

**HOUSING AUTHORITY OF THE COUNTY OF KERN
SECTION 8 DEPARTMENT
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PROGRAM ADMINISTRATION OVERVIEW

Cross Reference: 24 CFR, Part 982, Subpart G

PROGRAM BASICS

A. PROGRAM ADMINISTRATION

The Housing Authority of the County of Kern (HACK) is a political subdivision of the State of California. It is organized and exists under the laws of the State and is empowered to administer federal programs within Kern County. (Source: HA Legal Counsel) HUD has been provided evidence of HACK's authority to administer tenant-based and project-based programs.

B. GENERAL DESCRIPTION

The Department of Housing and Urban Development (HUD), through its Section 8 Rental Voucher Program provides rent subsidies so eligible participants can afford decent, safe and sanitary housing. This program is administered by State, local, governmental or tribal bodies called Housing Agencies (HA). HUD provides funds to HACK to subsidize rent for eligible participants and for HACK administration of the programs.

Families select and rent housing that meets HUD Housing Quality Standards (HQS). If HACK approves the housing selected by a Section 8 applicant, HACK contracts with the owner to make rent subsidy payments. HACK may not approve a unit unless the rent is reasonable.

In the voucher program, the rent subsidy is determined by a formula, and is not based on the actual rent of the leased housing unit. The subsidy for most families is the difference between 30% of the family's adjusted monthly income and "payment standard" determined by HACK. If the rent is more than the payment standard, the participant pays a larger share of the rent which may cause their share of the rent to exceed 30% of their adjusted monthly income and may also reduce or eliminate any utility allowance to which they may have been entitled. At no time may the rent plus any utility allowances exceed 40% of the newly admitted or transferring family's monthly adjusted income for the unit size Payment Standard. The minimum monthly rent of \$50 is applicable to this program.

C. TENANT-BASED AND PROJECT- BASED ASSISTANCE

Section 8 assistance may be "tenant-based" or "project-based". With tenant-based assistance, housing is selected by the participant anywhere in the United States in the jurisdiction of a HA that runs a voucher program. In project-based programs, rental assistance is paid for families who live in specific housing units or developments.

Except for project-based assistance, all assistance under the voucher program is "tenant-based". After the participant selects suitable housing, HACK enters into a contract with the owner to make rent-subsidy payments to the owner on behalf of the participant. The contract only covers the housing for a specific assisted participant. If the participant moves out of the housing, the contract is terminated. In the tenant-based program, the participants may move to other housing with continued assistance as long as they comply with program requirements.

There are eleven (11) HUD-established terms which define the basic elements of the Section 8 program:

1. The Annual Contributions Contract (ACC) is a legal contract between HUD and HACK, which provides the Housing Assistance Payments (HAP) for participants and administrative costs for HACK. The amount of money in an ACC is based on the dollars approved to support the number of units in HACK's inventory. Since the ACC is based on dollars and not a specific number of units, HACK inventory may vary in number based on the size of the units being subsidized at any particular time. The current form of ACC does not outline funding by bedroom mix. The initial contract is known as the "Master" ACC. As additional allocations of housing funds become available to HACK (normally on a yearly basis), they are conveyed through "Amendments to the ACC."
2. HACK prepares an Administrative Plan as part of its application for funding. It provides a detailed operating plan for the administration of the program, and it incorporates the required HUD regulations and local discretionary policies and procedures.
3. HUD determines the Fair Market Rent (FMR) of specific bedroom sizes. The FMR reflects the gross rent charged in an area for modest housing that is available, decent, safe, and sanitary. The FMR includes a utility allowance such as heat, light, and water, which the tenant may be required to pay. The FMR also includes an allowance for stoves and refrigerators if they are provided by the tenant. FMR's are established for specific geographic areas and published in the Federal Register. They are updated from time to time by HUD.
4. HACK establishes the Rent to Owner (RTO) for the housing leased by the participant based on the FMR limitations. This RTO is shown in the lease between a Section 8 tenant and the landlord. Depending on the terms of the lease, the RTO may include utilities. It cannot exceed the applicable FMR, less the allowance for tenant-paid utilities. The approved RTO must be "reasonable".

5. HACK conducts a Rent Reasonableness test to certify that the RTO is "reasonable" in relation to comparable unassisted housing in the private market. To assemble sufficient documentation for Rent Reasonableness tests, HACK must make frequent surveys of rent levels within its jurisdiction. The date must be recorded, as well as the size of the housing, location, amenities, quality of management and maintenance, the age and overall quality of the housing. HACK must certify that the Rent Reasonableness test has been completed for each approved housing unit.
6. Housing Quality Standards (HQS) describe the minimum conditions that housing must meet to be considered "decent, safe and sanitary". HUD defines HQS that are more like housing codes than building codes for new construction. HACK must certify that housing assisted under the program meets these standards.
7. The Total Tenant Payment (TTP) is the total amount an assisted family must pay for monthly rent, including utilities. The TTP is based on a family's income using a formula prescribed by HUD. Normally, the formula results in a participant paying 30% of its Adjusted Monthly Income for rent.- Minus Utility allowance.
8. A participant's Adjusted Monthly Income is computed by adding together the gross annual non-exempt income of all family members age 18 & older who are residing in the housing, and then subtracting the total allowances for minors, elderly head of household, handicapped and disabled persons, and certain medical and child-care expenses.
9. The Tenant Rent is the actual amount the family pays monthly to the landlord. Total Tenant Payment (TTP) minus utility allowance equals Tenant Rent. The Net Family Contribution (NFC) equals the Gross Family Contribution (GFC) minus the allowance for utilities paid by the tenant.
10. The Housing Assistance Payment (HAP) is the difference between the Tenant Rent and the RTO. It is paid by HACK directly to the landlord on behalf of the tenant. A HAP Contract is executed by HACK with the landlord for each housing unit approved under the program.
11. The Payment Standard in the voucher program is an amount used by HACK to calculate the HAP for a family. The Payment Standard may be an amount between 90 to 110 percent of the published FMR. HACK adopts a Payment Standard for each bedroom size in HACK's jurisdiction. The Payment Standard for a family is the maximum monthly subsidy payment.

D. THE LEASING PROCESS

Families seeking Section 8 assistance must apply at HACK. Applicants provide basic information on family size and the source(s) and amount(s) of income and assets. HACK makes a preliminary determination that the applicant qualifies for assistance, and the family's name is placed on a waiting list. In accordance with recently published HUD requirements, families who are apparently

not eligible at the time of application, may be placed on the waiting list and have their actual eligibility determined at the time their name reaches the top.

HACK has a long waiting list. Families may be on the list for a year or more before assistance can be provided. When the family name comes to the top of the list, HACK will verify the information that was provided and determine if the applicant is eligible for program assistance. This verification process must be completed within 60 days prior to the issuance of a voucher.

E. ELIGIBILITY

"Families", as defined by HACK (see Glossary), are eligible for assistance.

An individual who becomes a "remaining member", as a result of occurrences such as separation, death, or children moving out of the housing, may continue to be eligible for assistance in housing of appropriate size.

Under current regulations, a family is eligible if its income is less than 80% of the geographic area's median. However, recent legislation requires that 75% of new Section 8 vouchers be awarded to families whose incomes do not exceed 30% of the area median income.

A landlord must consider the tenant's desirability before offering a lease as long as selection standards are applied consistently to all assisted and non-assisted tenants. HACK's eligibility determinations are limited to financial eligibility and screening for drug and/or alcohol abuse and violent criminal activity within the last three years. Screening for suitability as a tenant is the sole responsibility of the landlord. HACK may refuse to provide assistance under the program if a tenant has previously damaged public-housing or Section 8-assisted housing in any jurisdiction and has not fully reimbursed HA for any claims incurred.

F. EQUAL OPPORTUNITY REQUIREMENTS

HACK will fully comply with all Federal, State, and local non-discrimination laws, including applicable requirements under:

1. The Fair Housing Act, 42 U.S.C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
 - a. Fair Housing: No person shall, on the basis of race, color, sex, age, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under HACK.

To further its commitment to full compliance with applicable Civil Rights laws, HACK will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made

available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the HACK office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

HACK will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. HACK will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

HACK will endeavor to provide bilingual staff, or other access to people who speak languages other than English.

2. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d (implementing regulations at 24 CFR part 1);
3. The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107 (implementing regulations at 24 CFR part 146);
4. Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 CFR 1253 (1980), as amended, Executive Order 12892, 59 CFR 2939 (1994) (implementing regulations at 24 CFR part 107);
5. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 (implementing regulations at 24 CFR part 8); and
6. Title II of the Americans with Disabilities Act, 42 U.S. C. 12101, et seq.

HACK will submit a signed certification to HUD of HACK's intention to comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Age Discrimination Act of 1975, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act at any time HACK applies for additional funding or at the request of HUD.

- a. **Reasonable Accommodation:** Persons with disabilities may need a reasonable accommodation in order to take full advantage of HACK's housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines HACK will follow in determining whether it is reasonable accommodation. Because disabilities are not always apparent, HACK will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

Anyone indicating a need for an accommodation will also receive a Request for Reasonable Accommodation Form.

If after notifications of reexamination, inspection, appointment, or eviction the participant indicates a need for an accommodation, HACK will make every reasonable effort to provide such accommodation, if it is reasonable to do so.

All decisions granting or denying requests will be in writing.

Generally the individual knows best what they need; however, HACK retains the right to be shown how the requested accommodation enables the individual to access or use HACK's programs or services.

If more than one accommodation is equally effective in providing access to HACK's programs and services, HACK retains the right to select the most efficient or economic choice.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, or at the expense of a third-party entity, the request should be made to the property owner/manager. HACK does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible.

Any request for an accommodation that would enable a participant to materially violate family obligations will not be approved.

- e. b. Services for Hearing and /or Visually Impaired Applicants and Participants:** HACK will endeavor to provide staff or access to interpreters for the hearing and/or visually impaired.
- d. c. Family/Owner Outreach:** HACK will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons, who cannot or do not read newspapers, HACK will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. HACK will also try to utilize public service announcements.

HACK will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program.

HACK will periodically hold workshops for owners who participate in or who are seeking information about the Section 8 Program. The workshops may be conducted in association with the Kern County Apartment Owners Association. Owners and managers participating in the Section 8 Program may participate in making presentations. The workshop is intended to:

1. Explain how the program works;
- b. Explain how the program benefits owners;
- c. Explain owner's responsibilities under the program. Emphasis is placed on quality screening and ways HACK assists owners do better screening; and
- d. Provide an opportunity for owners to ask questions, obtain written materials, and meet HACK staff.

HACK will particularly encourage owners of suitable units located outside of low-income or minority concentration to attend and participate in the Section 8 program. Targeted mailing lists will be developed and announcements mailed.

e. d. Right to Privacy:

All adult members of both applicant and participant households are required to sign HUD Form 9886, *Authorization for Release of Information and Privacy Act Notice*. The *Authorization for Release of Information and Privacy Act Notice* states how family information will be released and includes the *Federal Privacy Act Statement*.

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant and the request meets the stated purpose as indicated on the Release of Information.

f. e. Required Postings:

HACK will post in each of its offices in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

1. The Section 8 Administrative Plan
2. Notice of status of the waiting list (opened or closed)
3. Address of Housing Authority of the County of Kern offices, office hours, telephone numbers, TDD numbers, and hours of operation
4. Income Limits for Admission

5. Informal Review and Informal Hearing Procedures
6. Fair Housing Poster
7. Equal Opportunity in Employment Poster

G. ADMINISTRATIVE PLAN

HACK will adopt a written Administrative Plan that establishes local policies for administering the program per HUD requirements. The Administrative Plan and any future revisions thereof shall be formally adopted by the HACK Board of Commissioners. The Administrative Plan will state HACK's policy on matters for which HACK has discretion to establish local policies.

The Administrative Plan will comply with HUD regulations and other requirements. HACK will revise the Administrative Plan if needed to comply with HUD requirements. A copy of the Administrative Plan will be provided to HUD.

H. HACK RESPONSIBILITIES

In administering the program HACK will comply with the consolidated ACC, its application, HUD regulations, other requirements, and HACK's Administrative Plan pursuant to the guidelines outlined in Chapter 12.

I. ADMINISTRATIVE FEE RESERVE

HACK will maintain administrative fee reserves (formerly "operating reserves") for the voucher program. HACK will credit to the administrative fee reserve the total of:

1. The amount by which program administrative fees paid by HUD for a HACK fiscal year exceeds HACK's administrative expenses for the fiscal year; plus
2. Interest earned on the administrative fee reserve.

HACK will use funds in the administrative fee reserve to pay program administrative expenses in excess of administrative fees paid by HUD for HACK's fiscal year. If funds in the administrative fee reserve are not needed to cover HACK's administrative expenses (to the end of the last expiring funding increment under the consolidated ACC), HACK may use these funds for other housing purposes permitted by Federal, State and local law.

HACK's Board of Commissioners or other authorized officials will establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

J. BUDGET AND EXPENDITURE

HACK will submit, at such time and form as required by HUD, the proposed budget for the programs administered by HACK.

HUD payments received under the consolidated ACC, and any other amounts received by HACK in connection with the program, will be utilized per HUD approved budgets and will only be used for:

1. HAP; and
2. HACK administrative fees.

HACK will maintain a system to ensure making HAP for all participants within the amounts contracted under the consolidated ACC.

K. PROGRAM ACCOUNTS AND RECORDS

HACK will maintain complete and accurate accounts and records for the program per HUD requirements, in a manner that permits a speedy and effective audit.

HACK will provide required records, reports, documents and other information to HUD upon request.

HACK acknowledges that full and free access to all HACK offices and facilities, all accounts and other HACK records that are pertinent to administering the program, will be provided to HUD and the Comptroller General of the United States, including the right to examine or audit the records and make copies. HACK shall grant such access to computerized records, and to any computers, equipment or facilities containing such records, and will provide any information or assistance needed to access the records.

HACK will prepare reports of every housing inspection. These reports will be maintained in the participant file and will specify any defects or deficiencies that must be corrected to meet the HQS. Other defects or deficiencies may be identified for documentation purposes to protect both owner and tenant in the event that the owner later submits a damage claim. For new contracts issued subsequent to October 2, 1995, such documentation of non-HQS deficiencies would be provided only as a courtesy to the tenant, since HACK no longer has responsibility for processing of damage claims under the new contracts.

During the term of each assisted lease, and for at least three (3) years thereafter, HACK will keep:

1. A copy of the executed lease;

2. The HAP Contract; and
3. The application from the family.

HACK shall keep the following records for at least three (3) years:

- a. Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- b. An application from each ineligible family and written notice that the applicant is not eligible;
- c. HUD-required reports;
- d. Unit inspection reports;
- e. Lead-based paint inspection records, as required by 24 CFR 982.158(f)(5);
- f. Accounts and other records supporting HACK budgets and financial statements for the program; and
- g. Other records specified by HUD.

HACK will retain for a period of five (5) years all documentation related to eligible immigration status, INS appeals and HACK hearings on matters of eligible immigration status.