


Office of the Executive Officer

INFORMATION CALENDAR

April 24, 2007

To: Honorable Chairperson and
Members of the Housing Authority

From:  Phil Kamlarz, Executive Officer

Submitted by: Steve Barton, Housing Director

Subject: STATUS OF HOUSING AUTHORITY OPERATIONS

INTRODUCTION

This report is prepared to update the Authority Board on the accomplishments and operational challenges included in the improvement efforts at the Berkeley Housing Authority (BHA).

CURRENT SITUATION AND ITS EFFECTS

1. Impact of Payment Standard and Utility Allowance Changes. As we move forward with required annual recertifications of income/eligibility, more and more families become subject to the current Payment Standards and Utility Allowances. Staff is continuing to monitor the situation, and is pleased to note that we do not have any reported, unresolved hardships; no one has been forced out of their unit; no one has been rendered homeless, and no one has been unable to use their voucher.
2. PIC Reporting
 - a. We realized a modest increase in our reporting rate from 81% for February 2007 to 83% for March 2007. Two significant factors contributed to the small increase:
 - i. For purposes of reporting, HUD only recognizes the transactions that are effective as of the last day of the period. However, whenever a change results in an increase in tenant rent, the family must be given 30-days notice: changes are generally effective the first of the month. So, for example, if staff completed 100 transactions in March; 95 effective April 1st and 5 effective March 1st, HUD only acknowledged 5 completed transactions for the month. This is a significant understatement of the actual staff production. *There is no remedy to this costly situation. We can report, and will include in our appeal to HUD, the following:*
 - ❑ 192 transactions completed in February, 200 (including 137 annual recertifications);
 - ❑ 517 transactions completed in March, 2007 (including 411 annual recertifications);

- *129 transactions completed as of April 16, 2007 (including 77 annual recertifications). In addition, we have identified 160 “discrepancies” – where PIC did not include data on clients that ported into the jurisdiction. We anticipate transmitting corrections for all 160 by the end of the month.*
 - b. *As we moved to clean up data in the PIC system – to reflect actual contracts that had not previously been recognized by HUD, we fixed one problem, but created another. In a number of instances as soon as the name was entered, the system checked the date for the last annual recertification, and added another late item to the list. To address this situation we are obtaining all the documentation required for the annual recertification, and entering the missed contract along with the completed annual recertification concurrently.*
 - c. *Staff participated in two training sessions with Joyce Prado, the regional HUD office “PIC Coach”. The first session (½ day) was held on March 1, 2007 at the local HUD office. The second session (a full day) was held on April 17th at the BHA office. The information shared was extremely helpful in understanding how the information should be processed, how HUD responds to/interprets the information, and how we can maximize the utilization of the information provided in the various HUD systems. The modifications in processing noted below are one tangible result of the training.*
 - d. *HUD continued financial sanctions against the BHA, reducing our Administrative Fee by \$12,140 for March 2007. On March 28, 2007, HUD advised that the sanction could increase from the present 10% (no amount specified) if performance continued to lag below 95%. If the purpose of the sanctions is to get the attention of agencies that are negligent in their attempt to comply with minimum performance standards, we should not be under sanctions. We can document the significant efforts we have made to comply, including costly measures such as short-term increased staffing. As a result of our efforts these past several months, we now have objective documentation of the root cause(s) of our problem, namely “portability” and inaccurate reporting in the Voucher Management System; both causes are identified by HUD as potential basis for appealing sanctions, prospectively. Believing that our situation is unique, we are preparing a response to the March 28, 2007 letter requesting relief from further sanctions of any amount, and requesting restoration of funds previously withheld.*
- 3. Data Correction. *In an effort to ensure that the BHA is only providing assistance on active contracts with eligible families, we mailed notices to all current landlord’s (attachment 1) asking them to review the April 2007 check stub and either confirm that the current contract information is accurate or report any required changes. Responses are due April 20th. To date, 225 responses have been received, of which 18 identified a discrepancy that requires review (most appear to be new contracts). Our goal is to reconcile the data prior to the May 1st check run.*

4. SEMAP/PIC. In our last status report we called your attention to the very poor reporting rate for annual housing quality standards inspections (53% delinquent). We advised you that our actual performance of the inspections was closer to 100%, however, not all the inspections had been reported to HUD. *We worked with HUD staff to see if there was an expedited way of reporting; there is not. Each of the inspections will have to be entered in the system and transmitted to HUD. We have obtained approval for 3 temporary hires to complete the significant data entry required for this item.*
5. Voluntary Compliance Agreement. In 2004, the BHA entered in a Voluntary Compliance Agreement (VCA) with the Office of Fair Housing, HUD. The attached matrix identifies the various actions the BHA was required to take and the associated time line (attachment 2).
 - a. BHA is preparing a report to apprise HUD, Office of Fair Housing, of the status of its compliance with the VCA requirements. A lot of work has been done in the past four months with the exception of the following two items:
 - i. Targeted outreach to under-represented populations which cannot be completed until the wait list is open for new applications; and
 - ii. Conducting and responding to any needs identified in the physical needs assessment.
 - b. BHA has initiated discussions with HUD about the possibility of revising some of the requirements embodied in the agreement. For example, the agreement requires that BHA alternate assistance to a resident (someone who resided in Berkeley at the time of application) and a non-resident (someone who was not residing in Berkeley at the time of application). This requirement was designed to achieve the result of increasing the number of Asians and Hispanics served in the program. *We do not believe that the resident, non-resident selection method will have the intended result. We are reviewing the demographics of the persons currently on the wait list and will offer an appropriate alternative to achieve the desired goal.*
6. Website. We have continued to make progress of enhancing our website. On or before May 1st the following information will be available to all of our clients 24-hours per day:
 - a. Available Unit Listing. This is a free service offered to landlords and families; the information is updated weekly. The BHA complies information submitted by landlords with current or anticipated unit vacancies. Families review the listing and follow up with units they are interested in renting. The BHA currently accepts all listings and retains them until deleted. Beginning May 1, 2007 BHA will only accept listings for units in the City of Berkeley, and will delete entries after 45-days. If the unit remains available, the owner may request to have it listed for an additional 45-days.
 - b. Section 8 Wait List. The BHA receives a lot of inquiries from families wishing to know their place on the wait list. Making this information available on the website

will significantly reduce the administrative burden on staff, and make important information available to applicants.

7. Management of agency owned housing. Affordable Housing Associates has been under contract for the management of the 75 BHA-owned rental units since January 2004. The initial contract expired December 31, 2006. Two 90-day extensions have been approved, with a current expiration date of June 30, 2007.

In an effort to contain cost (minimize the General Fund subsidy) staff is considering, effective July 1, 2007, bringing the administrative functions in house, and contracting for maintenance services only. As a first step in this process, the City Council has been advised of our intent to solicit bids for "repair and maintenance" services in May 2007.

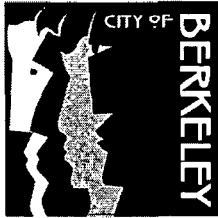
8. Basic Program Compliance. Staff continues its efforts to access the overall needs of the Authority, respond to immediate needs, while simultaneously responding to historical issues. All of this activity is done in an atmosphere with internal and external timeframes, with little room for delays or untimely submissions.
 - a. PHAs. We are currently working with Affordable Housing Associates to complete the Resident Service and Satisfaction Survey (an element of the PHAs submission).
 - b. Annual Plan. We are not current with the required Annual Plan submission, and will not make the April 15th submission date. The regulations allow for submittal up to 75 days past the April 15th date. The Annual Plan process is important because it is a HUD requirement, but, equally important it is an opportunity for the BHA to review its mission, policies and procedures with the added perspective of the clients receiving the services. The process including mandatory participation of the Resident Advisory Board (being constituted), a 45-day review period, and a public hearing. The RAB previously constituted has not met in over a year, and is for all purposes, dissolved.
 - c. CGI (consultants). This firm comes highly recommended by the Oakland Housing Authority (OHA) and the Housing Authority of Santa Clara County (HACSC). OHA is engaged in a long-term contract for "contract administration" assistance. HACSC contracted for a review of their SEMAP certification. Both agencies are considering the option of having CGI assist them with a more comprehensive review of their Section 8 Programs. We are considering contracting with CGI in the short term to assist with our SEMAP certification for FY 06-07, and our comprehensive re-engineering, including training for the newly appointed Board of Commissioners. At the time this report was prepared we had not received the formal proposal.

CONTACT PERSON

Tia Ingram, Assistant to the City Manager/Executive Director, Housing Authority 981-5471

Attachments:

1. April 2007 letter to Section 8 Landlords
2. Matrix-Voluntary Compliance Agreement



Housing Department
Housing Authority Division

HOUSING ASSISTANCE PAYMENT CONTRACT CONFIRMATION

April 1, 2007

Dear Owner:

Thank you for partnering with us by making safe, decent housing available to families and individuals with limited financial means.

Each month when you cash/deposit the Housing Assistance Payment (HAP) check you are certifying that the person named on the stub is residing in the specified unit.

Please take a moment to review your April 2007 check stub. If the stub correctly reflects all your HAP contracts, sign and return this letter (side II). If there are discrepancies, i.e. the family has moved to another unit; or the family is no longer a tenant; or there are additional contracts that are not reported, please note the changes, sign and return. Please return the completed form by **April 20, 2007**. Failure to respond by the 20th may result in a hold being placed on your May 2007 payment.

Finally, we are exploring the option of a system of direct deposit for HAP payments. Please note if you are interested.

Thank you for your cooperation.

Tia M. Ingram
BHA Executive Director

**HOUSING ASSISTANCE PAYMENT CONTRACT CONFIRMATION
APRIL 2007**

Please return by April 20, 2007

Please update your contact information:

Address			
Telephone	Home/Bus		Cell
Email			

Contract Confirmation

- The April 2007 check stub accurately reflects all my current Section 8 Contracts
 The April 2007 check stub does not accurately reflect my current Section 8 Contracts

Family Name	Address	[A]dd [D]elete	Effective Date

Direct Deposit

- No thank you. I would prefer to continue receiving payment via mail.
 I am interested in learning more about this option.

Signature **Date**

Voluntary Compliance Agreement
FINDINGS

	Issue	Cite	RspDate	Status	Cmpl Dte
1	Residency Preference				
1a	Alternate resident, non-resident for wait list mgmt				
1b	Notify staff and subs of new pref; submit notice to HUD	A.1	90-days		
1c	Revise Admin Plan and ACOP (residency preference)	A.2	90-days		
1d	Modify computer to organize list by preference/alternating residency	A.3	120-days		
2	Limited English Proficiency				
2a	Revise form stating must be completed in English; copy to HUD	B.1	90-days		
2b	Post sign in all offices advising translation services at no cost; signs to be in Spanish and Chinese; copy to HUD	B.2	90-days		
3	Race/Ethnicity				
3a	Commence collection of race/ethnicity data				
3b	Pre-app, annual, etc. to collect race/ethnicity data; copy to HUD	C.1	90-days		
3c	Modify computer to collect data	C.2	120-days		
3d	Train staff on implementation; send HUD confirmation of training including topics covered, names and titles of staff in attendance	C.4	120-days		
4	Wait List Opening				
4a	Outreach to races/ethnicities Hispanics, Asians				
4b	Conduct targeted mailing to current wait list families self-identified as Asian or Hispanic; notice in English, and translated into Spanish, and 4 Asian languages-determine with HUD guidance	D.1	180-days		
4c	New openings ... target Asian and Hispanic populations	D.2			
5	Reasonable Accommodaion				
5a	Modify computer to track need for accessible unit-applicants	E	120-days		
5b	Modify notification letter to ask about accessible needs	E.1	120-days		
5c	At annual recert, ask client to complete a form regarding need for an accessible unit	E.2			
5d	Train staff regarding accessibility needs for unit offers and relocation focus on maximum utilization of accessible units	E.3	120-days		
5e	Develop reasonable accommodation policy	F			

