

HOUSING ADVISORY COMMITTEE

Meeting and Site Tour

July 26, 2010 Noon – 2:00 pm

Salem Housing Authority – Robert Lindsey Tower
360 Church Street SE, Salem

1. ROLL CALL

2. APPROVAL OF MINUTES

- 2.1 Approval of Minutes from the June 28 Housing Advisory Committee Meeting (to be distributed at meeting)

3. REPORTS

- 3.1 Program Management Report (verbal)

4. ACTION ITEMS

- 4.1 Revisions to the Section 8 Administrative Plan
4.2 Englewood West Modification Agreement

5. OTHER ITEMS OF INTEREST

- 5.1 Next Meeting Date (tentatively August 23)

MINUTES
of the
Salem Housing Authority
Housing Advisory Committee
June 28, 2010 - 12:00 Noon

Attendance:

<u>Members Present</u>	<u>Members Absent</u>	<u>SHA Staff</u>	<u>Guests</u>
Chuck Fisher Leah McMillan Kristi Neznanski Annisa Olsson-Jones	Robert Barko Betty Markey Maria Palacio	Larry Blair Terry Frazier Sandy Garabedian Linda Gregg Andy Wilch Nicole Utz	N/A

MINUTES

The April 25 and May 24 meeting minutes were approved as read.

ACTION ITEMS

- Public Housing Admissions and Continued Occupancy Plan (ACOP) – Andy Wilch, Housing Administrator provided a brief overview about the differences between SHA policies and plans. Each program area has its own funding and regulatory requirements, which the various plans reflect. Sandy Garabedian provided background about the mandatory changes relating to social security documentation and disclosure requirements, Enterprise Income Verification (EIV) system use, and policy changes establishing smoke-free environments at all public housing sites.

The Committee is requested to recommend that the HA Commission adopt the ACOP Plan. Annisa Olsson-Jones moved that the Committee recommend the HA Commission adopt the PHA Plan. Motion seconded by Leah McMillan. Motion carried.

- Public Housing Agency (PHA) Plan – Terry Frazier, SHA Management Analyst provided background about the development of the current PHA Plan for the benefit of new committee members. He highlighted the significant changes such as implementation of no-smoking policies at all public housing sites, elimination of the Homeownership program, and demolition and disposition of the Orchard Village Apartments site. Larry Blair, SHA Project Coordinator provided background about the Capital Fund Program (CFP) portion of the plan. He explained the timeline for implementation of projects and expenditure of funds. There was a brief discussion about the plan. The PHA Plan must be

adopted by the housing authority board of commissioners after input by assisted housing residents and the general public. For Salem Housing Authority, this occurs through active input from the Resident Advisory Board (RAB), the Housing Advisory Committee (HAC) and the Housing Authority Board of Commissioners.

There was discussion about various parts of the Plan, primarily the non-smoking requirements and feedback from residents. Most residents are pleased with RLT's transition to a smoke-free environment last fall.

The Committee is requested to recommend that the HA Commission adopt the PHA Plan. Annisa Olsson-Jones moved that the Committee recommend the HA Commission adopt the PHA Plan. Motion seconded by Kristi Neznanski. Motion carried.

- Southfair Tenant Selection Plan - Salem Housing Authority (SHA) maintains a Tenant Selection Plan that governs the eligibility and continued participation of applicants and participants for Southfair Apartments. SHA also maintains House Rules that incorporate key tenant selection plan provisions as part of the tenant leases. Periodically, SHA updates the TSP and House Rules to incorporate regulatory changes and improve program responsiveness to local needs. The proposed revisions include HUD-mandated changes to social security verification requirements; language that clarifies, per the Oregon Housing and Community Services Low Income Housing Compliance Manual (1/09) that any household which no longer contains an original household member must be verified to be income qualified and treated as a new move-in; HUD-mandated changes to Enterprise Income Verification (EIV) system use requirements; clarification per Section 42 regulations that evictions may only be for good cause; and implementation of a non-smoking policy for all Southfair Apartment units.

The Committee is requested to recommend that the HA Commission adopt revisions to the Southfair Tenant Selection Policy (TSP). Annisa Olson-Jones moved that the Committee recommend the HA Commission adopt the Southfair TSP. Motion seconded by Leah McMillan. Motion carried.

The next meeting is planned for July 26, 2010 Noon. SHA staff will coordinate a tour of housing sites for members.

ADJOURNMENT

Meeting adjourned at 1:40 p.m.

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: JULY 26, 2010
AGENDA ITEM NO. 4.2**

TO: HOUSING ADVISORY COMMITTEE

FROM: ANDY WILCH

SUBJECT: LOAN MODIFICATION FOR ENGLEWOOD WEST APARTMENTS

ISSUE:

Shall the Housing Advisory Committee recommend that the Housing Authority Commission adopt the 2010 Public Housing Agency Plan for submission to HUD?

RECOMMENDATION:

The Committee is requested to recommend that the Housing Authority Commission authorize execution of a no cost loan modification agreement to extend the loan due date on existing first mortgage for Englewood West Apartments to September 14, 2010.

BACKGROUND:

Englewood West Apartments (Englewood West) is a 54-unit complex located in northeast Salem. The property was constructed in 1992 and is owned and managed by the Salem Housing Authority (SHA).

The original financing structure for Englewood West consisted of Low Income Housing Tax Credits allocated to the property and a balloon loan through First Interstate (bought out by Wells Fargo several years ago) which was due in full on July 1, 2010. The original loan was set up as a 19-year loan amortized at 30 years to keep the monthly mortgage payment affordable for operations. As of June 30, 2010, the approximate outstanding balance of the existing mortgage was \$665,598.

On May 10, 2010, the Commission approved Resolution No. 2077 authorizing staff to undertake activities to facilitate the refinance of the existing first mortgage for Englewood West. On July 12, 2010, the Commission approved Resolution No. 2083 authorizing staff to execute a loan modification agreement to extend the outstanding loan due date until July 31, 2010.

SHA has been in the process of negotiating the refinance of the Wells Fargo loan with anticipated closing prior to July 31, 2010. The parties have since agreed that the refinance with Wells Fargo cannot be closed by July 31 and propose to extend the loan due date to September 14, 2010.

FACTS AND FINDINGS:

The SHA contacted several banking institutions for comparable loan quotes. The only material respondent to staff's refinance request was Wells Fargo, the existing mortgage holder. SHA staff, with authorization from the Commission on May 12, 2010, is engaged with Wells Fargo Bank to define business terms that are most advantageous to the SHA and the viability of the Englewood West Apartments.

This additional extension of the loan note due date to September 14, 2010, will provide the additional time needed to finalize deal terms and execute the refinance. SHA staff is engaged with SHA legal counsel, City Bond Counsel, and the City Bond manager to package the preferred refinance structure.

**FOR HOUSING ADVISORY COMMITTEE MEETING OF: JULY 26, 2010
AGENDA ITEM NO. 4.2**

TO: HOUSING ADVISORY COMMITTEE

FROM: ANDY WILCH

**SUBJECT: REVISIONS TO SECTION 8 HOUSING CHOICE VOUCHER AND
MODERATE REHABILITATION PROGRAM ADMINISTRATIVE PLAN
ADDING CHAPTER 19 GOVERNING THE ADDITION OF 25 VOUCHERS
FOR THE VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH)
PROGRAM**

ISSUE:

Shall the Housing Advisory Committee recommend that the Housing Authority Commission adopt revisions to the Section 8 Voucher and Moderate Rehabilitation Program Administrative Plan adding Chapter 19 governing the addition of 25 vouchers for the Veterans Affairs Supportive Housing (VASH) program?

RECOMMENDATION:

The Committee is requested to recommend that the Housing Authority Commission adopt revisions to the Section 8 Voucher and Moderate Rehabilitation Program Administrative Plan adding Chapter 19 governing the addition of 25 vouchers for the Veterans Affairs Supportive Housing (VASH) program.

BACKGROUND:

The Housing Authority of the City of Salem (SHA) maintains an Administrative Plan for the Housing Choice Voucher & Moderate Rehabilitation programs that governs the eligibility and continued participation of persons assisted under the Housing Choice Voucher and Moderate Rehabilitation programs. Periodically, SHA updates the plan to incorporate regulatory changes and improve program responsiveness to local needs. The summary of proposed changes indicates those that are regulatory and those that are locally initiated.

The U. S. Department of Housing and Urban Development (HUD) requires the Housing Authority Board of Commissioners to formally consent to revisions of program administrative plans.

The HUD Veterans Affairs Supportive Housing (VASH) program combines rental assistance through HUD with VA clinical services. The Consolidated Appropriations Act of 2008, Public Law 110-161, appropriated \$75,000,000 for rental assistance for supportive housing for homeless veterans through the Housing Choice Voucher (HCV) program, Section 8(o)(19) of the United States Housing Act of 1937, 42 U.S.C. § 1437f(o)(19). The Omnibus Appropriations Act of 2009, Public Law 111-8, appropriated another \$75,000,000 for HUD-VASH vouchers.

HUD issued its Notice setting forth the policies and procedures for the administration of HUD-VASH on May 6, 2008, 73 F.R. 25026. The HUD-VASH program follows the same regulations as the Housing Choice Voucher program tenant-based rental assistance regulations set forth at 24 C.F.R. § 982. VA medical centers refer homeless veterans to PHAs, which administer the HUD-VASH vouchers.

The vouchers issued under the VASH program are governed by 24 CFR 982; however, HUD has agreed to waive some regulations for those veterans who participate in this program. For example, HUD will not limit services to those homeless veterans with chronic mental illness or chronic substance abuse disorders.

Salem Housing Authority applied for funding and was recently notified of the award of 25 vouchers to serve homeless veterans in need of services in Marion and Polk County. The additional vouchers will allow SHA to assist homeless veterans and their families in attaining housing stability and connect with social services for full reintegration into their community.

FACTS AND FINDINGS

The U.S. Department of Housing and Urban Development (HUD) requires the Housing Authority Board of Commissioners to consent to revisions of program administrative plans. The proposed revisions to the Section 8 Voucher and Moderate Rehabilitation Program Administrative Plan comply with The vouchers issued under the VASH program are governed by 24 CFR 982 establishing the VASH Program.

The last revision to the Housing Choice Voucher & Moderate Rehabilitation Plan was effective effective April 12, 2010. The proposed revisions would be effective August 9, 2010.

CHAPTER 19

VETERANS AFFAIRS SUPPORTIVE HOUSING

PART 1– ESTABLISHING AND MAINTAINING THE WAITING LIST

INTRODUCTION:

The Veterans Affairs Supportive Housing (VASH) program is designed to help veterans and their families to successfully move out of homelessness and to improve each veteran’s physical and mental health, and to enhance each veteran’s ability to remain in stable housing and become integrated into their community.

FAMILY PARTICIPATION

- a. All VASH applicants must meet the “Very-low Income” limit as established by HUD. The very low income limits is at or below the 50th percentile for the family size.
- b. For the one, two and three-bedroom units; applicant must meet the definition of Family as defined in the Glossary.
- c. VASH applicants must meet the definition of homeless as defined by the Department of Veterans Affairs. A family that is referred to Salem Housing Authority (SHA) by a Veterans Affairs Medical Center (VMAC) will be considered homeless.
- d. All applicants and their household members must disclose and verify social security numbers assigned by the Social Security Administration.
- e. All applicants must sign HUD form 9886 – Authorization for Release of Information as well as SHA’s general release forms.

PRIORITIES ON WAITING LIST

- a. All VASH program applicants will be referred to SHA by the VMAC. Once the family has been referred to SHA the family will be placed on the waiting list with 10 preference points, this will raise the family to the top of the waiting list for selection for a VASH voucher.

ELEIGBILITY ISSUES

If a veteran is interested in participating in the VASH program the veteran should be directed to the local VMAC coordinator at the Portland Veteran Medical Affairs Center by calling 503-xxx-xxxx.

Eligibility Screening:

After the VMAC refers an eligible homeless veteran to SHA, SHA will determine income eligibility and screen for lifetime sex-offender registrants’. No other eligibility factors will be made for participants or their family members on the VASH program.

Portability – Under the VASH program a receiving PHA may only screen for income eligibility if the veteran family is an applicant and only for lifetime sex-offender status, no other screening criteria is allowed.

Landlord screening is not affected by this rule, landlord may determine whom they will rent an eligible unit to, based on their screening criteria and in accordance with fair housing and landlord tenant law.

SHA does not have any role in determination of the veteran family’s homeless status, only the VMAC coordinator will make the determination of homeless status.

Adding new family members to the household after the initial lease-up:

The provisions of 24 CFR 982.551 (h) (2) applies when a family member is added to the assisted VASH household after initial occupancy. Other than birth, adoption or court-awarded custody of a child, any other family member must be approved by SHA in accordance with its policies.

Calculation of Annual Income:

Benefits received under the Veterans Affairs Incentive Therapy and Compensated Work Therapy programs are included as income per 24 CFR 5.609(c) (1) through (17).

Initial Placement of VASH participants:

When a VASH applicant is referred to SHA for assistance, SHA will take the following steps to determine initial eligibility and to issue a voucher to the veteran family.

- Complete the eligibility screening to determine if any family member is a required lifetime registrant as a sex offender.

If the veteran family is determined eligible, SHA will send to the VMAC coordinator all of the additional paperwork needed to complete the eligibility certification, including but not limited to:

Cover Sheet (addressing required documentation) which includes the following:

<u>Absent Parent Documentation</u>	<u>EIV Income Verification</u>
<u>Asset Verification</u>	<u>Social Security Award Verification</u>
<u>Pension / Disability/ Retirement Verification</u>	<u>Day Care verifications</u>
<u>Medical Expenses (if applicable)</u>	

In addition the following documents need to be reviewed and signed by the VASH applicant:

<u>Green Pre-Application</u>	<u>SHAs General Release</u>
<u>HUD form 9886</u>	<u>Family Obligations</u>
<u>Things you should know</u>	<u>HUDs Supplemental Contact Form</u>
<u>Divestiture of Assets</u>	<u>Citizenship Form</u>
<u>Current Picture ID of all adult family members</u>	<u>Social Security cards for all family members</u>

Once all verifications and documentation is provided to SHA, the Housing Specialist over the VASH program will examine the documents to ensure all the necessary documentation has been received, are

completed, and that the documents fall within the timelines as set by HUD regulations and SHA policy per the administrative plan.

If any information is incomplete the Housing Specialist will work directly with the VMAC coordinator assigned to the veteran family to secure any additional verifications or documents.

As soon as all of the verifications and documents have been reviewed and it has been determined that no additional information is needed, SHA will complete the income eligibility process to determine if the veteran family is income eligible.

Once the veteran family has been determined income eligible SHA will work-up the file to determine the veteran family's total tenant payment and the appropriate voucher size based on current regulations and this administrative plan.

SHA will then schedule an appointment for the veteran family and the VMAC coordinator to attend an individual briefing and issue the veteran family a voucher.

At the briefing session the Housing Specialist will:

<u>Show the DVD "Voucher Family Briefing"</u>	<u>Explain and sign the Family Obligations</u>
<u>Explain and sign "Things You Should Know"</u>	<u>Explain and sign the voucher</u>
<u>Explain all other briefing issues</u>	

ONGOING PROGRAM ADMINISTRATION:

Interim, Annual and Move Recertifications:

Interim, annual and move recertifications will be handled in accordance with this administrative plan.

Veterans who no longer require case management from VMAC:

If a veteran family no longer requires case management from the local VMAC, SHA will secure a letter from the VMAC that indicates that the veteran family is leaving in good standing and that no adverse action has been taken by the VMAC to terminate the case management for cause. In this case SHA will:

- Issue the veteran family a regular voucher allocation when one becomes available.
- If SHA is unable to issue a voucher out of its regular allocation due to leasing issues, the veteran family will remain on the VASH voucher until SHA is able to issue a new voucher to the family.
- The veteran family will become subject to all policies as found in the approved Administrative Plan at the time that they no longer need VMAC services.
- VASH policies found in this chapter will no longer apply for the veteran family even if they retain a VASH voucher.

Veterans who are terminated by VMAC for cause:

SHA will take action to terminate the housing assistance of a veteran family who is terminated from the VASH program by VMAC for cause, as per HUD regulations.

Portability:

The veteran family may use portability under the following guidelines:

For the surrounding¹ area – A veteran family may use portability in the surrounding area of the issuing PHA as long as the VMAC has approved and is able to provide case management services.

- The receiving PHA must bill the initial PHA and may not absorb the VASH voucher unless the family no longer requires case management and is released by VMAC as not needing case management.

For all other areas – A veteran family may use portability if the VMAC center in that area can serve the veteran family and the PHA partnering with the VMAC has an available VASH voucher to issue the family.

- The receiving PHA must absorb the veteran family.

What happens to the VASH voucher if the homeless veteran dies?

- Issue the veteran family a regular voucher allocation when one becomes available;
- If SHA is unable to issue a voucher out of its regular allocation due to leasing issues, the veteran family will remain on the VASH voucher until SHA is able to issue a new voucher to the family.

What happens to the VASH voucher if there is a divorce?

Under the program rules the voucher must remain with the veteran who is receiving case management from the VMAC.

Depending on the circumstances and solely at SHA's discretion, SHA may issue the displaced family members a regular voucher if one is available.

If SHA elects not to issue a voucher to the displaced family members, they do not have the ability to request an informal hearing or review (PIH Notice May 6, 2008)

Can the VASH family participate in the Family Self-Sufficiency program?

Yes – The Family Self-Sufficiency (FSS) Coordinator would work closely with both the veteran family and the VASH case manager. This coordination will ensure that the plan is appropriate for the veteran, that it does not conflict with case management requirements or impose unrealistic burdens on the veteran and that it incorporated VA resources plus any additional resources available through the local FSS program.

¹ The surrounding area will be defined as any where in Marion or Polk Counties.

**PART II- ADDITIONAL CHAPTERS WITHIN THIS ADMINISTRATIVE PLAN
WHICH ARE APPLICABLE TO THE VETERANS AFFAIRS SUPPORTIVE HOUSING
PROGRAM**

Except where otherwise noted in this chapter VASH program participants will be held to the same standards as all other housing choice voucher participants and SHA will adhere to all other chapters where applicable in the adopted administrative plan.