

## **Common Reform Recommendations from the Second Day of HUD's March 2010 SEMAP/Portability Convening**

### *Portability Reform*

- It would be helpful to provide PHAs with the contact information of the person and/or people at each PHA handling portability
- HUD should educate families and staff on portability process, because there is currently not a lot of training specific to portability by existing training providers. This could be done through HUD webcasts, etc.
- There are administrative things that all families experience
- Need for clarity on whether initial or receiving PHA extends the time on families' voucher depending on whether it is absorbed or billed
- Most PHAs resolve late billing but there are a few exceptions that need greater / pro-active HUD involvement to resolve
- PHAs felt that HUD should not mandate an automatic period of more than 60 initial days for voucher holders to search if they are engaged in a portability move, but instead to leave it to PHAs to include in their administrative plans and for HUD to provide education about the impacts of various PHAs' policies and "best practices" instead
- Families experienced many of the same issues whether they are engaged in a mobility or portability move. In both instances, education to families, property owners, etc. is key
- PHAs believe that streamlining the existing inter-agency portability billing system by doing it through the Voucher Management System (VMS) that has existing fields for "port-ins" and "port-outs" would be beneficial. PHAs said that there should be a set-aside amount of funding beyond the base voucher renewal funding pot for the expressed purpose of reimbursing PHAs for their net HAP deficit expenses attributable to portability. PHAs believe that HUD could perform this function on a monthly basis through the year, rather than waiting to reimburse PHAs for their portability expenses from the preceding year

### *Section Eight Management Assessment Program (SEMAP)*

Brian Gage of HUD's Office of Housing Voucher Management provided a summary of PHAs' discussions with HUD on SEMAP reform.

- Create an assessment that actually identifies PHAs that are doing a good job through their effective implementation of the HCV program
- Where HUD needs more work for technical assistance and guidance and oversight to direct appropriated resources so HUD can use public dollar as intended and where needed.

### *Deconcentration*

- Increase supportive services for people who want to live in deconcentrated neighborhoods so that services follow people

- Use Family Self-Sufficiency (FSS) and expand it to families so that they have a greater choice in quality housing and neighborhoods
- Increase Section Eight Project-Based Voucher (PBV) program development of affordable housing units in deconcentrated neighborhoods
- Increase education and outreach
- Enforce fair housing laws
- Improve Fair Market Rents and the ability of PHAs to use better Voucher Payment Standards
- Dedicate funds to mobility and portability moves to deconcentrated neighborhoods
- Create Federal partnerships for coordinated services
- Revise the deconcentration bonus definition, because the way it is defined now does not account for factors beyond PHAs' control. Currently, PHAs that operate with no or few poverty-concentrated neighborhoods receive the deconcentration bonus no matter what they do, and PHAs that have no or few deconcentrated neighborhoods receive the deconcentration bonus no matter what they do
- Deconcentration bonus should remain a bonus indicator and be evaluated in relation to other SEMAP indicators such as voucher/budget utilization, and future rent burden bonus indicator.
- Improve upon the lack of HUD data to PHAs to help agencies increase mobility and portability deconcentration moves or where those opportunities exist
- Allow PHAs to assess the barriers to deconcentration in their PHA Plan as part of their 5-Year Plan process, so that HUD can see that agencies undertook this process
- Assess deconcentration based on PHAs' efforts not on outcomes because of the range of outcomes beyond PHAs' control
- Measure historical improvement on an individual household basis

#### *Housing Quality Standards (HQS)*

- To ensure that PHAs are complying with HQS, HUD believes that on-site inspections by HUD staff or contractors of PHAs' enforcement of HQS is a good idea
- No audit inspection by HUD or a PHA staff should be more than 30-days from the time of the last passed inspection
- Consideration should be given to fail items during audit inspections that were caused by tenant or likely were not fail items at time of last-passed inspection
- Evaluate ways PHAs train their inspection staff
- Time limit for a PHA to inspect an initial unit to the HCV program from the time they receive the Request for Tenancy Approval form should remain no more than 15-days
- SEMAP should continue to have an evaluation of whether or not PHAs are inspecting their existing units once every twelve months. PIC needs to be improved to allow this to happen
- Need to revisit HUD's existing Quality Control for PHAs to include information on PHAs' HAP abatements for extended non-compliance with HQS

#### *Tenant Rent Burdens*

- HUD can easily monitor this through PIC
- If this is assessed as part of SEMAP it should be a bonus indicator, due to tenant choice playing an important role in affecting tenant income to rent burdens
- A need to re-examine HUD's existing "affordability standard" – no more than 40 percent of voucher-assisted households can pay more than 30 percent of their income towards rent
- If PHAs have "excessive" amounts of unspent HAP and Net Restricted HAP Assets and have not served close to 100 percent of their authorized vouchers, than HUD could look at a PHA's efforts to reduce tenants' rent burdens such as their voucher payment standard level setting, etc.

#### *PHAs' Calculation of HAP*

- Self-certification by PHAs does not work. HUD's independent contractors need to verify PHAs' HAP and rent calculations
- PHAs talked about a blended factor that weighs the total amount of improper payments (where the right amount of benefits did not go in the right proportion on behalf of the right families due to things like rent calculations, etc.) coupled with systemic PHA management and oversight problems
- More specific guidance on what HUD wants to see in tenant files, but no agreement on standard file format

#### *Utilization*

- Using calendar year to evaluate PHAs' voucher leasing and/or budget utilization rates is more appropriate than using PHAs' fiscal year-end dates (i.e. 3/31, 6/30, 9/30, 12/31). If HUD goes to such a system, the Department needs to give PHAs considerable advanced notice of its implementation
- There should be broader categories for scoring voucher lease-up / budget utilization rates (i.e. 90 – 95%, 95.1% - 100%).
- The utilization indicator should have a higher number of points and be weighted more heavily than other SEMAP indicators
- PHAs wanted a minimum amount of Net Restricted HAP Assets that they could "bank" (create for themselves) and be guaranteed that it would not be offset or recaptured by HUD
- HUD could also cap the amount of "reasonable" net restricted HAP assets above a certain level (to be determined in consultation with PHAs at a later date)
- HUD should come up with penalties for annual average leasing exceeding a PHAs' unit months available on a calendar year basis