

PROJECT-BASED VOUCHER PROGRAM
COMMENTS TO HACoLA
Project-Based Voucher Program

In the prior year comments, Neighborhood Legal Services and the National Housing Law Project, commented that HACoLA should provide a time table for the implementation of the Project-Based Voucher Program. HACoLA stated that it “expects to have full implementation by approval of the FY 2009-2010 Annual Plan. If the program is not fully implemented at that time, the Housing Authority will provide a timeline.”

Thus, is the Project-Based Voucher Program fully implemented at this time? Has HACoLA entered into any contracts for any Project-Based Vouchers? If yes, how many units are under contract and how many are leased up? Again we urge HACoLA to expedite the implementation of the Project-Based Voucher Program. Such a program may assist in providing units affordable to the lowest income families in Low-Income Housing Credit (LIHTC) developments and may also prove to be a program that may work well with properties acquired with some of the approximately \$17 million Neighborhood Stabilization Program (NSP) funds allocated to Los Angeles county. Finally, if HACoLA has entered into Project-Based Voucher contracts, it should post in its offices information regarding those developments, including addresses.

21.3 Owner Proposal Selection Procedure

This section outlines how HACoLA will select projects for Project-Based Voucher contracts. It states that it will not seek a competitive proposal which is limited to a single site and may engage in a noncompetitive process with the proviso that it may rely upon other competitive selection processes for the development. In this section it should be noted that HACoLA would seek a waiver of the regulatory provisions so as to preserve formerly federally assisted housing or to enhance neighborhood stabilization. For example, HACoLA may chose to enter into a contact on a building that was not subject to a competitive process in the past three years, but may be a formerly federally subsidized development; or HACoLA may chose to assist a particular development what was purchased, for example with NSP funds for the purpose of stabilizing the neighborhood. These purposes could be achieved if HACoLA obtained a waiver of the pertinent HUD regulation.

21.5.4 Failure to Meet Supportive Service Requirements

This section describes when a family may lose their housing or their housing assistance for failure to comply with the supportive service requirements. This section provides that a family will lose their housing for failure to comply with the supportive service requirements, even if such failure was for good cause.

This section should be modified. If a family fails to meet the requirements of the supportive service contract for good cause, that family should be issued a voucher, unless the family is qualified to become reinstated.

21.10 Tenant Screening

This section states that HACoLA will provide the Project-Based Voucher owner with the applicant's information regarding prior landlords, if known. This section should be modified and/or cross referenced to the section on protecting victims of domestic violence. HACoLA should not pass on the names of prior landlords for applicants who are victim of domestic violence. If used by the Project-Based owner, such information may inadvertently notify the abuser of the location of the victim.

21.11.1 HAP Contract Information

Paragraph 6 should be amended to note that owners with Project-Based Voucher contracts shall not discriminate against housing choice vouchers for the units in the development that are not covered by the contract. In other words, if the contract covers less than 100% of the units, the owner may not discriminate against voucher holders for the remaining units.

21.14 Family Occupancy of Wrong-size or Accessible Unit

This section states that if a family is in a wrong-sized unit, it may be given a voucher so as to move out. The section further provides that if the family fails to find a unit within the allowable search time, "assistance will be terminated upon expiration of the voucher . . ." This section must be revised to acknowledge that a tenant who is participant (someone with continuing assistance) may not have their voucher taken away without a prior hearing. This section should cross reference to Chapter 16.

21.16.2 Other Charges and Fees

This section should clarify that the Project-Based owner may not impose any mandatory fees without prior approval of HACoLA.

COMMENTS TO OAKLAND HOUSING AUTHORITY (OHA) WHICH IS AN MTW PHA Chapter 17, PROJECT-BASED VOUCHERS

17-I.A. OVERVIEW

This section states that OHA will reserve a maximum of 2,650 Project-Based Vouchers. This figure is approximately 25% of OHA's authorized vouchers. Because OHA is an MTW agency, it could determine to allocate more Project-Based Vouchers. If OHA converts some of its public housing units to Project-Based vouchers it will more than likely need more than the 25%.

17-II.B. OWNER PROPOSALS SELECTION PROCEDURES, OHA Selection of projects under MTW authority without engaging in a competitive process.

In this section and through out the document there is reference to "housing units that are being permanently taken off line." We believe that what is mean by this statement is that the prior funding for the property is or will be terminated and/or that the OHA no longer owns the property. The phrase needs a definition. It is perhaps confusing to use the term "permanently taken off line" to the extent that it might be interpreted to mean that the units will not longer exist or will be demolished.

In this section list the reasons why a project may be selected without a competitive process. Two additional criteria should be added to the list or a preference should be added to assist with the selection process if there is insufficient funds and multiple requests or needs. The additional criteria are currently listed in the sections regarding requests for proposals. They are "the extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities" and "if applicable, the extent to which services for special populations are available on site on in the immediate area for occupants of the property."

PHA Notice of Owner Selection [24 CFR 983.51(d)]

The OHA policy ought to include also posting the information on the OHA web site. The advantage is that the information will be available for a longer period of time. Web site posting should not be a substitute for a newspaper advertisement posting. Each has its own audience and therefore an advantage.

17-II.D PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS, Subsidized Housing [24 CFR 983.54]

The point of this section is that no unit should receive a double rental subsidy. There may be some Section 202 properties that do not have a rental subsidy on all of the units. Therefore an exception should be permitted for those few units, most of which are older units, similar to the language that is used in reference to Section 236 properties.

This is the first section in which the MHSA program is mentioned. When first referenced it should be spelled out Mental Health Service Act. In addition, this program should be listed in the Glossary.

17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT 25 Percent per Project Cap [24 CFR 983.56(a)], page 17-14

The third paragraph on page 17-14 states that there are exceptions to the 25 percent project cap “to replace or preserve a unit as affordable due to expiration, non renewal or loss of existing subsidy due to government action.” It is not necessary to limit the exception units to situations caused by government action. It would be less constraining on future action to remove that clause. There are situations such as what occurred in the case of Park Village where the precipitating factor was not governmental action but owner action. Again in this section there is reference to “a public housing unit that is being permanently taken off line.” Here it appears to mean that the units no longer receive public housing operating or capital funds.

17-II.G. SITE SELECTION STANDARDS

In paragraph c, there is a discussion of the process that OHA will use when project-based assistance is used to develop or substantially rehabilitate six or more public housing units. This section states that residents shall be consulted during the planning. The statement should be amended add in a new section (iv) to allow for consultation throughout the implementation phase and especially if there are any substantial changes to the initial plans. It is highly likely that plans may change and certainly if they do, residents should be consulted.

This section limits the obligation of OHA to consult with residents to developments with six or more units. We believe that OHA ought to notify and consult with residents of smaller developments. (There are over 150 sites with 5 or fewer units.) Because of the size of the developments, the consultation and notification process may be more informal. The Administrative Plan should state the families in the smaller developments will be notified and consulted.

17-IV.C. CONDUCT OF DEVELOPMENT WORK, Equal Opportunity [24 CFR 983.154(c)]

This section discusses the Section 3 obligation of an owner who is engaged in new construction or rehabilitation of units which will be project-based. As with the provisions regarding Davis-Bacon, this section ought to state that the HUD-prescribed contract language will be included in the earliest discussions and agreements with the owner and any subsequent contract. In addition the paragraph should provide that the agreement and the contract should request that the owner provide information on the payrolls of any contractor or subcontractor at the time of the bid to establish a baseline for the number and names of the individuals on the payroll. The section should also state that the owner will report to OHA during the construction and/or rehabilitation phase as to the number of new hires each month, the number of Section 3 employees, the number of hours worked by Section 3 workers and by all new hires and the dollar amount of any contracts with Section 3 businesses.

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