

RESOLUTION NO. _____

**APPROVAL OF REVISIONS TO THE HOUSING CHOICE VOUCHER PROGRAM
ADMINISTRATIVE PLAN**

Item No. 5F

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires that Housing Choice Voucher (HCV) providers adopt an Administrative Plan to set local policies for the administration of the program in accordance with HUD requirements and local priorities; and

WHEREAS, the HCV Program Administrative Plan and any revisions to said document must be formally adopted by the Louisville Metro Housing Authority (LMHA) Board of Commissioners; and

WHEREAS, LMHA finds it necessary to revise the existing HCV Program Administrative Plan to administer the program in a more effective and efficient manner and to remain in compliance with HUD rules and regulations; and

WHEREAS, the LMHA is proposing revisions to multiple sections of the HCV Program Administrative Plan; and

WHEREAS, a summary of the proposed revisions is included in this resolution; and

WHEREAS, these proposed revisions were made available for public comment from November 18, 2022 through December 18, 2022 and a public hearing was held on December 1, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the Housing Choice Voucher Program Administrative Plan revisions are adopted.

RESOLUTION BACKGROUND STATEMENT

APPROVAL OF REVISIONS TO THE HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

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I. STATEMENT OF FACTS:

LMHA reviews its HCV Program Administrative Plan to ensure that the admissions and occupancy policies described therein are compliant with the latest rules and regulations issued by HUD and that the HCV Program is operated in a manner that is effective, efficient, and beneficial to residents. To that end, LMHA is now proposing the following significant changes to its Administrative Plan:

- In response to PIH Notice 2022-01, “Carbon Monoxide Alarms or Detectors in U.S. Housing and Urban Development (HUD)-Assisted Housing,” add carbon monoxide detection requirements. (1.D, 13.C)
- Update language regarding reasonable accommodations to incorporate guidance included in the Joint Statement of the Department of Housing and Urban Development and the Department of Justice on *Reasonable Accommodations Under the Fair Housing Act*. (2.B)
- Clarify that a low-income family may be eligible to reside in certain LMHA-designated Project-Based Voucher developments. (3.A)
- Update language regarding grounds for denial of applicants to incorporate guidance outlined in the June 10, 2022 HUD memorandum, “Implementation of the Office of General Counsel’s Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions.” (3.B)
- Note that LMHA will soon begin accepting Housing Choice Voucher applications via a new web portal, in addition to accepting paper applications. (4.B)
- Remove the requirement that an Elderly or Disabled Family must receive income from the Social Security Administration to be eligible for an income deduction equal to the Medicare monthly premium multiplied by 12. (5.D)
- Outline a policy to determine which lease a child is placed on in cases where multiple custodians wish to include the child in their household. (6.A)
- Clarify that LMHA does rent reasonableness determinations on a random sample of units where rent increases are requested. (11.A)
- Update time frames for correction of HQS fail items and list of life-threatening conditions to correspond to U.S. Code of Federal Regulations. (13.F)

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I. STATEMENT OF FACTS (cont'd):

- Indicate LMHA will provide seven (7) calendar days' notice for reexamination and other types of family appointments. (14.B)
- Clarify that LMHA's policy on annual Rent to Owner requests applies to Project-Based Voucher units. (17.H)
- Pending HUD approval of a non-significant change to MTW activity #2019-1, "Enhancements to Local Project-Based Voucher (PBV) Program," indicate that LMHA will inspect all PBV units at least biennially but may choose to do so annually. (17.J)
- Remove "Rental Assistance Demonstration (RAD)" chapter, as this demonstration has ended. (Formerly Chapter 18)
- Update maximum amount Executive Director is authorized to expend without prior Board approval to match LMHA's current Procurement Policy. (18)
- Pending HUD approval of a non-significant change to MTW activity #2006-1, "MTW Homeownership Program," indicate home purchasers in the LMHA Homeownership Program may rely on an independent inspection performed by an inspector certified by the American Society of Home Inspectors in lieu of an HQS inspection. (21.G)
- Pending HUD approval of a non-significant change to MTW activity #2006-1, "MTW Homeownership Program," remove language indicating LMHA must use the same payment standard schedule for the Homeownership Program as for the rental Housing Choice Voucher Program. (21.L)
- Modify definition of "Adjusted Annual Income" to remove the requirement that an Elderly or Disabled Family must receive income from the Social Security Administration to be eligible for an income deduction equal to the Medicare monthly premium multiplied by 12. Remove the limitation that the alternative deduction for medical and disability assistance expenses is only provided to the extent that eligible expenses exceed 10% of Annual Income. (Glossary)
- Edit definition of "Temporarily Absent" to indicate absences from a unit may not exceed 180 days. (Glossary)
- Update rental and homeownership payment standards in response to HUD publication of new Fair Market Rents, which became effective October 1, 2022. (Appendix 1)

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I. STATEMENT OF FACTS (cont'd):

- Update utility allowance schedules. (Appendix 2)
- Replace form HUD-52641 with form HUD-52641-A, the HCV Tenancy Addendum. (Appendix 3.G)
- Replace existing “Protect Your Family from Lead in Your Home” brochure with newer version. (Appendix 3.H)
- Remove outdated “Criminal and Drug Treatment Records Management Policy.” Policy points are covered within main narrative of HCV Administrative Plan. (Appendix 5)
- Note that a Low-Income Family is eligible for the Veterans Affairs Supportive Housing (VASH) Program. The text currently indicates the applicant must meet the standard Housing Choice Voucher Program’s income requirements, which limits income eligibility to the Very-Low Income threshold. (Appendix 6.B)
- Update special referral vouchers allocations as follows: Feed Louisville (10 vouchers); Kentucky Cabinet for Health & Family Services (50 vouchers); and Louisville Metro Police Department Victims Services (20 vouchers). New Life Directions Ministries will be allocated 20 vouchers pending HUD approval of an amendment to LMHA’s MTW Annual Plan. Remove Center for Accessible Living vouchers, as MTW authority is not required. (Appendix 8)
- Update PBV rents in response to HUD publication of new Fair Market Rents. (Appendix 9)
- Remove “HUD/MDRC Rent Reform Demonstration for HCV Households” appendix, as this demonstration has ended. (Formerly Appendix 10)
- Update Emergency Housing Voucher (EHV) and VASH payment standards in response to HUD publication of new Fair Market Rents. (Appendix 11)

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II. ALTERNATIVES:

- A. Approve all the revisions to the HCV Program Administrative Plan.
- B. Approve a portion of the revisions to the HCV Program Administrative Plan.
- C. Do not approve the revisions to the HCV Program Administrative Plan.

III. RECOMMENDATION:

Staff recommends Alternative "A".

IV. JUSTIFICATION:

HUD requires that Housing Choice Voucher (HCV) providers adopt a written Administrative Plan that establishes local policies for administration of the program. This document guides staff in administering the HCV Program and informs residents and the general public of the Housing Authority's admissions and occupancy policies.

Submitted by: Eric Proctor
Compliance Manager
December 20, 2022