



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: August 13, 2019

Approved

Date

8/13/19

SUPPLEMENTAL

SUBJECT: HOUSING PAYMENT EQUALITY ORDINANCE (FORMERLY REFERRED TO AS THE SOURCE OF INCOME ORDINANCE) AND UPDATE ON SANTA CLARA COUNTY HOUSING AUTHORITY RENTAL SUBSIDY PROGRAM IMPROVEMENTS

REASON FOR SUPPLEMENTAL

The reason for this supplemental is to provide updated efforts for Santa Clara County Housing Authority (Housing Authority) recruitment and retention efforts, program incentives, and program improvements.

SANTA CLARA COUNTY HOUSING AUTHORITY UPDATED ACTIVITIES FOR OWNER RECRUITMENT AND RETENTION

The Housing Authority has recently completed the following activities to support owner recruitment and retention efforts:

- **Mass Mailing to Property Owners in Santa Clara County** – In August 2019, the Housing Authority completed a mass-mailing to 17,500 residential property owners in San José and Santa Clara County with the goal to educate them on the benefits of renting to a Housing Choice Voucher holder.
- **Upgraded Owner Portal** – The Housing Authority recently upgraded its Owner Portal, a web-based tool that owners can use to communicate with the agency and manage their assisted units. The new and improved Owner Portal incorporates feedback solicited from existing property owners that was used to inform refinements that improve the user experience. Owners can use the tool to request rent adjustments, see and manage their financial documents, and complete other routine actions.

- ***Appointment of Owner Ombudsperson*** – The Housing Authority has appointed a dedicated ombudsperson that focuses solely on addressing Section 8 property owner issues. The ombudsperson thoroughly researches owner concerns to ensure proper resolution of their issues, and works with owners to help manage their Owner Portal accounts.
- ***Workshops for Property Owners*** – The Housing Authority regularly holds owner-targeted workshops to provide information about the Section 8 program to new and interested owners and orients them to the nuts and bolts of the program. These workshops are conducted in the evening outside of normal business hours to better accommodate owners' busy schedules during the day.
- ***Streamlined Website and Property Owner Webpage*** – The Housing Authority is currently in the process of revamping and reorganizing its website at scchousingauthority.org to streamline program information for potential and existing owners, including the development of a property owner landing page that will highlight newly implemented owner incentives, program benefits to owner participation, and easily accessible information about the agency's rental assistance programs to make them more attractive to potential owner participants.

SANTA CLARA COUNTY HOUSING AUTHORITY PROGRAM INCENTIVES

The Housing Authority has introduced program and process improvements in recent years to improve property owner participation and satisfaction with the Housing Choice Voucher program, including:

- ***Setting the Payment Standards Above 110 Percent of HUD Fair Market Rent (Implemented)*** – This change implemented in 2017 provided the flexibility to set Housing Authority payment standards higher than 110 percent of the Fair Market Rent, if necessary, without HUD approval. This incentive gave Housing Authority 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.
- ***Expand Owner Initiatives: Bonus Payment (Implemented)*** – This activity was originally implemented in 2017; it was created to encourage owners to rent their vacant units to Housing Choice Voucher holders. The Housing Authority re-proposed this activity in 2019 to include bonus payments for new owners who agree to rent to Housing Choice Voucher holders. The bonus payment amount will range between \$500 and \$2,500. This is an amount that was determined to be reasonable after evaluating the program-wide contract rent range. Property owners will receive a one-time bonus not to exceed \$2,500, or one month's rent, whichever is less.

SANTA CLARA COUNTY HOUSING AUTHORITY PROGRAM IMPROVEMENTS

The Santa Clara County Housing Authority implemented the following changes and program improvements:

- ***Streamline the Lease-Up Process (Implemented)*** – The Housing Authority has alleviated the delays associated with the processing and completion of the lease-up process by waiving the required use of standard form HUD-52517 and the HUD-required language that must be included in Section 8 leases. This change increases available housing choices to participants by eliminating duplicative and redundant requirements in the lease-up process, which has been identified in surveys as a key factor that discourages property owners from renting to Section 8 tenants. This activity reduces the time necessary for the completion of leasing processes.
- ***Reduced Frequency of Tenant Reexaminations (Implemented)*** – Implemented in 2009, this improvement reduced 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.
- ***Expediting the Initial Eligibility Income Verification Process (Implemented)*** – Implemented in 2009, this improvement extends the timeframe that the voucher holder's application documents are valid from 60 days to 120 days. Extending the documentation timeframe provides administrative relief, both to applicants and to the Housing Authority. Applicants do not need to continually provide updated documentation if the previously provided information becomes too old (dated older than 60 days) before voucher issuance.
- ***30-Day Referral Process for Project-Based Vacancies (Implemented)*** – Implemented in 2010, this referral process allows property owners to directly refer applicants after 30 days of unsuccessful attempts to fill the Project Based Voucher unit using referrals from the Housing Authority waiting list. This change reduced the vacancy time for owners and the resultant loss in money thus ensuring the continuation of the Project Based Voucher contract and the affordability of the units for low income households.
- ***New Web-Based Tool for Wait List (Under Construction)*** – The Housing Authority's new web-based tool, designed to simplify client-agency interactions and improve overall efficiency, is anticipated to go-live in 2020. The Housing Authority is exploring how to better serve clients through a Section 8 interest list and corresponding IT system innovations. When the web-based interest list app is complete, it will revolutionize Housing Authority's existing wait list process by allowing community members to register themselves on a continuously open interest list and update and view their registration, from which the Housing Authority will periodically select for a formal wait list.

/s/

JACKY MORALES-FERRAND

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