Fiscal Years 2023-2024

Admissions and Continued Occupancy Policy (ACOP) and Administrative Plan Proposed Policies

Below are the proposed joint major policy changes for the Public Housing and Section 8 tenant-based rental assistance programs.

1. **Streamline Annual Re-examination for Families with Fixed Income**

   Currently, the LACDA conducts annual re-examinations and requires third-party verification of all income sources to be obtained. However, the U.S. Department of Housing and Urban Development (HUD) permits Public Housing Agencies (PHAs) to streamline the income determination process at the Annual Re-examination for family members with fixed sources of income.

   The LACDA will now include policies in its ACOP and Administrative Plan to streamline the annual re-examination process by applying the verified Cost of Living Adjustment (COLA) or interest rate to fixed-income sources. The LACDA will document in the file how the determination is made that a source of income is fixed income. Third party verification of fixed sources of income will be obtained during the admissions process and at least once every three years thereafter. If a family member with a fixed source of income is added, the LACDA will use third-party verification of all income amounts for that family member. If verification of the COLA or rate of interest is not available, the LACDA will obtain third-party verification of income amounts. Under discretionary policy, third-party verification of non-fixed income will be obtained annually regardless of the percentage of family income received from fixed income sources.

   At the LACDA's discretion, the LACDA may obtain third-party verification of all income, regardless of the source. Furthermore, upon request of the family, the LACDA must perform third-party verification of all income sources.

   Under this policy, families with 90 percent or more fixed income would be eligible for the streamlined annual re-examination process. Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest.

2. **Family Declaration of Assets under $5,000**

   Currently, the LACDA's Public Housing and Section 8 tenant-based rental assistance programs must obtain third-party verification of all family assets upon admitting a family member to the program and then again at every re-examination of income thereafter.

   Upon Board approval, the LACDA will continue to obtain third-party verification of all family assets upon admitting a family to the program and then again at least every three (3) years thereafter for families that legitimately are found to have assets under $5,000. During the subsequent annual re-examinations, the LACDA will use this policy discretion to accept a family's declaration that it has total net assets equal to or less than $5,000, without taking additional steps to verify the accuracy of the declaration. Meaning, if a family submits and signs such a declaration, then the LACDA will not need to request supporting documentation (e.g., bank statements) to verify the assets, or the amount of income expected to be received from those assets. HUD requirements to verify income from assets will be adhered to when a new family member is admitted.

3. Criminal Background Screening for Minors that May be Subject to a Lifetime Sex Offender Registration Requirement

In accordance with HUD's regulatory minimum screening standards, the LACDA has established standards that prohibit admission to the Public Housing and Section 8 tenant-based rental assistance programs if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. Having done so, the LACDA currently requires that a parent or guardian authorize the LACDA to obtain sex offender registration information of a minor between the ages of 13 through 17 years of age.

Effective July 1, 2023, the LACDA will no longer require minors to undergo a criminal background screening for a lifetime sex offender registration requirement under a State sex offender registration program to be eligible for program admission. Criminal background screening for lifetime sex offender registration requirements will continue uninterrupted for adult household members who are 18 years of age and older. This discretionary policy is being removed since it has resulted in no (zero) program admission denials for minors since its inception.

4. Verification of Disability

Under the LACDA's ACOP, Administrative Plan, and HUD requirements, verification of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences and certain income disallowances and deductions.

Currently, the ACOP and Administrative Plan are silent on the availability of obtaining information about disability information through the HUD Enterprise Income Verification (EIV) system for family members claiming disability and are receiving disability benefits from the SSA, which is the highest form of verification under HUD's Verification Hierarchy.

Effective July 1, 2023, the ACOP and Administrative Plan policy for verifying disability will be updated to specify that the LACDA will first attempt to obtain information about disability benefits through HUD's EIV system for family members claiming disability and who are receiving disability benefits from the SSA. If documentation from HUD's EIV System is not available, the LACDA will request a current SSA benefit verification letter (dated within the last 60 days) from each family member claiming disability status. If the family is unable to provide the document(s), the LACDA will ask the family to either submit a complete verification of disability (VOD) form or request a benefit verification letter by either calling the SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter or VOD form, they will be required to provide it to the LACDA.

Admissions and Continued Occupancy Policy (ACOP) Proposed Policies

Below are the proposed major policy changes for the Public Housing program only.

1. **Unit Transfers**

   Currently, residents must return the keys to their old unit within five (5) calendar days of the date the transfer offer was made.

   Effective July 1, 2023, residents must return the keys to their old unit within five (5) calendar days of the date of the execution of the new lease/keys provided for the new unit. This will provide a more reasonable timeframe for residents to move and return keys to their old unit following the acceptance of a unit transfer.

2. **Conducting Annual Re-examinations Online**

   Currently, as of July 1, 2022, the LACDA requires that families conduct their annual re-examination online via the LACDA's online portal, referred to as the Yardi Rent Café Portal (or online Tenant Portal). A one-year transition period was approved following the implementation of this policy.

   Effective July 1, 2023, the LACDA will provide families the opportunity to conduct annual re-examinations via the online Tenant Portal or submit a paper packet by the designated due date.

3. **Guaranteed Income Program Exclusion**

   Currently, the U.S. Department of Housing and Urban Development (HUD) does not allow for the exclusion of income from Guaranteed Basic Income Programs. Guaranteed Basic Income Programs traditionally provide temporary, unconditional, individual, and regular cash payments intended to support the basic needs of the recipients.

   Effective July 1, 2023, subject to HUD approval, the LACDA will exclude income from Guaranteed Basic Income Programs, such as the Los Angeles County's "BREATHE" pilot program, which provides temporary monthly supplemental income that supports financial stability for participating households. The LACDA submitted a HUD waiver request on June 22, 2022.

4. **Notification to the U.S. Postal Service (USPS) Regarding Evicted Individuals**

   Currently, following the eviction for drug-related criminal activity, the LACDA's policy is to notify the USPS that mail should no longer be delivered to the person who was evicted.

   Effective July 1, 2023, the LACDA will remove this policy language to avoid any perception that the LACDA is taking action to withhold mail. In accordance with USPS Code, a USPS Hold Mail request may only be submitted by anyone at an eligible address, or someone authorized by the customer to act on their behalf. Staff will instead write "No Longer at This Address" or "Return to Sender" on each piece of mail for all former residents and return to the postal carrier or local Post Office.

5. Banning Former Residents

Currently, the LACDA may ban a non-resident, including, but not limited to, a guest or visitor of a resident, for twelve (12) consecutive months if they commit two or more specified criminal acts in or upon any area of an LACDA housing development within a twelve (12) month period. Criminal acts include committing a felony, misdemeanor or infraction involving possession of a controlled substance under State or federal law, including without limitation, illegal drug activity or violent criminal activity.

Effective July 1, 2023, the LACDA will add “former residents” to the policy. Adding this language will allow the LACDA to ban former residents that previously engaged in the specified criminal acts prior to move out or eviction from returning to any of the LACDA’s Public Housing developments. This change also holds current residents accountable and aligns with the Public Housing Lease which delineates, “That upon receiving written notice of a banned individual from Management, Resident and/or household members shall not permit a banned individual on Housing Development premises and Residence.”

6. Temporary Relocation Policy

Currently, the Public Housing program does not have a detailed temporary relocation policy.

Effective July 1, 2023, the LACDA will add the following temporary relocation policy:
Temporary relocation is defined when a resident is relocated for a period no longer than twelve (12) months because their unit will undergo a capital improvement project. In general, temporarily relocated residents must be reimbursed for their reasonable out-of-pocket expenses related to the temporary move (i.e., increased housing costs, pet lodging, and moving expenses).

NOTE: In the event a resident is displaced for more than twelve (12) months, HUD requires that a residential resident be offered permanent displacement assistance.

Projects that Require Temporary Relocation:

- Require packing, moving, or storing residents’ furniture or personal items.
- Involve the unit kitchen or bathroom where the work prevents use of these areas.
  - Relocation will be determined on a case-by-case basis.
- Resident can request relocation due to odors, dust, debris, noise, or other hazards.
  - Relocation will be determined on a case-by-case basis.

Examples: Termite Tenting, Emergency Repairs (flood, large roof leaks).

Projects that Do Not Require Temporary Relocation:

- Short-term temporary switch over to new equipment/fixtures, HVAC or A/C equipment, receptacles, or equipment, if the electrical, gas and water service to a unit is not interrupted for more than 24 hours.
- If ingress and egress can be safely maintained throughout construction.
  - Examples: Window & Slider Replacements, Solar Projects, Non-Emergency Roof Replacement/Repairs.

Temporary Relocation Options:

- A moderately priced hotel in the same community within 15 miles of the Housing Development.
  - Mileage can vary depending on hotel availability.

- A friend or family member's residence.
- A comparable replacement unit on-site (owners are encouraged to "stage" rehabilitation work so that residents can be relocated within the project), OR
- A comparable replacement housing off-site. This unit must be functionally equivalent to the unit being renovated. It should be in the same community as the Housing Development to minimize such impacts as: school transfers on the residents and their children, access to transportation networks, proximity to employment, etc.

NOTE: Due to limited availability, comparable replacement units are reserved for residents who request and are approved for such units via a reasonable accommodation.

7. Non-Discrimination Policy Section

Currently, it is the policy of the LACDA to comply fully with all Federal, State, and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Effective July 1, 2023, a single non-discrimination section will be added to Chapter 1: Statement of Policies and Objectives, as follows:

It is the policy of the Los Angeles County Development Authority (LACDA), formerly known as the Housing Authority of the County of Los Angeles, to comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601 et seq., by ensuring that housing is available to all persons without regard to race, color, religion, national origin, disability, familial status (having children under age 18), or sex. This policy means that, among other things, LACDA and its agents or employees must not discriminate in any aspect of housing, including but not limited to denying persons access to housing, because of race, color, religion, national origin, disability, familial status, or sex. Such agents and employees may not:

a. Make unavailable or deny a dwelling to any person because of race, color, religion, national origin, disability, familial status, or sex;
b. Discriminate against any person in the terms, conditions, or privileges of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, disability, familial status, or sex;
c. Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, national origin, disability, familial status, or sex, or an intention to make any such preference, limitation, or discrimination; or
d. Coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by the Fair Housing Act. Any agent or employee who fails to comply with this non-discrimination policy will be subject to appropriate disciplinary action.

Any action taken by an agent or 1-4 Los Angeles County Development Authority employee that results in the unequal treatment of citizens on the basis of race, color, religion, national origin, disability, familial status, or sex, may constitute a violation of state and federal fair housing laws. An individual who believes that he or she is the victim of discrimination may contact the U.S. Department of Housing and Urban Development at 1-800-669-9777, or the U.S. Department of Justice at 1-202-353-1555.

8. Over Income Limit Households

Currently, the Public Housing Program will terminate the family's tenancy within 6 months, if a household has an income that is over 120 percent of the Area Median Income (AMI) for the most recent two (2) consecutive years, according to the Housing Opportunity Through Modernization Act (HOTMA) July 29, 2016. This rule excluded families receiving Earned Income Disregard (EID) and families participating in the Family Self-Sufficiency (FSS) Program.

Per the HOTMA final rule published on February 14, 2023, the over-income limit rule now also applies to families receiving EID and families participating in the FSS Program. This section of the rule is effective March 16, 2023.

Administrative Plan
Proposed Policies

Below are the proposed major policy changes for the Section 8 tenant-based rental assistance programs only.

1. **HCV (Section 8) Emergency Housing Voucher (EHV) Super One-Time Limited Preference**

   Currently, under its HCV (Section 8) Program's waiting list local preferences, the LACDA's highest priority is granted to families terminated due to insufficient funding followed by its second priority, which is its commitment of expected annual voucher attrition to assist Los Angeles County-based homeless families.

   Now, the LACDA will implement, as its highest weighted priority, an EHV Super One-Time Limited Preference. Under this preference, the LACDA will grant up to 1,500 vouchers for families and individuals referred through the Continuum of Care (CoC) Coordinated Entry System (CES) that were found eligible under the LACDA's EHV program. To qualify for local preference eligibility, families and individuals must be holding an active EHV and must have not secured housing under an EHV-funded Housing Assistance Payment Contract for the first time.

   Individuals and families will be required to meet all HCV program eligibility requirements and will be granted portability rights. Admission will be on a first-come, first-served basis and will be subject to voucher availability.

   On May 12, 2021, the LACDA accepted 1,964 EHVs as part of an allocation of 70,000 vouchers issued to PHAs nationwide by HUD. The EHVs were allocated as a part of the American Rescue Plan Act, intending to assist individuals and families most in need and for whom providing rental assistance will prevent the family's homelessness or having a high risk of housing instability. The LACDA was successful in utilizing its entire allocation of EHVs but has now found that a limited number of families and individuals, who are currently unsheltered and have yet to secure housing, will continue to experience housing instability as a result of the LACDA's maximized allocation. This local preference will ensure families and individuals are offered the opportunity to participate in the HCV Program, with the goal of securing housing.

   As such, this policy also supports the Los Angeles County Proclamation of a Local Emergency for Homelessness motion set forth by the Board of Supervisors on January 10, 2023. This policy will be implemented upon Board approval.

2. **Reinstituting the LACDA's 100 Percent Commitment to Homelessness**

   Currently, under its Housing Choice Voucher (HCV) Programs waiting list local preferences, the LACDA commits 50 percent of its expected annual voucher attrition to assist Los Angeles County-based homeless families.

   In response to the Los Angeles County Proclamation of a Local Emergency for Homelessness motion set forth by the Board of Supervisors on January 10, 2023, the LACDA will now increase its commitment from 50 percent to 100 percent of its expected annual voucher attrition. This policy will be implemented upon Board approval.

3. Local Preferences and Priorities

Under HUD, the LACDA is permitted to establish HCV Program local admission preferences and to give priority to serving families that meet those criteria.

Therefore, as of July 1, 2023, the LACDA's Administrative Plan (section 4.4 Local Preferences) will now include the following changes:

1) A statement has been added for transparency to inform the public that any local preferences established by the LACDA must be consistent with the Public Housing Agency plan and the Consolidated Plan and must be based on local housing needs and priorities that can be documented by generally accepted data sources.
2) Currently, the first local preference listed is for *families previously assisted by the LACDA whose assistance was terminated due to insufficient funding*. Since terminating families under insufficient funding is not a local need, but rather an administrative action under consultation with HUD and the Board, the LACDA will now relocate this language to the narrative above the local preference list affirming that LACDA will first assist families terminated under an insufficient funding action before selecting families from the waiting list for assistance under its local preferences.
3) Currently, under the second local preference, the LACDA commits 50 percent of expected annual voucher attrition to assist Los Angeles County-based homeless families. Of that percentage, *up to 5 percent of referral applications may be received from an approved local service provider assisting homeless elderly families* and *up to 5 percent of referral applications may be received from an approved local service provider assisting homeless Transitional Aged Youth (TAY) that are enrolled in an institution of higher education*. Now, the LACDA will remove both of the 5 percent carve-outs for the subject populations under this local preference. The elderly will continue to be prioritized through the LACDA's current sixth local preference. The transitional-age youth will continue to be prioritized through recent Family Unification Program (FUP) and recently HUD awarded Foster Youth to Independence (FYI) vouchers. Lastly, the second local preference will now include the prioritization of families already on the waiting list who declare themselves homeless, but not referred by partner agencies. Selected families will be required to provide certification from a government organization or other organization that is qualified to determine homelessness or housing status. The number of families who can qualify for this preference will be limited to a number as annually determined by the LACDA.
4) As of July 1, 2023, the LACDA will now commit up to 50 vouchers for victims of human trafficking referred via a partner agency under contract or Memorandum of Understanding with LACDA. This local preference will be listed as the third highest priority.
5) Currently, under third local preference, the LACDA prioritizes rental assistance transfers for youth that are currently served in the FUP. Now, the LACDA will include an eligibility requirement for youth to be eligible for consideration. To be eligible, the youth must have been found eligible or exempted statutorily and have exhausted the 24-month extension. This change is being made to incentivize the youth to benefit from the 24-month extension under their current FUP/FYI Program.

6) Currently, the fourth local preference prioritizes families who live or work in the jurisdiction in certain categories, such as referral from law enforcement agencies. Now, the LACDA will no longer prioritize referrals from law enforcement agencies since there is no longer a local need.

4. Family Unification Program, Foster Youth, Statutory Housing Limitation Extension of up to 12 Months

The Family Unification Program vouchers (as well as Foster Youth to Independence vouchers) used by youth are time-limited, by statute, to 36 months of housing assistance. On January 24, 2022, HUD published a notice in the Federal Register implementing and providing guidance on the provisions of the Fostering Stable Housing Opportunities (FSHO), which made statutory change to the 2021 Appropriations Act to increase the amount of time that Youth may receive a FUP voucher. Under FSHO, former foster youth will be able to receive up to an additional 24 months of voucher assistance, for a maximum of 60 months if certain requirements are met.

Effective July 1, 2023, the LACDA's Administrative Plan will now include policies that permit FUP youth who first leased or leases a unit after the date of the enactment of the 2021 Appropriations Act (i.e., December 27, 2020) to qualify for an additional 24-month extension. The extension of assistance will be made available to youth participating in a Family Self-Sufficiency (FSS) Program. If the youth is unable or unwilling to enroll in the FSS Program, the youth may receive an extension of assistance if they engaged in education, workforce, or employment activities for at least 9 months out of the 12 months preceding the extension. As required by the statute, the policy will provide limited exceptions for youth whose personal circumstances make them unable to engage in such activities, such as:

- The FUP youth is a parent or is a household member responsible for the care of a dependent child under the age of 6 or the care of an incapacitated person;
- The FUP youth is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program;
- The FUP youth is a person who is incapable of complying with the requirement to participate in the FSS program or engage in education, workforce development, or employment activities, as applicable, due to a documented medical condition.

5. Removal of the Moderate Rehabilitation Program and Enhanced Voucher Assistance Chapters

The Moderate Rehabilitation Program was designed in 1978 and provides project-based rental assistance for low-income families. The program was repealed in 1991 and no new projects were authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments (HAP) contract between an owner and a Public Housing Agency (PHA). At each contract sunset, the owner has the option to renew the contract if certain conditions are met. Conversely, the owner has the option to opt out of a contract renewal. Under an opt-out action, HUD will provide the PHA tenant-protection vouchers which if used by the family to remain in-house will provide enhanced subsidy calculations to reduce the market rent burden, hence the name "Enhanced Voucher Assistance".

As of August 24, 2022, the LACDA no longer holds active contracts under the Moderate Rehabilitation Program and will remove each programs policy under the Administrative

Plan. The LACDA will continue its goal of providing affordable housing opportunities through the Project-Based Voucher Program.

6. Removal of the Family Self-Sufficiency Program Chapter

The Family Self-Sufficiency (FSS) Program was designed to work in tandem with the LACDA rental assistance programs (such as HCV and Public Housing) to enable participating low-income families to increase their earned income, achieve economic stability, and reduce or eliminate their need for welfare assistance and rental subsidies.

Recent changes brought on by the passage of the Economic Growth, Regulatory Relief, and Consumer Protection Act, that was codified via the federal ruling process, amended HUD's regulations to the FSS Program. One significant amendment was an update to the FSS Action Plan which houses the administrative requirements of the program. Under this change, HUD provided PHA's a template for the creation of a robust Action Plan that is all encompassing of the FSS Program administration and the tenant's rights under the program.

For this reason, and since there is no requirement to house policy in the Administrative Plan, the LACDA will remove the FSS Program chapter in the Administrative Plan and will instead administer the program under the FSS Action Plan.