to this activity and its authorizations during FY2021.

## Activities Not Yet Implemented

### 2014-2: ELIMINATE REQUIREMENT TO REDETERMINE RENT REASONABLENESS WHEN HUD DECREASES FAIR MARKET RENTS (FMRs)

PLAN YEAR APPROVED: FY2014

This activity eliminates the HUD requirement to re-determine the rent reasonableness of affected units within 60 days of the contract anniversary date when HUD reduced FMRs by 10% or more. SCCHA expects that it will save money on staff time required for FMR analysis, comparison database upkeep, and reexamination processes. SCCHA has yet to implement this activity because HUD has not decreased FMRs since the activity was approved. SCCHA plans to implement this activity upon the event that HUD reduces FMRs by 10% or more.

There are no changes to the activity's metrics, baselines, or benchmarks.

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021. During FY2019, SCCHA raised the threshold to redetermine rent reasonableness to 10% to align with the version of 24 CFR 982.507 effective November 2016.

### 2016-1: RESTRICTION ON HEAD OF HOUSEHOLD CHANGES

PLAN YEAR APPROVED: FY2016

This activity encourages self-sufficiency by allowing the Head of Household (HoH) to leave the program and transfer his or her voucher to a remaining non-elderly, non-disabled family member only if that family member joins SCCHA's Focus Forward Program (FFP). The new HoH who enrolls in the pilot FFP may work with assigned case managers and set economic self-sufficiency goals.

This will be implemented after SCCHA implements the FFP. As described in Activities 2014-1A and 2014-1B, SCCHA anticipates the first phases of FFP implementation to take place during FY2020. Prior to implementing this activity, SCCHA will revise the metrics to include HUD standard metrics SS#6: Reducing Per Unit Subsidy Costs for Participating Households and SS#7: Increase in Agency Rental Revenue.

There have not been any non-significant changes or modifications to the MTW activity since it was approved by HUD.

### 2017-4: SETTING THE PAYMENT STANDARDS ABOVE 110 PERCENT OF HUD FAIR MARKET RENTS (ORIGINALLY PROPOSED AS ACTIVITY 2017-1)

PLAN YEAR APPROVED: FY2017

This activity provides the flexibility to set SCCHA payment standards higher than 110 percent of the Fair Market Rent (FMR), if necessary, without HUD approval. This activity will give SCCHA



participants the ability to be more competitive in the high priced and volatile Santa Clara County rental market.

This activity is intended to increase the probability of participants securing a rental unit in a tight, high-cost rental market. Currently, Santa Clara County is experiencing a stabilizing of the rental market such that SCCHA has not needed to implement this activity. SCCHA may implement this activity when the Santa Clara County housing market experiences another surge in cost.

There are no changes to the activity's metrics, baselines, or benchmarks.

SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations during FY2021.

### **2018-1: STRENGTHENING PARTNERSHIPS THROUGH CAPACITY BUILDING**

**PLAN YEAR APPROVED: FY2018**

This activity allows SCCHA to provide funds, not to surpass \$100,000 per fiscal year that can be utilized to support local service providers in building capacity, specifically geared toward service providers that offer family self-sufficiency services (i.e. job readiness programs, educational resources, etc.) to the community. The fund would allocate resources to designated partner agencies that make a commitment to providing services to individuals and families enrolled in SCCHA's pilot Focus Forward Program (FFP).

This activity will be implemented when SCCHA implements the FFP. SCCHA will revise the activity's metrics to include HUD standard metrics SS#5 and SS#8 at that time.

There have not been any non-significant changes or modifications to the MTW activity since it was approved by HUD.

### **2019-1: GRADUATION BONUS**

**PLAN YEAR APPROVED: FY2019**

This activity reduces the time a zero HAP participant's assistance is terminated from 180 days to 60 days. In addition, it extends the termination of assistance to families receiving HAP payments of \$99 or less. It also provides a lump sum bonus amount for these families upon termination of assistance. This activity is intended to increase the number of vouchers available to new families and to provide a financial cushion for graduating families.

This activity is currently on hold pending the re-opening of SCCHA's waiting list. SCCHA anticipates implementing this activity in FY2021 or FY2022.

There have not been any non-significant changes or modifications to the MTW activity since it was approved by HUD.

## Activities On Hold

### **ACTIVITY 2010-5: ASSISTING OVER-INCOME FAMILIES RESIDING AT SCCHA-OWNED PROJECT-BASED VOUCHER PROPERTIES**

This activity waives PBV regulations relating to preference for in-place families who reside in former public housing in order to continue to commit tax-exempt bonds and tax credits to the disposed public housing properties. Families with income below the PBV limit, but above the tax credit limit, will receive Section 8 voucher and relocation assistance. This activity helps maintain the affordability of units that would otherwise become unaffordable to very low-income families by applying tax credits in unison with PBV assistance. It also increases housing choices for low-income families by preserving and improving the affordable housing stock in Santa Clara County.

Since this activity was implemented in 2011, SCCHA has had no need to use this waiver as no families have exceeded the income threshold. Only one public housing project (Deborah Drive) remains that could potentially benefit from this activity and there are no plans at this time to dispose of this property. Therefore, SCCHA has placed this activity on hold indefinitely but could re-implement when the last public housing project is eliminated.

There are no changes to the activity's metrics, baselines, or benchmarks. SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations.

### **ACTIVITY 2012-5: EXPAND TENANT SERVICES AT SCCHA- OR AFFILIATE-OWNED AFFORDABLE HOUSING PROPERTIES**

This activity was implemented in FY2012 and allowed SCCHA to use its MTW funding flexibility to expand its provision of programs and services for tenants living in SCCHA or affiliate-owned non-Section 8/9 affordable rental properties. SCCHA anticipated tenants to gain some or all of the necessary skills to address daily living requirements, maintain housing, and, for work-able residents, possibly re-enter or move up in the work force.

SCCHA placed this activity on hold in FY2016 because the Agency did not – and does not expect to – utilize MTW funds for programs and services expansions at its non-Section 8/9 rental properties. Therefore, there is no implementation timeline. If non-MTW funding sources are exhausted, SCCHA will re-implement this activity.

There are no changes to the activity's metrics, baselines, or benchmarks. SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations.

### **ACTIVITY 2014-3: FREEZE ON CONTRACT RENT INCREASES**

Implemented in FY2014, this activity imposed a freeze on any owner requested rent increases for one-year effective September 2013 through August 2014. Effective September 1, 2014, SCCHA lifted the freeze and accepted owner requested rent increases again. This activity helped reduce costs by controlling increases to Housing Assistance Payments (HAP) while reducing labor costs but had negative effects on owner retention. Currently, there are no plans

to re-implement this activity. Subsequent freezes on owner requested rent increases are subject to SCCHA's Board of Commissioners' approval and are limited to a one-year term.

There are no changes to the activity's metrics, baselines, or benchmarks. SCCHA does not anticipate any non-significant changes or modifications to this activity and its authorizations.

## Closed Out Activities

ACTIVITY	WHY THE ACTIVITY WAS CLOSED	YEAR CLOSED
<b>2009-3</b> Reduced Frequency of Inspections	Effective July 2014, Public Housing Agencies (PHAs) can inspect units during the term of the Housing Assistance Payment (HAP) contract at least biennially instead of annually. There is no longer a need to waive HUD regulations to conduct biennial inspections.	This activity was closed out in <b>FY2015</b>
<b>2009-4</b> Timeline to Correct HQS Deficiencies	Handhelds are now utilized by the inspections team at every regularly scheduled inspection. These devices can record the non-life-threatening deficiency directly into the newly implemented software, which then immediately generates the deficiency notification letter. There is no longer a lag time between the date of the inspection and the date of the letter.	This activity was closed out in <b>FY2012</b>
<b>2009-6</b> 20% Sample Inspections Annually for PBV Units	After the approval of this activity, HUD issued PIH Notice 2008-14, in which HUD stipulates that a PHA may now renew or extend Project-Based Certificate Housing Assistance Payment (HAP) contracts as Project-Based Voucher HAP contracts in accordance with the regulations governing the PBV program at 24 CFR Part 983. This activity was never implemented.	This activity was closed out in <b>FY2009</b>
<b>2009-7</b> Project-Based Unit Substitution	After the approval of this activity, HUD issued PIH Notice 2008-14, in which HUD stipulates that a PHA may now renew or extend Project-Based Certificate Housing Assistance Payment (HAP) contracts as Project-Based Voucher HAP contracts in accordance with the regulations governing the PBV program at 24 CFR Part 983. Therefore, this activity was never implemented.	This activity was closed out in <b>FY2009</b>
<b>2009-10</b> Selection of SCCHA-Owned Public Housing Projects for PBV without Competition	SCCHA utilizes MTW Activity 2010-4, which allows the Agency to select any of its properties for PBV assistance without a competitive process, including public housing units. Therefore, this activity is no longer necessary.	This activity was closed out in <b>FY2015</b>
<b>2009-12</b> Adopt Investment Policies	SCCHA's Board of Commissioners annually adopts investment policies in accordance with the California Government Code (CGC) Sections 5922 and 53601. California law, which SCCHA cannot waive, is consistent with and, in fact, more restrictive than the provisions of federal regulations Section 6 (c) (4) of the 1937 Act and 24 CFR 982.156. Therefore, this activity was never implemented.	This activity was closed out in <b>FY2009</b>

ACTIVITY	WHY THE ACTIVITY WAS CLOSED	YEAR CLOSED
<b>2010-1</b> Eliminating 100% Excluded Income from the Income Calculation Process	With the publication of PIH Notice 2013-4, issued January 28, 2013, the verification and calculation of 100% excluded income is no longer required. Therefore, SCCHA eliminated this activity in FY2013. This activity saved labor time and costs.	This activity was closed out in <b>FY2013</b>
<b>2012-1</b> Create Standard Utility Allowance Schedule	Approved and implemented Activity 2014-4, simplifies the rent calculation method also includes the elimination of utility allowances. Because of Activity 2014-4, MTW Activity 2012-1 is no longer necessary and was closed out prior to implementation.	This activity was closed out in <b>FY2013</b>
<b>2015-1</b> Using UPCS or Local Inspection Standards to Determine Housing Quality Standards	On June 25, 2014, HUD published in the Federal Register that, effective July 1, 2014, "A PHA may comply with the biennial inspection requirement through reliance upon an inspection conducted for another housing assistance program. If a PHA relies on an alternative inspection to fulfill the biennial inspection requirement for a particular unit, then the PHA must identify the alternative standard in its administrative plan." Therefore, this activity was closed without implementation because HUD's directive superseded this activity.	This activity was closed out in <b>FY2015</b>

## V. MTW Sources And Uses of Funds

The information reported in Section V. serves as a placeholder until the FY2021 budget is approved by the SCCHA Board of Commissioners. At the time the FY2021 budget is approved (June 2020), SCCHA will update Section V. and re-submit the Plan to HUD.

### A. ESTIMATED SOURCES AND USES OF MTW FUNDS

#### i. Estimated Sources of MTW Funds

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
70500 (70300+70400)	Total Tenant Revenue	\$19,224
70600	HUD PHA Operating Grants	\$381,523,351
70610	Capital Grants	\$500,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$410
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$125,672
<b>70000</b>	<b>Total Revenue</b>	<b>\$382,168,657</b>

#### Note 1: Source in Analysis

##### **70600-HUD-PHA Operating Grants - \$381,523,351:**

This FDS line represents the sum of the following: (1) Public Housing Operating Subsidy Income \$16,560 and (2) Section 8 MTW Admin Fee & HAP Earned \$381,506,791.

##### **7120+71300+71310+71400+71500 – Other Income \$125,672:**

This FDS line represents the sum of the following: (1) Land Leases \$116,000 (2) Ground Leases \$9,072 and (3) Other miscellaneous income \$600.

**ii. Estimated Uses of MTW Funds**

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$23,443,253
91300+91310+92000	Management Fee Expense	\$0
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$122,158
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$35,840
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$133,592
95000 (95100+95200+95300+95500)	Total Protective Services	\$35,450
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$200,608
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$1,024,896
96700 (96710+96720+96730)	Total Interest Expense & Amortization Cost	\$38,900
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	HAP + HAP Portability-In	\$310,659,690
97400	Depreciation Expense	\$68,938
97500+97600+97700+97800	All Other Expense	\$0
<b>90000</b>	<b>Total Expenses</b>	<b>\$335,763,325</b>

**Please describe any variance between Estimated Total Revenue and Estimated Total Expenses:**

**Net Balance Analysis**

For Fiscal Year 2020, the net reserve balance of \$46,405,332 (MTW funding) will be used to fund the following:

- I. Asset Management (Local Programs) – Transfer of \$1,341,076**  
In accordance with Non-Traditional MTW Activity 2012-4, established under Preservation Fund to provide funding for activities that preserve stable, quality affordable housing to people with low and moderate incomes. The transfer of \$1,341,076 is for subsidizing the expenditures of the Asset Management and Other Preservation Activities of qualifying low-income housing units of properties that are owned and operated by SCCCHA and/or affiliated entities.
- II. Activity 2012-3 – Acquisition & Development Funds - \$500k**  
SCCHA anticipates the use of \$500k from Public Housing Capital Grant as an additional source to fund the construction cost of the Park Avenue (100 unit) development project.
- III. Activity 2012-3 – Acquisition & Development Funds - \$5.6M**  
SCCHA anticipates the use of \$5.6M to fund a variety of development projects including \$2.5 M for predevelopment of the Bellarmino Place project, \$1.5M for predevelopment of the Alvarado Park project, \$600k for East Santa Clara master planning project and \$1M for predevelopment on Buena Vista Mobile Home Park.

Finally, we request to add balance sheet FDS line items to report capital needs in the total uses of funds. In addition, we note that, in our opinion, depreciation expenses are not required in the Sources and Uses Report because they are not a source of cash; but instead they should have a corresponding FDS line for capital expenditures.

**Note 2 – Source Out Analysis**

**910000 – Total Operating – Administrative \$23,443,253**

This FDS line represents operation, administrative and allocated overhead/support department costs.

**91810 – Allocated Overhead - \$0**

Per conversation with HUD Analyst, Bella Young, in 2014, the Housing Authority is not utilizing the true COCC model. Therefore, we report our Indirect Allocation costs in FDS line 91900 (Other).

**96100 – Total Insurance Premiums - \$200,608**

This FDS line consists of \$42k liability insurance, \$156k worker's compensation insurance and \$3k for other insurance.

**96000 – Total Other General Expenses - \$1,024,896**

This FDS line is comprised of (1) \$924k compensated absences (vacation/sick) (2) \$84k admin fee port out (3) \$2k payment in Lieu of Taxes and (4) \$15.5k in property taxes.

**97300 + 97350 – Housing Assistance Payments + HAP Portability-In - \$310,659,690**

This FDS line represents the total HAP paid out. HAP Portability – Not budgeted in FY2020 as SCCCHA is absorbing all future incoming portability.



### iii. Description of Planned Use of MTW Single Fund Flexibility

PLANNED USE OF MTW SINGLE FUND FLEXIBILITY
<p>The MTW Agreement allows SCCCHA to combine public housing operating and capital funds, including development and Replacement Housing Factor (RHF)/Demolition and Disposition Transition Fund (DDTF) funds, provided under Section 9, and tenant-based voucher program funds provided under Section 8 of the 1937 Act into a single, authority-wide funding source.</p> <p>In FY2021, SCCCHA plans to continue to use MTW Single Fund Flexibility to pay for housing search services for participants who are experiencing challenges in finding a rental unit. The Agency also plans to pursue several projects led by our Information Technology Department, such as migrating our Section 8 software system to the Cloud, upgrading our scanning systems and expanding e-signature capabilities.</p> <p>The Agency has launched its new Section 8 tenant application software and is developing a separate aspect of the tool to create an applicant portal, where individuals may sign up to potentially be chosen to receive Section 8 assistance. This part of the app will likely be ready for use in FY2021.</p>

### B. LOCAL ASSET MANGEMENT PLAN

- i. Is the MTW PHA allocating costs within statute?
- ii. Is the MTW PHA implementing a local asset management plan (LAMP)?
- iii. Has the MTW PHA provide a LAMP in the appendix?
- iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.

### C. RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

#### i. Description of RAD Participation

RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION
N/A

- ii. Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.
- iii. If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment?

## VI. Administrative

### A. BOARD RESOLUTION ADOPTING THE FY2021 ANNUAL MTW PLAN AND CERTIFICATIONS OF COMPLIANCE

The SCCHA Board Resolution adopting the FY2021 MTW Plan and the Certifications of Compliance from the County of Santa Clara and the City of San José are attached as **Appendix One** to this plan.

### B. CERTIFICATION OF PAYMENTS

SCCHA has attached signed copies of the Certification of Payments (HUD-50071) as **Appendix Two** to this Plan.

### C. DISCLOSURE OF LOBBYING ACTIVITIES

SCCHA has attached signed copies of the Disclosure of Lobbying Activities (SF-LLL) as **Appendix Three** to this Plan.

### D. DOCUMENTATION OF THE PUBLIC PROCESS FOR THE FY2020 ANNUAL MTW PLAN

SCCHA's FY2021 MTW Annual Plan was made available for public review from February 24, 2020 through March 24, 2020. In addition to SCCHA's regular Board of Commissioner's Meetings, where the public may comment on the MTW plan, one MTW Plan stakeholders' meetings was held in December 2019. A total of 3 people attended the stakeholder meeting. The public hearing for the plan was held on March 12, 2020. XX individuals attended, and XX written comments were received.

### E. PLANNED AND ONGOING EVALUATIONS OF SCCHA'S MTW DEMONSTRATION

In FY2021, SCCHA will continue to refine its approach to data gathering and monitoring of MTW activities and their impacts on stated goals and objectives. SCCHA is exploring a full-scale study and evaluation of its MTW activities.

**Appendix One: Resolution No. 20-XX**

**INSERT COPY OF RESOLUTION HERE UPON ADOPTION BY THE BOC**

## Appendix One: Certifications of Compliance

INSERT COPIES OF CERTIFICATIONS FOR HOUSING AUTHORITIES OF CITY OF SAN JOSÉ AND COUNTY OF SANTA CLARA UPON RECEIPT

## **Appendix Two: Certification of Payments (HUD 50071)**

**INSERT COPIES OF HUD 50071**

## Appendix Three: Disclosure of Lobbying Activities (SF-LLL)

**INSERT COPIES OF SF-LL**