



REPORT

DATE: For the Agenda of March 22, 2002

ITEM 103

REPORT NO. HCR02-105

SUBJECT: FY03 Annual Agency Plan (Citywide)

SUMMARY

Issue: Should the Housing Commission recommend Housing Authority approval of the FY03 Annual Agency Plan, pursuant to the five-year Agency Plan (FY01-FY05), that guides the administration of Public Housing and Section 8 tenant-based and project-based rental assistance programs, as required by the Department of Housing and Urban Development (HUD)?

Recommendation: That the Housing Commission recommend Housing Authority approval of the FY03 Annual Agency Plan (Attachment 1) and authorize its transmittal to HUD by the Chief Executive Officer.

Fiscal Impact: None with this action. However, Component 7 of the Agency Plan includes information required for HUD's awarding of FY03 Capital Funds for public housing physical improvements. HUD's release of Capital Funds is contingent on their review and approval of the FY03 Annual Agency Plan.

Affordable Housing Impact: None with this action. However, the majority of residents in public housing and participants in the Section 8 program are extremely low-income (0-30% of Median Area Income) and very low-income (31-50% MAI) households.

Previous Related Action(s): On March 17, 2000 and March 23, 2001 the Housing Commission made similar recommendations to the Housing Authority regarding the Five-Year (FY01-FY05), FY01 Annual Agency Plan, and the FY02 Annual Agency Plan. On April 18, 2000 and April 17, 2001 the Housing Authority approved those respective Plans and authorized the transmittal to HUD.



BACKGROUND

Section 511 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998 created the public housing agency Five-Year and Annual Agency Plan requirement. An Agency Plan is a comprehensive guide to a Public Housing Agency's (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals. The Five-Year Plan describes the mission of the agency and the agency's long-range goals and objectives for achieving its mission over a five-year period. The Annual Plan, for which HUD provides a required format, describes the agency's approach, during the next fiscal year, to managing programs and to providing services in support of the goals and objectives established in the Five-Year Plan.

The Agency Plan also serves as the annual application for Capital Fund Program to support improvements in public housing. HUD's budget for Federal Fiscal Year 2002 eliminates the Public Housing Drug Elimination Program and, therefore, no PHDEP information is required for the FY03 Agency Plan.

Public Housing Authorities are also required to establish one or more Resident Advisory Boards (RAB) to enable residents to advise the PHA in Agency Plan development. The RAB membership consists of individuals who reflect and represent the residents assisted by the agency. The role of the RAB is to assist the agency in developing the Agency Plan, by providing input on any significant amendments or modifications to an approved Plan.

DISCUSSION

Beginning in October 2001 and continuing through February 2002, Housing Commission staff met with the Resident Advisory Board to discuss and receive input on the development of the Agency Plan. The Draft FY03 Agency Plan was also duly noticed for a public review and comment period from January 7 through February 20, 2002.

The Draft Plan, and attachments, were available for review in three Housing Commission offices, three public housing sites, and the City Clerk's office in the City Administration Building. The Resident Advisory Board also hosted a public hearing on February 20, 2002, at the Commission's Newton facility to formally receive comments from the RAB membership and the public.

Changes from FY02 Agency Plan

Recently, HUD issued a recommendation to housing authorities to consider granting a preference for housing to active duty military personnel and their families. Consequently, in addition to the preference for veterans and their families, a new preference is being proposed for active duty military personnel and their families. The RAB concurred with this recommendation.

The Five Year Plan (FY01 – FY05) indicates that the Housing Commission will develop a Section 8 Homeownership Program. Due to the accelerated cost of housing during the past year it has been determined that a Section 8 Homeownership Program would not be feasible at this time and the task, originally proposed in the FY02 Plan, has been deleted from the FY03 Plan. This program will be reviewed again for feasibility in the future.

The FY02 Agency Plan also indicates that the Housing Commission would apply for a “elderly families only” designation for the Belden Village Housing site. Meetings were subsequently held at the site and it was determined that the Belden residents were not in support of this designation. As a result, it has since been decided that this designation application would not move forward and therefore has been deleted from the FY03 Plan.

In Section 432 of HUD’s FY2002 Appropriations Bill, Congress repealed the Community Service requirement originally required by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). This provision required certain Public Housing residents to perform eight hours of unpaid work a month as a condition of their retaining their leases. Since it is no longer required it has been omitted from the FY03 Agency Plan.

The RAB was also actively involved in developing a Follow-Up Plan to HUD’s 2001 Resident Services and Satisfaction Survey (Attachment 3), which is one of the required attachments to the Agency Plan. The Follow-Up Plan emphasizes implementing systems through which SDHC residents and participants can provide on-going feedback regarding the agency’s performance and customer satisfaction.

CONCLUSION

The updated FY03 Annual Agency Plan will be docketed for Housing Authority deliberation on April 16, 2002, and electronically transmitted to HUD after Housing Authority approval. HUD’s review of the Plan during the next 75 days will be based on completeness of information included, consistency with the City’s Consolidated Plan, compliance with the QHWRA, the U.S. Housing Act of 1937 and any other applicable Federal laws.

Any deficiencies identified by HUD will be immediately brought to the Housing Commission’s attention to allow for additional information to be provided and reviewed by HUD within the 75-day review period. The Plan will be automatically approved if HUD does not disapprove it within the 75-day time frame.

Respectfully submitted,

Approved by,

Signature of File with Original Document

Steve Snyder
Manager, Asset Management

Elizabeth C. Morris
Chief Executive Officer

- Attachments:
1. Draft Annual Agency Plan for FY03
 2. Agency Plan Public Review Notice
 3. Follow-Up Plan: Resident Services & Satisfaction Survey