

THE HOUSING AUTHORITY OF THE CITY OF AUSTIN



BOARD OF COMMISSIONERS

Chairperson - Carl S. Richie, Jr.

Vice-Chairperson - Charles Bailey

2nd Vice-Chairperson - Mary Apostolou

Commissioner - Dr. Tyra Duncan-Hall

Commissioner - Edwina Carrington

Michael G. Gerber, President & CEO

BOARD OF COMMISSIONERS

Regular Meeting

Thursday, June 20, 2024

12:00 PM

HACA Central Office, 1124 S. Interstate Highway 35

To join by Zoom: <https://bit.ly/4c6bdrb> Meeting ID: 881 9277 6670 Passcode:

197162

Austin, TX

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
OF THE HOUSING AUTHORITY OF THE CITY OF AUSTIN**

**TO BE HELD AT
HACA Central Office, 1124 S. Interstate Highway 35
To join by Zoom: <https://bit.ly/4c6bdrb> Meeting ID: 881 9277 6670 Passcode: 197162
Austin, TX
(512.477.4488)**

**Thursday, June 20, 2024
12:00 PM**

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

Pledge of Allegiance

Public Communication (Note: There will be a three-minute time limitation)

Citywide Advisory Board Update

Employee of the Quarter

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Commissioner and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion, or action at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Texas Government Code, Texas Open Meetings Act.

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on May 16, 2024

ACTION ITEMS

2. Presentation, Discussion, and Possible Action regarding Resolution No. 02848: Approval of an Award of Contract for Comprehensive Youth Development Club in the amount of \$210,000.00
3. Presentation and Discussion of the Proposed Revisions to the Housing Choice Voucher Administrative Plan and PHA Annual Plan
4. Presentation, Discussion, and Possible Action on Resolution No. 02850 by the Board of Commissioners of the Housing Authority of the City of Austin (the "Authority") approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary

to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

5. Presentation, Discussion, and Possible Action on Resolution No. 02851 by the Board of Commissioners of the Housing Authority of the City of Austin (the "Authority") approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Eagle's Landing Family Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Eagle's Landing Family Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public) Pursuant to:

- a. 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b. 551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real property;
- c. 551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d. 551.087, Texas Gov't Code, discuss certain economic development negotiations.

OPEN SESSION

If there is an Executive Session, the Board will return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session.

REPORTS - The Board will receive program updates from the President/CEO and other senior staff.

ADJOURNMENT

"Pursuant to 30.06, Penal Code, (trespass by holder of license with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to 30.07, Penal Code (trespass by holder of license with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

"En virtud del 30.06, Código Penal, (traspaso titular de licencia con una pistola), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en este reunión con una arma o pistola.

"En virtud de 30.07, Código Penal (prevaricación por titular de la licencia con un arma o pistola abiertamente llevado), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con un arma o pistola que lleva abiertamente.

*The Housing Authority of the City of Austin (HACA) Board of Commissioners reserves the right to discuss and consider items out of order on the agenda on an as needed basis.

The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Nidia Hiroms at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on HACA, please contact Nidia Hiroms at 512.477.4488 x 2104.

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

EXECUTIVE

ITEM NO. 1.

MEETING DATE: June 20, 2024

STAFF CONTACT: Michael Gerber, President & CEO

ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on May 16, 2024

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to review and approve the Board Minutes Summary for the Board Meeting held on May 16, 2024.

ATTACHMENTS:

- **20240516 HACA Minutes Summary**

**THE HOUSING AUTHORITY OF THE CITY OF AUSTIN
BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

May 16, 2024

SUMMARY OF MINUTES

THE HOUSING AUTHORITY OF THE CITY OF AUSTIN (HACA) BOARD OF COMMISSIONERS REGULAR BOARD MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, MAY 16, 2024, AND WAS HELD AT THE HACA CENTRAL OFFICE, 1124 S. INTERSTATE HIGHWAY 35 AUSTIN, TX AND VIRTUALLY

CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

Charles Bailey, HACA Vice-Chairperson called the Board of Commissioners Regular Board Meeting of the Housing Authority of the City of Austin, of May 16, 2024, to order at 12:05 pm. The meeting was held at the HACA Central Office, 1124 S. Interstate Highway 35, Austin, TX and virtually

Roll call certified a quorum was present on the call.

MEMBERS PRESENT:

Carl S. Richie, Jr., Chairperson – arrived at 12:16 pm
Chuck Bailey, Vice-Chairperson
Edwina Carrington, Commissioner
Mary Apostolou, 2nd Vice-Chairperson
Dr. Tyra Duncan-Hall, Commissioner

MEMBER(S) ABSENT:

ALSO IN ATTENDANCE:

Lauren Aldredge, Cokinos Law Firm

STAFF PRESENT:

Barbara Chen, Gary Dinges, Jorge Vazquez, Jimi Teasdale, Keith Swenson, Kelly Crawford, Leilani Lim-Villegas, Lisa Garcia, Michael Cummings, Michael Gerber, Michael Roth, Nidia Hiroms, Ron Kowal, Suzanne Schwertner and Sylvia Blanco

PUBLIC COMMUNICATION - (3 minute time limit)

Public communication was opened during each item on the agenda. No one provided any additional communication during any of the items.

CITYWIDE ADVISORY BOARD (CWAB) – Lupe Garcia, CWAB President, reported that the April CWAB Meeting was held on Tuesday, May 14th. •**Michael Gerber**, HACA President & CEO, encouraged residents to attend the upcoming Mayfest (May 17) and Women’s Conference (May 31). •**Michael Gerber** thanked the Austin Community College interns and congratulated the Class of 2024. •**Chris Duran**, City of Austin Housing Department, gave a presentation on a \$13 million grant awarded by Housing and Urban Development (HUD) to the City, which includes rental assistance and homeless initiatives. HUD is interested in receiving community feedback. •**Michael Roth**, HACA Vice President of Pathways of Asset Management, announced that North Loop and Manchaca Village received high marks, in the upper 90s, for inspections. Georgian Manor, Northgate and Shawdowbend inspections are next. Rent Café for online rental payments and work orders will be launching soon. •**Leilani Lim-Villegas**, HACA Senior Director of Community Development, introduced Charelesa Russell, the new Family Self-Sufficiency Coach. •**Leilani Lim-Villegas** reported that there will be HUD and Resident Council in-person training on June 13-14 at HACA Headquarters. •**Abby Bettini**, HACA Youth Services, reported that HACA has 67 residents enrolled in the Family Self-Sufficiency (FSS) PBRA program and 14 are earning an escrow. •**Murphy Roland**, HACA Workforce Development Manager, announced that the I-DADS graduation will take place May 14th. •Two teen dads recently joined the i-DADS program. •**Borami Lee**, HACA Health & Wellness Manager, reported the CVS Mobile Health Clinics will be going to Bouldin, Coronado and Georgian Manor. •**Catherine Crago**, HACA Head of Strategic Initiatives, reported that Austin Pathways received 60 new laptops donated by Human IT.

CONSENT ITEMS

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on April 18, 2024

Commissioner Duncan-Hall moved the Approval of the Board Minutes Summary for the Board Meeting held on April 18, 2024. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ACTION ITEMS

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS

ITEM 2: Presentation, Discussion and Possible Action Regarding Resolution No. 02843 to Fiscal Year 2023 - 2024 Section 8 Management Assessment Program Certification (SEMAP)

The Section 8 Management Assessment Program (SEMAP) became effective October 13, 1998 (24 CFR Part 985). This rule establishes SEMAP to objectively measure Public Housing Authorities' (PHAs') performance in the administration of the Housing Choice Voucher program in fourteen (14) key performance areas and a Deconcentration Bonus indicator.

In order to receive a deconcentration bonus, worth up to 4 percentage points, the following rules apply.

- 50% or more of HCV families with children would need to reside in low poverty census tracts in the PHA's principal operating area; or
- For HCV families with children who moved, the percent that moved to low poverty census tracts would need to be two percentage points higher than the percent of all HCV families with children residing in low poverty census tracts at the end of the last completed PHA Fiscal year; or
- The percent of families with children who moved during the last two fiscal years is two percentage points higher than the percent of families with children in low poverty census tracts at the end of FY2023.

The Board of Commissioners is required to approve the SEMAP certification, and PHAs are required to submit the certification electronically to HUD within 60 calendar days after each fiscal year end.

HUD will independently assess HACA's performance under SEMAP using annual audit reports for indicators 1-7 and the deconcentration bonus indicator and information maintained in HUD's Public and Indian Housing Information Center (PIC) for indicators 8-14. The Lease-up rate is obtained from HUD's Financial Management Center.

HACA's Quality Control Division completed quality control sample audits for indicators #1, #2, and #3. The Assistant Housing Director completed the quality control sample audit for indicator #6. There was one error identified for indicator #3. There were zero errors identified under indicators #1, #2, and #6.

For this fiscal year's Deconcentration Bonus point analysis, HACA used data from the 2022 American Community Survey with a 11.1% poverty rate.

Data analysis shows that the percentage of families with children that live in a low poverty census tract the last day of the 2023-2024 fiscal year was 56%. HACA qualifies for the deconcentration bonus points under #1 of the deconcentration bonus indicator.

Based on the review, HACA scored a 104%, which denotes a high performer designation.

2nd Vice-Chairperson Apostolou moved the Approval of Resolution No. 02843 to Fiscal Year 2023 - 2024 Section 8 Management Assessment Program Certification (SEMAP). **Commissioner Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

Chairperson Richie arrived at 12:16 pm

ITEM 3: Presentation, Discussion and Possible Action regarding Resolution No. 02847, Approval of a Contract for Fire Damage Restoration of a unit at Pathways at Meadowbrook

On March 19, 2024, HACA lost a unit to a fire related incident at Pathways at Meadowbrook. The interior of the unit was a complete loss, and insurance was contacted and a claim filed. Upon fully gaining possession of the unit, HACA had the unit interior remediated, abated, and demolished, and cleared to create a scope of work that matches the insurance inspection. The scope of work will entail complete rehabilitation of the unit interior including, but not limited to, smoke stain and odor sealing, full insulation replacement throughout, new drywall throughout, all new interior doors, trim, mill work, cabinetry, counters, HVAC, water heater, appliances, toilet accessories, windows/screens, vinyl tile flooring, and some repair and repainting of the exterior of the unit will be necessary, as well.

Bidders were invited to a pre-bid walk and discussion with the Planning & Development Department on April 18, 2024, and time was allowed for bids to be developed and submitted by April 26, 2024. Two Bid Proposals were submitted. Bids were received electronically on April 26, 2024 by 5:00 p.m., local time.

JG Arcoiris Painting Contractors, LLC was determined to be responsive. Reference verifications by HACA for JG Arcoiris Painting Contractors, LLC, performed with all positive results, as they have been an established contractor for HACA for over 20 years.

Commissioner Carrington moved the Approval of Resolution No. 02847, Approval of a Contract for Fire Damage Restoration of a unit at Pathways at Meadowbrook to JG Arcoiris Painting Contractors, LLC. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion and Possible Action regarding Resolution No. 02844 by the Board of Commissioners of the Housing Authority of the City of Austin (the “Authority”) to take the following actions with regard to the Bridge at Avery Ranch (the “Development”) in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Development such other actions necessary or convenient to carry out this Resolution

Austin Affordable Housing Corporation (AAHC) was presented with an opportunity to partner with JCI Residential (Journeyman Group) on a 288-unit multi-family rental property called Avery Ranch Apartments. The development is located at 9225 North Lake Creek Parkway, Austin, Texas 78717. This would be the seventh (7th) property AAHC and JCI have partnered on together. AAHC has successfully completed Bridge at Granada and Bridge at Turtle Creek along with closing The Delco Flats, Paloma and Three Hills Apartments. This asset is north of downtown Austin. The site has easy access to US HWY 183 and SH 45.

AAHC’s proposed partner, JCI Residential has a proven record of accomplishment with numerous projects completed in and around the Austin area. JCI has an experienced development team in place and has been an excellent partner on our previous two transactions. JCI is a privately held development firm with experience developing more than 200 projects. AAHC works with the Managing Partner, Sam Kumar, and President, Kurt Goll.

The Avery Ranch Apartments were completed in September of 2023 and sits on 12.98 acres. Some of the property amenities include a resort-style swimming pool with lounge seating and cabanas, elegant clubhouse with gathering spaces and full conference room, full kitchen, coffee bar, and business center. Residents also enjoy the expansive fitness center, a large pet park and covered parking. The property feeds into the Round Rock Independent School District and Purple Sage Elementary School, Pearson Ranch Middle School and McNeil High School.

This is an important transaction to HACA and AAHC as we have seen this part of Austin continue to displace those needing affordable housing. This partnership will preserve this asset and add deeper affordability for our current voucher holders and the residents that reside in this area. Being so close to many major employers in and around this location, AAHC and JCI can provide some stable and affordable housing to those stakeholders that are threatened with rising rent costs. This property is home to many individuals and area with no current affordability in place. This will be the first asset for AAHC in the surrounding area putting affordable housing in a new market.

The price for the Avery Ranch Apartments is \$64,580,000. JCI will be investing approximately \$20,000,000 as a down payment. Bellwether will be providing a Freddie Mac permanent loan with a not to exceed loan amount of \$50,000,000 at a rate of approximately 6.46% with a 35-year amortization. A current lease audit is underway to determine the initial number of units already qualified under 80% AMI. The property is currently 84 % occupied. AAHC and JCI are committed to providing 10% of the affordable units at 60% AMI and 40% of the units at 80% AMI with a goal to achieve 20% at 60% AMI and leasing units to all voucher holders. JCI Management will manage the property. The new name for the property will be Bridge at Avery Ranch Apartments.

Commissioner Carrington moved the Approval of Resolution No. 02844 by the Board of Commissioners of the Housing Authority of the City of Austin (the “Authority”) to take the following actions with regard to the Bridge at Avery Ranch (the “Development”) in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Development such other actions necessary or convenient to carry out this Resolution. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion and Possible Action regarding Resolution No. 02845 by the Board of Commissioners of the Housing Authority of the City of Austin, to take the following actions with regard to the Bridge at Windsor Park (the “Development”) in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Develop ions necessary or convenient to carry out this Resolution

Austin Affordable Housing Corporation (AAHC) was presented with an opportunity to partner with JCI Residential (Journeyman Group) on a 308-unit multi-family rental property called Windsor Park Towers Apartments. The development is located at 6007 N IH35, Austin, Texas 78723. This would be the sixth (6th) asset AAHC and JCI have partnered on together. AAHC has successfully completed Bridge at Granada and Bridge at Turtle Creek along with the recent closings of Delco Flats, Paloma and Three Hills Apartments. This asset is located at the intersection of North IH35 and US-290 in North Austin.

AAHC’s proposed partner, JCI Residential has a proven record of accomplishment with numerous projects completed in and around the Austin area. JCI has an experienced development team in place and has been an excellent partner on our previous five transactions. JCI is a privately held development firm with experience developing more than 200 projects. AAHC works with the Managing Partner, Sam Kumar, and President, Kurt Goll.

The Windsor Park Towers Apartments are currently in lease up and received its final certificates of occupancy (CO’s) in December of 2023. The property sits on 2.49 acres. Some of the property amenities include a resort-style swimming pool with lounge seating and cabanas, elegant clubhouse with gathering spaces and full conference room, full kitchen, coffee bar, and business center. Residents also enjoy the expansive fitness center. The property feeds into the Austin Independent School District and Harris Elementary School, Harris Middle School and Northeast Early College High School (formerly Reagan High School).

This is an important transaction to HACA and AAHC as we have seen this part of Austin continue to displace the residents needing affordable housing. This partnership will preserve this asset and add deeper affordability for our current voucher holders and the residents that reside in this area. Being so close to many major employers in and around this location, AAHC and JCI can provide some stable and affordable housing to those stakeholders that are threatened with rising rent costs. This property will provide a many individuals and families who work in and around the area with no current affordability in place.

This resolution asked the Board of Directors of the Austin Affordable Housing Corporation to allow AAHC to enter the existing partnership as the General Partner while the property is still under lease up and construction financing. The ability for AAHC to amend the current partnership documents now and prior to the permanent financing gives AAHC the opportunity to get an early jump on leasing these units to AAHC's affordable community. The property is currently 23.50% occupied. AAHC and JCI are committed to providing 10% of the affordable units at 60% AMI and 40% of the units below 80% AMI with a goal to achieve 20% at 60% AMI and leasing units to all voucher holders. JCI Management will manage the property. AAHC and JCI will secure a bridge loan with Prime Financial in an amount not to exceed \$50,000,000. Once the property is ready for permanent conversation, AAHC will bring this property back to the Board for a he financing package. The new name for the property will be Bridge at Windsor Park Apartments.

2nd Vice-Chairperson Apostolou moved the Approval of Resolution No. 02845 by the Board of Commissioners of the Housing Authority of the City of Austin, to take the following actions with regard to the Bridge at Windsor Park (the "Development") in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Develop ions necessary or convenient to carry out this Resolution. **Commissioner Duncan-Hall** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

ITEM 6: Presentation, Discussion and Possible Action regarding Resolution No. 02846 by the Board of Commissioners of the Housing Authority of the City of Austin (the "Authority") to take the following actions with regard to Arella Lakeline Apartments (the "Development") in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Development; and (iii) such other actions necessary or convenient to carry out this Resolution

Austin Affordable Housing Corporation (AAHC) was presented with an opportunity to partner with Belveron Partners to purchase a 354 unit multi-family rental property called Arella Lakeline Apartments. The development is located at 12700 Ridgeline Blvd., Cedar Park, Texas 78613. Although the address is Cedar Park, the property is actually in the city limits of the City of Austin. This would be the nineteenth (19th) property AAHC and Belveron Corporation have purchased together. This asset is located in the popular Lakeline corridor at FM 620 and Ridgeline Blvd. The property is called home to many people who work at Apple, Amazon, Google and Dell among others. The site is in very close proximately to the Lakeline Rail Station.

AAHC's proposed partner, Belveron Corporation prides itself on long term preservation of workforce housing. Located out of San Francisco, Belveron is a privately held investment firm with a current portfolio of more than 30,000 units across the United States. Founded in 2006, Belveron has invested in more than 220 ties in 32 states. AAHC works with the Managing Partner, Paul Odland, and Senior Portfolio Manager, Josh Plattner.

The Arella Apartments were built in 2017 and sit on 12.78 acres. Some of the property amenities include a resort-style swimming pool with lounge seating and cabanas, elegant clubhouse with gathering spaces and full conference room, full kitchen, a billiards lounge and coffee bar, and business center. Residents also enjoy the expansive fitness center, a large pet park with washing station, walking trails, a 9-hole disc golf course and additional covered parking. The property feeds into the Round Rock Independent School District and Purple Sage Elementary School, Noel Grisham Middle School and Westwood High School.

This is an important transaction to HACA and AAHC as we have seen this part of Austin continue to displace residents in need of affordable housing. This partnership will preserve this asset and add deeper affordability for our current voucher holders and the residents that reside in this area. Being so close to many major employers in and around the area, AAHC and Belveron can provide some stable and affordable housing to those stakeholders that are threatened with rising rent costs. This property is home to many individuals and families who in and around the area with no current affordability in place. It also feeds into one of the strongest school districts and schools.

The purchase price for the Arella Apartments is \$84,260,000. Belveron will be investing approximately \$20,000,000 as a down payment. In addition, \$20,000,000.00 for future capital needs will also be set aside. Berkadia will be providing a Fannie Mac permanent loan with a not to exceed loan amount of \$64,200,000 at a rate of approximately 5.80% with a 35-year amortization. There are 354 total units with 13 units at less than 30% AMI, 27 units at less than 40% AMI, 42 units at less than 50% AMI, 43 units at less than 60% AMI and 81 units less than 80% AMI

The property will be managed by Apartment Management Professionals. The new name for the property will be Bridge at Arella Apartments.

Commissioner Carrington moved the Approval of Resolution No. 02846 by the Board of Commissioners of the Housing Authority of the City of Austin (the "Authority") to take the following actions with regard to Arella Lakeline Apartments (the

“Development”) in Austin, Texas: (i) acquire the site of the Development; (ii) lease the Development site to the owner of the Development; and (iii) such other actions necessary or convenient to carry out this Resolution. **2nd Vice-Chairperson Apostolou** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board recessed into Executive Session at 12:57 pm and returned to Open Session at 1:50 pm. No action was taken.

REPORTS

- **Mike Gerber** reminded everyone of upcoming events. Mayfest, May 17th and the Women’s Conference, May 31st.
- **Mr. Gerber** announced that the Austin Business Journal is hosting the Commercial Real Estate Awards on May 22nd.
- **Michael Cummings**, Vice-President of Southwest Housing Compliance Corporation, reported on LHAC stakeholder listening sessions that will be happening in early June.
- **Commissioner Carrington** requested that **Commissioner Apostolou** be submitted for Commissioner of the Year to Southwest NAHRO.

2nd Vice-Chairperson Apostolou moved to adjourn the meeting. **Commissioner Carrington** seconded the motion. The motion Passed (5-Ayes and 0-Nays).

The meeting adjourned at 1:57 pm.

Michael G. Gerber, Secretary

Chairperson

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02848

AUSTIN PATHWAYS

ITEM NO. 2.

MEETING DATE: June 20, 2024

STAFF CONTACT: Leilani Lim-Villegas, Director of Community Development

ITEM TITLE: Presentation, Discussion, and Possible Action regarding Resolution No. 02848: Approval of an Award of Contract for Comprehensive Youth Development Club in the amount of \$210,000.00

BUDGETED ITEM: Yes

TOTAL COST: \$210,000

ACTION

The Board is being asked to approve a contract with the Boys & Girls Clubs of the Austin Area to provide Comprehensive Youth Development programs at Meadowbrook, Chalmers, and Booker T. Washington.

SUMMARY

Background:

Engaging youth in activities that build academic, social, and interpersonal skills, while fostering positive relationships with caring adults is an important part of HACA's Youth Educational Success (YES) strategy. Programs such as youth development clubs for students who are residents of HACA PBRA communities are an essential part of the Housing Authority's ongoing effort to improve the education and economic wellbeing of its residents.

Process:

A Request for proposals (RFP) was issued on January 25, 2024, with a deadline of February 27, 2024. The RFP was posted on the eProcurement Marketplace. Twenty-six entities downloaded the solicitation from the eProcurement Marketplace, and 2 bid proposals were received.

The proposals were reviewed and scored by Abigail Bettini, Youth Educational Success Manager, Barbara Jackson, Austin Pathways Contractor, and Ralph Hill, Data Integrity Specialist.

Staff Recommendation:

Staff recommends that the Comprehensive Youth Development Contract is awarded to the Boys & Girls Club to serve Meadowbrook, Chalmers, and Booker T. Washington for \$210,000. This is a multi-year contract not to exceed 5 years.

ATTACHMENTS:

- ▣ **BGCAA Negotiated Terms**
- ▣ **Comprehensive Youth Development Evaluation**

RESOLUTION NO. 02848

COMPREHENSIVE YOUTH DEVELOPMENT CONTRACT AWARDS

WHEREAS, the Housing Authority of the City of Austin operates programs focused on dropout prevention for children living at HACA developments; and

WHEREAS, HACA will contract with the Boys & Girls Clubs, to provide comprehensive youth development programs for youth ages 6-18 at HACA communities; and

WHEREAS, the Boys & Girls Clubs will focus on character building, leadership development, education and career development, health and life skills, arts, sports and fitness, and recreation; and

WHEREAS, the approval of funding the program in the amount of \$210,000 will allow for the Boys & Girls Club provide services at Pathways at Meadowbrook, Pathways at Chalmers, and Pathways at Booker T. Washington with an amount not to exceed \$210,000 annually, for a multi-year contract, not to exceed 5 years, based on an annual review of program services, outcomes, and available resources.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of the City of Austin authorizes the President and CEO to negotiate and award a contract to the Boys & Girls Clubs of the Austin Area, to provide services as proposed under HACA's Comprehensive Youth Development Programs RFP, with a total not to exceed \$210,000.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2024.

Michael G. Gerber, Secretary

Carl S. Richie, Jr., Chairperson

Contract # HACA 24-P-0254
Boys & Girls Clubs of the Austin Area
Contract Dates: July 1, 2024 and ending June 30, 2029
Amount of Contract: **\$210,000** Annually

4) Negotiated Terms:

The contractor agrees to the following services over the life of this agreement:

- 1) Operate three (3) Boys & Girls Clubs on or adjacent to HACA public Housing communities providing youth development activities
 - A. The Clubs onsite at Chalmers Courts, Meadowbrook, and Booker T. Washington will operate after school from 2:30pm to 7:00pm Monday through Friday (during the school year) and additional hours offered during school breaks and on national holidays that don't conflict with BGCAA Organizational Holidays. Total weeks of program services will be no less than 36 weeks during the school year and 8 weeks during the summer break.
 - B. Contractor agrees to implement appropriate safety protocols and follow guidelines for recreational youth programs set by Austin Public Health and the Center for Disease Control (CDC).
 - C. In the event HACA site changes are made or Club program is determined to be of better service elsewhere, contractor agrees to move services to another mutually agreed upon HACA public housing property with adequate lead-time and discussion.
- 2) Serve no fewer than: 95 unduplicated resident youth at the Chalmers Courts Club; 85 unduplicated resident youth at the Meadowbrook Club and 70 Unduplicated resident youth at Booker T. Washington for a total of 250 unduplicated HACA youth served.
 - A. In the event of restrictions placed by local, state and or national health authorities on gathering sizes or number of youth allowed per square foot, accommodations in number of youth served will be agreed upon by the Contractor and HACA.
- 3) Conduct outreach to HACA youth and families living in the Chalmers Courts, Meadowbrook, and Booker T. Washington communities.
- 4) Provide a comprehensive range of youth development programs: Homework help, Character & Leadership Development; Education & Career Development; Health & Life Skills; the Arts; and Sports, Fitness and Recreation on a regular basis to Club members at HACA Boys and Girls club sites.
- 5) To adhere to HACA's Key Use Agreement and Space Use Agreement (for Clubs on HACA property.)
- 6) To provide parents with adequate information about safety protocols, planned activities and to secure necessary permission forms.
- 7) Provide referrals to other community programs from which the HACA families and children can benefit, including but not limited to HACA partner programs such as Communities in Schools (In-School case management and afterschool tutoring).
- 8) Staff Clubs with qualified youth development professionals responsible for operating programs and developing mentoring relationships with HACA youth Club members.
- 9) Strive to achieve the following annual outcomes for members:
 - 90% of youth members will be actively involved in homework assistance.
 - 80% of registered members will successfully matriculate to the next grade.
 - 70% of youth members who qualify, will successfully complete a prevention program (Successful: completed pre and post-test. Scored higher on post-test).
 - 80% of students will participate in STEM activities including technology classes
 - 20% of parents will be actively involved in the afterschool /summer program (Active involvement: participated 4-5 times per year in BGC activities).
- 10) Provide annual report with verification that positive outcome goals are being met. Annual report to include a list of youth attending Club Tech computer classes and the hours that they have completed. Annual reports will also include the names of HACA children who are no longer attending the Club and any follow up completed. Annual report showing will also include a list of all the HACA club members that have improved their GPA by .5 or

more since the start of the school year. Include a list of students matriculating to the next grade. Annual Report Due August 15th of each year.

- 11) Provide monthly invoices by the 5th day of each month accompanied by monthly service reports for HACA members that include the first and last names and HACA public housing property of residents being served, dates of attendance and the number of hours each youth attended. Monthly reports should show the average daily attendance, list of all registered members to date and a brief summary of successes and upcoming events.
- 12) Contractor agrees that it is solely responsible for the transportation, selection, monitoring and control over all staff, volunteers or any other personnel in connection with their services provided. Contractor agrees that it will advise all participants in their program that HACA has no responsibility or liability for transportation, selection, monitoring or control over Contractor's personnel or volunteers.
- 13) The contractor warrants they are supplying employees/volunteers who have passed a background check(s). The contractor warrants they will screen employees/volunteers for a professional reference check, social security trace, criminal background search, driver's license search and national sex offender search in a background check. Contractor agrees to defend, indemnify and hold harmless HACA, its officers, directors and employees for any claims, suits or proceedings alleging a breach of this warranty.

HACA agrees to the following over the life of this agreement:

- 1) Provide Contractor with lists of HACA school-aged children who live in the designated HACA public housing communities.
- 2) Provide assistance with program outreach and referral services to participant families who reside at the designated HACA public housing communities.
- 3) Provide Contractor's staff access to the designated HACA public housing communities for the club activities, or appropriate alternate sites, with building alarm codes and building keys, as necessary.
- 4) Provide space for Contractor activities at the designated HACA communities or appropriate alternate sites.
- 5) Work with Contractor to develop methods of collecting and tracking data regarding the educational success of children living at HACA public housing communities, and participating in HACA/Boys and Girls club programs.

Both parties shall secure the confidentiality of records and agree and acknowledge that all information provided to them by the other party is confidential by law and will only be used for the purposes set forth in the agreement.

Compensation shall be paid to the contractor based on the following schedule.

Monthly	Amount
July 2024– June 2025 (12 months)	\$17,500 per month

Contractor invoices must be accompanied by a monthly report of services provided. Invoices will not be paid without a monthly report attached. **Compensation for this contract is scheduled as noted above under "Compensation", and not to exceed \$210,000 annually during the contract term.** HACA will only pay for services that are verified on the corresponding monthly report. Quarterly progress meetings will be held between HACA and the Contractor to discuss the program and assess achievement of the benchmarks outlined in these negotiated terms. Payment is contingent upon the achievement of benchmarks outlined and/or plans for corrective action should appropriate benchmarks not be achieved at the time of quarterly check-ins. Contractor should allow a minimum of 30 days after submitting invoices for payment to allow for quality inspection and verification of 100% completion of work submitted for payment.

Received: HACA _____

Contractor _____



Housing Authority of the City of Austin

Established in 1937

Interoffice Memo

To: Leilani Lim-Villegas, Senior Director of Community Development

From: Abigail Bettini, YES Manager

CC: Nora Velasco, Director of Purchasing

Subject: Evaluation Summary for Comprehensive Youth Development Club RFP # HACA-24-P-0254

Date: June 4, 2024

The following is a summary of the evaluation of the two bids for the Comprehensive Youth Development Club RFP.

Bidders:

1. Boys and Girls Club of Central Texas
2. Campfire Central Texas

Evaluators:

Barbara Jackson, Austin Pathways Contractor
 Ralph Hill, Data Integrity Specialist
 Abigail Bettini, Youth Educational Success Manager

Scoring:

Bidders	Total Score	Strengths	Concerns:
1) Boys and Girls Club of Central Texas	248	<ul style="list-style-type: none"> • Demonstrated history of providing comprehensive youth development programs. Has specific experience working to provide programming within the housing sector. • Utilizes a data-driven approach to identifying outcomes and objectives for their proposed programming. 	<ul style="list-style-type: none"> • The current proposed budget slightly exceeds the budget earmarked for this project. • While this proposal identifies annual unduplicated youth for each site, it would be helpful to see projected daily average attendance, especially at Chalmers with the expanded capacity.
2) Campfire Central Texas	188	<ul style="list-style-type: none"> • Proposal outlined a strong family engagement component. 	<ul style="list-style-type: none"> • Overall proposed program costs are not reasonable.

		<ul style="list-style-type: none"> • Strong incorporation of youth voice and choice throughout this proposal. 	<ul style="list-style-type: none"> • Proposal does not strongly illustrate programmatic ties to academic outcomes and approaches.
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Recommendation:

Award Comprehensive Youth Development Club contract to **Boys and Girls Club of the Austin Area**, in the amount of \$210,000 per year pending approval from the HACA Board of Commissioners. This contract to include onsite Boys and Girls Club programming at three HACA housing communities: Booker T. Washington, Chalmers West and Meadowbrook.

HOUSING AUTHORITY OF THE CITY OF AUSTIN

REPORT

ASSISTED HOUSING

ITEM NO. 3.

MEETING DATE: June 20, 2024

STAFF CONTACT: Lisa Garcia, Vice President of Assisted Housing

ITEM TITLE: Presentation and Discussion of the Proposed Revisions to the Housing Choice Voucher Administrative Plan and PHA Annual Plan

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

Staff is presenting the proposed revisions to the Housing Choice Voucher Program Administrative Plan. No voting action is required at this time.

SUMMARY

Background:

HUD requires a Housing Choice Voucher (HCV) Administrative Plan. The purpose of the HCV Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in HACA's agency plan. The Administrative Plan is a supporting document to HACA's agency plan and is available for public review as required by CFR 24 Part 903. The HACA Board of Commissioners must approve the original policy and any subsequent changes to comply with HUD regulations.

Housing Opportunity through Modernization Act (HOTMA) Summary of proposed changes

The Housing Opportunity through Modernization Act of 2016 (HOTMA) was signed into law on July 29, 2016. HOTMA makes numerous amendments to Sections 3, 8, and 16 of the United States Housing Act of 1937 (1937 Act), including significant changes to income calculation, net family assets, and income reviews. HUD finalized HOTMA rulemaking in 2023 to put Sections 102, 103, and 104 into effect through revisions to HUD's regulations found in 24 CFR Part 5 and 24 CFR Part 891.

- Section 102 addresses income reviews, including the frequency of income reviews, and revises the definitions of income and assets.
- Section 103 addresses public housing for over-income families.
- Section 104 sets asset limits for Section 8 Project-Based Rental Assistance and Section 202/8 programs.

Housing Authorities are required to update their policies to comply with HOTMA. HUD recognizes, however, that HOTMA includes significant program and systems changes, including the implementation of the Housing Information Portal (HIP) and software revisions, thus HUD extended the HOTMA implementation and compliance date to January 1, 2025. PHAs need to choose an implementation date and HACA staff

recommends a HOTMA implementation date of January 1, 2025.

HACA subscribes to the Nan McKay revision service. Nan McKay has updated the model Housing Choice Voucher (HCV) Administrative Plan to incorporate HOTMA changes. Staff is incorporating these changes into the HCV Administrative Plan and preparing it to go out for public comment with the HOTMA changes by July 1, 2024.

The following highlights the most significant changes resulting from HOTMA for sections 102 and 104. Attachment 1 includes a summary of HOTMA changes with HACA decision points that staff will incorporate in the HCV Administrative Plan that will go out for public comment.

Inflationary Adjustments Index will adjust deductions for dependents and elderly/disabled families.

Dependent deduction of \$480 on January 1, 2024, the dependent deduction will be adjusted annually based on HUD published inflationary adjustment.

The elderly/Disabled Family deduction increases from \$400 to \$525 and applies at the family's next interim or reexamination. The deduction amount will increase annually based on the HUD-published inflationary adjustment.

Medical and Disability Assistance Expenses threshold increases from 3% to 10% but will be phased in over two years with 5% and 7.5% thresholds each year.

The method for calculating income for annual reexamination will require reviewing the preceding 12 months. Interims and initial occupancy still consider current income when calculating future annual income.

Assets of \$50,000 or less can be self-certified by the client but with verification every third year. Currently, the HCV policy allows for self-certification of assets of \$5,000 or less. Staff recommends allowing for self-certification of assets of \$50,000 or less with verification every three years, as HOTMA allows.

Asset Restriction – Housing Choice Voucher assistance may not be provided initially if the family has:

- 1) A present ownership interest in, legal right to reside in, and the effective legal authority to sell real property that is suitable for occupancy by the family as a residence
- 2) Net family assets exceeding \$100,000 (adjusted annually for inflation)

The 10% interim decrease threshold establishes that interim decreases less than 10% may be declined by the PHA and then considered at the annual reexamination. Staff recommends retaining the current policy of processing all interim decreases.

Interim increases for unearned income are required if the unearned income is 10% or more.

Interim increases for earned income may be considered and processed when new earned income increases by 10%. However, staff recommends not processing interim increases for earned income, consistent with the current HCV program interim policy. All earned income will be captured at the re-exam, as HOTMA requires annual income based on the previous 12 months.

Earned Income Disallowance (EID) is discontinued with no new enrollments as of 1-1-2024. EID sunsets 1-1-2026. HACA revised the EID policy regarding no new enrollments at the last HCV Admin Plan revision approved on December 15, 2023.

De minimis errors—PHA will not be considered out of compliance solely because of errors in calculating adjusted income of \$30 or less per month.

Revisions to program definitions, such as annual income, earned income, and assets. The regulation lists income that is excluded, and all income is included unless specifically excluded.

Revisions to Inspection requirements - Extensive revisions to reflect new inspection requirements which change from Housing Quality Standards (HQS) to National Standards for the Physical Inspection of Real Estate (NSPIRE).

Process:

The Board is asked to review the Summary of Key HOTMA Changes for the Housing Choice Voucher Program reflected in Attachment 1, and the Public Housing and Housing Choice Voucher Program List of Discretionary Policies to Implement HOTMA included in Attachment 2. Staff will consider the Board's policy recommendations and incorporate required and discretionary HOTMA policies into the current HCV Administrative Plan. HACA's Public Housing (PHA) Annual Plan will be modified to reflect the HCV Administrative Plan revisions. The revised HCV Administrative Plan and HACA's Annual Plan will be posted by July 1, 2024, for a 45-day public comment period and then presented to the Board for consideration and approval at the September 19, 2024, Board meeting.

Staff Recommendation:

The posting of the Housing Choice Voucher Administrative Plan and HACA's Annual Plan does not require a Board vote. The revised HCV Administrative Plan and HACA's Annual Plan will be posted by July 1, 2024, for a 45-day public comment period and then presented to the Board for consideration and approval at the September 19, 2024, Board meeting. Staff will update the Board on the projected timeline to incorporate HOTMA changes.

ATTACHMENTS:

- ▣ **Attachment 1 Summary of Key HOTMA Changes for the HCV Program**
- ▣ **Attachment 2 PH and HCV List of Discretionary Policies to Implement HOTMA**

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
<p>Extensively revised definitions, such as household income, earned income, foster child/adult, etc</p>	<p>Implement as is</p>
<p>Temporarily Absent Family Members definition is removed</p>	<p>PHAs need to define temporarily absent For example, a family member who is working in another state on a temporary assignment. <i>HACA's HCV plan has policies in place regarding this.</i></p>
<p>Foster Children and Foster Adults are defined</p>	<p>Implement as is</p>
<p>Deduction amounts are increased</p> <ul style="list-style-type: none"> • Dependents \$480 and increases annually based on HUD-published inflationary adj. • Elderly or disabled families – increases to \$525 at the next interim or re-exam and then increases annually based on HUD-published inflationary adjustment factor 	<p>Implement as is</p>
<p>Permissive Deductions are available to HCV Programs</p> <ul style="list-style-type: none"> • PHAS will not be eligible for increased subsidy amounts to cover costs incurred from permissive deductions 	<p>PHA Policy Decision - PHAs that choose to adopt additional permissive deductions must describe them in their policies.</p> <p><i>Staff recommends no additional permissive deductions.</i></p>
<p>Inflationary Adjustments Index added</p> <ul style="list-style-type: none"> • Deductions for Dependent and elderly/disabled families • Restriction on net family assets • Amount of net assets • Dependent deduction • Income exclusion for earned income of dependents and adoption assistance payments 	<p>Implement as is</p>
<p>Medical and Disability Assistance Expenses updated</p> <ul style="list-style-type: none"> • Threshold increases from 3 to 10% • Phase in year 1 to 5% • Phase in year 2 to 7.5% • Year three to 10% 	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • The PHA should describe in PHA policies what allowable health and medical care expenses will be allowed for those expenses not covered by the regulation. • PHAS may not align with but can mention the use of IRS –Publication 502 as an additional reference <p><i>Staff will refine the current policy to meet the requirements described above.</i></p>
<p>Hardship Exemptions</p> <p>HOTMA established new hardship exemption categories for:</p> <ul style="list-style-type: none"> • Health and medical care and disability assistance expenses • Child care expenses (for ineligibility and extending the expense) • Phases out old policies in two 90-day periods 	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • Must include in policy what constitutes a hardship for the purposes of the second category hardship exemption – <i>Staff will define this in the revised policy.</i> • PHA must state whether they will allow extensions of the 90- day hardship periods and the maximum number of 90-day extension periods – <i>Staff recommends no extensions of the 90-day hardship period.</i>

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
<p>Outside Determinations of Income – “ Safe Harbor”</p> <ul style="list-style-type: none"> • Verification: • Must include family size, composition, and annual income • Must be dated within the appropriate timeframe • 60 days from the reexam/request date • May come from established data-sharing agreements, directly from program administrators, or third-party documentation provided by the family • Don’t use LITHC - nan McKay 	<p>PHA Policy Decision PHAs that choose to implement this must: Establish in policy when they will accept Safe Harbor income determinations (e.g., at reexamination only or at admission and reexamination), including which programs from which they will accept income determinations; and must: Create policies that outline the course of action when families present <i>multiple verifications</i> from the same or <i>different acceptable Safe Harbor programs</i></p> <ul style="list-style-type: none"> • Recommend not using safe harbor verifications • Due to increased complexity, date range limitations, documentation and client requirements, potential for staff error
<p>Calculating Annual Income changed. The methodology used for calculating annual income differs depending on whether income is being calculated at:</p>	<p>Implement as is</p>
<p>New Admissions - Initial occupancy</p> <ul style="list-style-type: none"> • Income calculation is projected for the future as usual 	<p>Implement as is</p>
<p>Portability</p>	<ul style="list-style-type: none"> • Staff will review HUD’s guidance to describe this process in the HCV Admin Plan.
<p>Annual Reexam</p> <ul style="list-style-type: none"> • use past income from the preceding 12 months • Consider interims that occurred previous 12 months but were not used 	<ul style="list-style-type: none"> • Implement as is • The PHA should describe in PHA policies how to determine the income of the family at annual recertification for the previous 12-month period. • Staff will review HUD’s guidance to describe this process in the HCV Admin Plan.
<p>Interim Reexaminations</p> <ul style="list-style-type: none"> • Income calculation is projected for the future as usual • A family may request an interim at any time, The PHA must conduct an interim within a reasonable time after the family request or when the PHA becomes aware of the change. • Reasonable time may vary based on the amount of time it takes to verify information and must be instructed to report all changes • Generally, should not be longer than 30 days after changes in income are reported 	<ul style="list-style-type: none"> • PHAs must develop policies that describe when and under what conditions families must report changes in household composition and adjusted income • For example, how many days does the family have to report a change <p>Recommend</p> <ul style="list-style-type: none"> • Clients report changes within 30 days of change for all types (Income or Family)

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
<p>Interim Decrease</p> <p>An interim decrease that results in a less than 10% decrease in adjusted income, PHA could decide not to process these changes.</p>	<p>PHA Policy Decision</p> <p>Recommend maintain current policy to process all interim decreases.</p>
<p>Interim Decrease 10% threshold may be lower but not higher</p>	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • PHAs must identify the percentage threshold they will use for conducting interim reexamination for decreases • PHAs may establish policies to round calculated percentage decreases up or down to the nearest unit (e.g., a calculated decrease of 9.5% may be rounded up to 10%). • Policy recommendation to Implement as required with 10% and rounding up at 9.5 and process all interim decreases
<p>Interim Increase</p> <ol style="list-style-type: none"> 1. New earned income with no previous interims > HUD Policy must not process 2. New earned income with previous increase interim > HUD Policy must not process > Includes FSS clients 	<p>Implement as is</p>
<ol style="list-style-type: none"> 3. New earned income and previous decrease interim > 	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • Staff recommends not processing interim increases. • All income will be captured at the re-exam as HOTMA requires annual income based on the previous 12 months.
<ol style="list-style-type: none"> 4. New earned income meets a 10% increase and within 3 months before the annual 	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • Staff recommends not processing interim increases. • All income will be captured at the re-exam as HOTMA requires annual income based on the previous 12 months.
<ol style="list-style-type: none"> 5. New unearned income must be greater than 10% or greater, if so ... > HUD Policy must process 	<p>Implement as is and process unearned income greater than 10%</p>
<p>If the family fails to report increases, the PHA must implement any rent increase retroactively to the first of the month following the date of the change.</p>	<p>Implement as is</p>
<p>If the family fails to report decreases...</p>	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • PHAs may adopt a policy to apply rent decreases prospectively or retroactively. • The PHA may establish additional criteria to describe the conditions under which retroactive decreases will be applied. • Recommend processing 1st of the following month after reported by the tenant

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
<p>Student Financial Assistance under HOTMA</p> <ul style="list-style-type: none"> • HOTMA changed the rules on student financial assistance • Creates two categories of student financial assistance 	<p>Implement as is</p>
<p>Earned Income Disallowance (EID)</p> <ul style="list-style-type: none"> • is ended for new clients and fully sunsets on 1-1-2026 • Families continue to qualify through 1/1/24 • These families continue to receive the EID under current regulations 	<p>PHA Policy Decision</p> <ul style="list-style-type: none"> • The PHA should update PHA policies to state that as of 1/1/2024 no new families may qualify for EID. • Keep EID tracking policies intact until EID fully sunsets on 1/1/26 • <i>Approved in the December 15, 2023 HCV Admin Plan revisions</i>
<p>Zero Income reviews > not required to conduct periodic zero-income reviews</p>	<p><i>Update policy to no longer conduct periodic zero-income reviews</i></p>
<p>EIV report required only at annuals</p>	<p>Implement as is</p>
<p>Form HUD-9886-A</p> <ul style="list-style-type: none"> • required once per lifetime, new add-on, and new 18 yr olds • Must be signed at admission only or when the minor turns 18 or if terminated and readmitted • Place in permanent record 	<p>PHA Policy Decision</p> <p>PHAs may establish in a written policy that revocation of consent will result in termination of assistance or denial of admission.</p> <p>AND</p> <p>PHAs may establish policies to deny admission but allow existing participant families to continue to receive assistance after revoking their consent until the next interim or annual reexamination, whichever is sooner.</p> <p><i>Recommend policy that refusal to sign results in denial/termination</i></p>
<p>De Minimis Errors</p> <p>PHA will not be considered out of compliance solely due to de Minimis errors in calculating income</p> <ul style="list-style-type: none"> ▪ Definition: An error that results in a difference in the determination of a family’s adjusted income of \$30 or less per month 	<p>PHA Policy Decision</p> <p>PHAs must include in their policies how they will repay or credit a family the amount that the family was <i>overcharged</i> retroactive to the effective date of the action the error was made, regardless of the dollar amount associated with the error, because of the PHA’s de Minimis error in income determination.</p> <p>PHAs may not implement policies requiring families to repay in instances resulting in a family being undercharged for rent where the PHA miscalculated the family’s income.</p> <p><i>Implement policy as required.</i></p>

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
<p>Assets</p> <p>Self-certification allowed for asset of \$50,000 or less with verification every 3rd year</p>	<p>PHA Policy Decision</p> <p>Must include in policy whether or not the PHA will accept self-certification at admission and at re-exam.</p> <p><i>Staff recommends allowing for self-certification of assets \$50,000 or less with verification every 3rd year.</i></p>
<p>Asset Limitation for New Admissions – PHA’s must deny admission of an applicant for the following: Net family assets exceeding \$100,000 (adjusted annually for inflation)</p> <p>The family has a present ownership interest in, legal right to reside in, and the effective legal authority to sell, real property that is suitable for occupancy by the family as a residence.</p>	<p><i>Implement as required and define policies regarding parameters that would constitute a geographic hardship.</i></p>
<p>Asset Limitation at Annual and Interim Reexaminations</p>	<p>PHAs have the following policy options at annual and interim reexaminations:</p> <ol style="list-style-type: none"> 1. Total Non-Enforcement: • PHAs may choose to establish a written policy to not enforce the asset limitation for all families at annual and interim reexamination. 2. Total Enforcement: • PHAs may choose to fully enforce the asset limitation exactly as written in the statute¹ (i.e., the real property requirement and the \$100,000 net family assets requirement). PHAs may still delay the initiation of termination proceedings for up to 6 months from the effective date of the reexamination. 3. Limited Enforcement: • PHAs may choose to establish a written policy to not enforce the asset limitation for all families, for up to six months after the effective <p><i>Staff recommends non-enforcement of the asset limitation at annual and interim reexaminations.</i></p>
<p>Assets</p> <p>Real Property Definition has been revised A property must be suitable for occupancy for it to be used</p>	<p>PHA Policy Decision</p> <p><i>Staff will elaborate and clarify in policy the definition of suitable for occupancy.</i></p>
<p>Assets</p>	<p>PHA Policy Decision</p> <p>PHA must include in policy whether or not the PHA will accept self-certification when the family declares they do not have present ownership in real property that is suitable for occupancy.</p>

Summary of Key HOTMA Changes for the Housing Choice Voucher Program

HOTMA Change	PHA Policy Decision Point
	<i>Staff recommends requiring verification when a family declares they don't have present ownership in a real property that is suitable for occupancy.</i>
<p>Assets</p> <p>Verification</p> <ul style="list-style-type: none"> • The PHA must ask each applicant and participant's family whether or not they own real property that is suitable for occupancy. 	<i>HACA will update intake and annual re-exam forms with this question.</i>
Asset Restriction exception for a client who owns a home	<p>PHA Policy Decision</p> <p>PHA should describe the verification required to show home is for sale.</p> <p>PHA policy should elaborate on how victims of domestic violence meet the exception.</p> <p><i>Staff will clarify this policy.</i></p>

Public Housing and Housing Choice Voucher Program
List of Discretionary Policies to Implement the Housing Opportunity Through Modernization Act (HOTMA)

This chart is meant to help PHAs think about the policies they need to set in their Admissions and Continued Occupancy Plans (ACOP) and/or Administrative Plans (Admin Plan).

HOTMA Provision / Regulation / PIH 2023-27 Reference	Required HOTMA Policy	PHA Discretionary Policies These are policy choices that PHAs need to make and include in their ACOPs or Admin Plans.
Asset Limitation for New Admissions (24 CFR § 5.618) Reference: Notice PIH 2023-27 / Attachment A	<ul style="list-style-type: none"> • PHAs must deny admission of an applicant family for the following: <ol style="list-style-type: none"> 1. Net family assets that exceed \$100,000 (adjusted annually for inflation); and/or 2. The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell (based on laws of the state or locality in which the property is located), real property that is suitable for occupancy by the family as a residence. 	<ul style="list-style-type: none"> • No discretion over enforcement. • Policies should indicate the general parameters PHAs will use when determining whether the location of owned real property constitutes a geographic hardship (relevant to determining whether it is considered suitable for occupancy). • See Notice PIH 2023-27 / Attachment A, section A.6 on required policy updates.

Please note that this list may be subject to further revision based on additional guidance and/or other factors.

3/14/2024

<p>Asset Limitation at Annual and Interim Reexaminations (24 CFR § 5.618)</p> <p>Reference: Notice PIH 2023-27 / Attachment A</p>	<p>N/A</p>	<p>PHAs have the following policy options at annual and interim reexaminations:</p> <p>1. <u>Total Non-Enforcement:</u></p> <ul style="list-style-type: none"> • PHAs may choose to establish a written policy to <u>not enforce</u> the asset limitation for <u>all families</u> at annual and interim reexamination. <p>2. <u>Total Enforcement:</u></p> <ul style="list-style-type: none"> • PHAs may choose to fully enforce the asset limitation exactly as written in the statute¹ (i.e., the real property requirement and the \$100,000 net family assets requirement). PHAs may still delay the initiation of termination proceedings for up to 6 months from the effective date of the reexamination. <p>3. <u>Limited Enforcement:</u></p> <ul style="list-style-type: none"> • PHAs may choose to establish a written policy to not enforce the asset limitation for all families, for up to six months after the effective
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¹ [Pub. L. 114-201](#).

Please note that this list may be subject to further revision based on additional guidance and/or other factors.

3/14/2024

		<p>date of a family’s annual or interim reexamination. Families are given the opportunity to cure noncompliance with the asset limitation during this period.</p> <ul style="list-style-type: none"> • Limited enforcement policies must address the timeframe for curing noncompliance (e.g., PHAs may choose to adopt policies to allow any number of months, up to six months, to cure noncompliance with the asset limitation). • PHAs who establish limited enforcement policies may not delay initiation of termination proceedings beyond six months after the effective date of the annual or interim reexamination, if a family does not cure noncompliance. <p><u>4. Exception Policies:</u></p> <ul style="list-style-type: none"> • PHAs may establish in written policy exceptions to the asset limitation based on family type and may take into consideration such factors as age, disability, income, the ability of the family to find suitable alternative housing, and whether supportive services are being provided.
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Please note that this list may be subject to further revision based on additional guidance and/or other factors.

3/14/2024

		<ul style="list-style-type: none"> • PHAs may establish total non-enforcement for excepted families, or they may establish limited enforcement for excepted families to give those families the opportunity to cure noncompliance with the asset limitation for a period of up to six months. • Exception policies must conform with applicable fair housing statutes and regulations. • Exception policies must describe the families who are excepted, and the policies must describe whether excepted families are subject to total non-enforcement or limited enforcement of the asset limitation. If excepted families are subject to limited enforcement, then the exception policy must address the timeframe for curing noncompliance (i.e., the PHA may choose to adopt policies to allow any number of months, up to six months, to cure noncompliance with the asset limitation). • PHAs who establish exception policies with a limited enforcement period may not delay initiation of termination proceedings beyond six months after the effective date of the annual or interim reexamination, if a family does not cure noncompliance.
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Please note that this list may be subject to further revision based on additional guidance and/or other factors.

3/14/2024

		<p>Note: PHAs may establish both limited enforcement and exception policies. The above discretion is not applicable to new admissions.</p> <p><u>PHAs must include their asset limitation policy at annual and interim reexaminations in their ACOP or Admin Plan.</u></p> <p>See Notice PIH 2023-27 / Attachment A, section A.6 on required policy updates.</p>
<p>Self-Certification of Net Family Assets Equal to or Less Than \$50,000 (adjusted annually for inflation) (24 CFR §§ 5.603; 5.609; 5.618; 882.515(a); 882.808(i)(1); 960.259(c)(2); 982.516(a)(3))</p> <p>Reference:</p>	<ul style="list-style-type: none"> • PHAs must determine if the family’s total net family assets are equal to or less than \$50,000, and they must determine the actual income earned from the asset(s). 	<ul style="list-style-type: none"> • PHAs may accept a family’s self-certification of net family assets equal to or less than \$50,000 (adjusted annually for inflation) and anticipated income earned from assets without taking additional steps to verify accuracy, at admission and at reexamination. • Accepting a family’s self-certification at admission may reduce the initial burden on applicants and speed up the lease-up process. In deciding whether to accept a self-certification of assets at admission, PHAs are encouraged to consider the local needs and priorities in their communities along with the potential risks of accepting self-certification of net family assets, including the requirement to repay funds for

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3/14/2024

<p>Notice PIH 2023-27 / Attachment F/ Appendix</p>		<p>participants/tenants who are later found to be ineligible for assistance.</p> <ul style="list-style-type: none"> • PHAs who choose to accept self-certification of net family assets equal to or less than \$50,000 (adjusted annually for inflation) at reexamination are required to fully verify net family assets every three years (882.515(a); 882,808(i)(1); 960.259(c)(2); 982.516(a)(3)). • PHAs who choose not to accept a family’s self-certification must verify a family’s net assets. • PHAs must include in their ACOPs or Admin Plans whether they will accept a family’s self-certification of net family assets equal to or less than \$50,000 at admission (only for new admissions effective on or after 1/1/2024) and at reexamination.
<p>Hardship Exemptions for Health/Medical Care Expenses & Reasonable Attendant Care & Auxiliary Apparatus Expenses – <u>General Relief</u> (24 CFR § 5.611(c)(2))</p>	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • PHAs must develop written policies in their ACOPs or Admin Plans defining what constitutes a hardship for the purposes of the general relief hardship exemption for health and medical care expenses and reasonable attendant care & auxiliary apparatus expenses. • PHAs may, pursuant to their own discretionary policy, extend the hardship relief for one or more additional 90-day periods while the family’s hardship condition continues.

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3/14/2024

<p>Reference: Notice PIH 2023-27 / Attachment C</p>		<ul style="list-style-type: none"> PHAs must state whether they will allow extensions of the 90-day hardship period and the maximum number of 90-day extension periods (if establishing a maximum policy) that a family may receive. <p>Note: PHAs are not limited by HUD to a maximum number of 90-day extensions.</p> <p>PHAs must obtain third-party verification of the hardship or must document in the file the reason that third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship period.</p>
<p>Hardship Exemptions for Health/Medical Care Expenses & Reasonable Attendant Care & Auxiliary Apparatus Expenses – <u>Phased-In Relief</u> (24 CFR § 5.611(c)(1))</p>	<ul style="list-style-type: none"> All families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2024, will begin receiving the 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first on or after the date the PHA complies with HOTMA. 	<p>N/A</p>

Please note that this list may be subject to further revision based on additional guidance and/or other factors.

3/14/2024

<p>Reference: Notice PIH 2023-27 / Attachment C</p>	<ul style="list-style-type: none"> • Families who receive phased-in relief will have eligible expenses deducted as follows: <ul style="list-style-type: none"> ○ <u>1st twelve months</u> – in excess of 5% of annual income. ○ <u>2nd twelve months</u> – in excess of 7.5% of annual income. ○ <u>After 24 months</u> – in excess of 10% threshold will phase in and remain in effect unless the family qualifies for General Hardship relief. • Once a family chooses to obtain general relief, a family may no longer receive the phased-in relief. 	
<p>Hardship Exemption to Continue Child Care Expense Deduction (24 CFR § 5.611(d))</p> <p>Reference: Notice PIH 2023-27 / Attachment C</p>	<ul style="list-style-type: none"> • PHAs must obtain third-party verification of the family’s inability to pay rent or must document in the file with the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day period. 	<ul style="list-style-type: none"> • PHAs must develop written policies to define what constitutes a hardship, which includes the family’s inability to pay rent, for the purposes of the childcare expense hardship exemption. • PHAs must include this policy in their ACOPs or Admin Plans. • PHAs may, pursuant to their own discretionary policy, extend the relief for one or more additional 90-day periods while the family’s hardship condition continues.

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3/14/2024

		<ul style="list-style-type: none">• PHAs must include in their ACOPs or Admin Plans whether they will allow extensions of the 90-day hardship period and the maximum number of 90-day extension periods (if establishing a maximum policy) that a family may receive. <p>Note: PHAs are not limited by HUD to a maximum number of 90-day extensions</p>
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<p>Additional (Permissive) Deductions – Public Housing, Housing Choice Voucher, and Moderate Rehabilitation/SRO Only (24 CFR § 5.611(b)(1))</p> <p>Reference: Notice PIH 2023-27 / Attachment C</p>	<p>N/A</p>	<ul style="list-style-type: none"> • Program regulations do not specify which types of permissive deductions are allowable in the HCV, Public Housing, or Moderate Rehabilitation/SRO programs. • A PHA that chooses to adopt an additional permissive deduction(s) from annual income for the HCV and/or Moderate Rehabilitation/SRO, or Public Housing programs must include written policies in their ACOPs or Admin Plans. <p>Note: A PHA that adopts such deductions for the Public Housing program will not be eligible for an increase in Capital Fund and Operating Fund formula grants based on the application of such deductions.</p> <p>For the HCV and Moderate Rehabilitation/SRO programs, a PHA must have sufficient funding to cover the increased housing assistance payments cost of the deductions because permissive deductions will be excluded from the renewal calculation.</p>
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3/14/2024

<p>De Minimis Errors in Income Determinations (24 CFR §§ 5.609(c)(4); 960.257(f); 982.516(f); 882.515(f); 882.808(i)(5))</p> <p>Reference: Notice PIH 2023-27 / Attachment B</p>	<ul style="list-style-type: none"> • PHAs must take corrective action to credit or repay a family if the family was overcharged tenant rent because of de minimis errors in calculating family income. • PHAs may not implement local policies to require families to repay in instances resulting in a family being undercharged for rent where the PHA miscalculated the family's income. 	<ul style="list-style-type: none"> • PHAs must include in their ACOPs or Admin Plans how they will repay or credit a family the amount that the family was overcharged retroactive to the effective date of the action the error was made, regardless of the dollar amount associated with the error, because of the PHA's de minimis error in income determination.
<p>Interim Reexaminations - Decreases in Adjusted Income (24 CFR §§ 960.257(b)(2); 982.516(c)(2); 882.515(b)(2); 891.410)</p> <p>Reference: Notice PIH 2023-27 / Attachment I</p>	<ul style="list-style-type: none"> • PHAs are required by HUD to process interim reexaminations for <i>all</i> decreases in adjusted income when a family member permanently moves out of the unit. • PHAs <u>are not permitted</u> to establish a dollar figure threshold amount instead of a percentage threshold less than ten percent. 	<ul style="list-style-type: none"> • PHAs may decline to conduct an interim reexamination of family income if the PHA estimates that the family's annual adjusted income will decrease by an amount that is less than ten percent of the family's annual adjusted income, or such lower threshold established by the PHA. • PHAs must identify in their ACOPS or Admin Plans the percentage threshold they will use for conducting interim reexamination for decreases in a family's adjusted income. • PHAs may establish policies to round calculated percentage decreases up or down to the nearest

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3/14/2024

		unit (e.g., a calculated decrease of 9.5% may be rounded up to 10%).
<p>Interim Reexaminations - Increases in Adjusted Income (24 CFR §§ 960.257(b)(3); 982.516(c)(3); 882.515(b)(3))</p> <p>Reference: Notice PIH 2023-27 / Attachment I</p>	<ul style="list-style-type: none"> • PHAs must conduct an interim reexamination of family income when they become aware that the family’s annual adjusted income has changed by an amount that would result in an estimated increase of ten percent or more in annual adjusted income or another amount established through a HUD notice, except PHAs may not consider any increases in <i>earned</i> income when estimating or calculating whether the family’s adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle. • PHAs may not establish a different threshold to conduct interim reexaminations for increases in adjusted income. 	<ul style="list-style-type: none"> • PHAs may choose not to conduct an interim reexamination if a family reports an increase in income within three months of their next annual reexamination effective date. • PHAs may choose not to include <i>earned</i> income increases in determining whether the 10% threshold is met for increases in adjusted income when the family previously had an interim reexamination performed for a decrease in annual adjusted income (earned, unearned, or combined) since the last annual reexamination. • PHAs must describe these policies in their ACOPs or Admin Plans.
<p>Interim Reexaminations - Reporting Changes & Effective Date</p>	<ul style="list-style-type: none"> • Families must report household composition changes and changes to adjusted income consistent with HOTMA requirements; however, PHAs determine 	<ul style="list-style-type: none"> • PHAs must develop policies that describe when and under what conditions families must report changes in household composition and adjusted income consistent with HUD’s requirements for

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<p>(24 CFR §§ 960.257(b)(4); 982.516(d); 882.515(b)(1) - (4); 882.808(i)(4); 891.410)</p> <p>Reference: Notice PIH 2023-27 / Attachment I</p>	<p>the timeframe in which reporting must occur to be considered “timely.”</p> <ul style="list-style-type: none"> • If the PHA has adopted a retroactive rent decrease policy, it may not be applied prior to the later of: <ul style="list-style-type: none"> ○ The 1st of the month following the date of the actual decrease in income; or ○ The 1st of the month following the most recent previous income examination. <p>Note: The PHA must clearly communicate to the family and owner, if applicable, how a retroactive adjustment will affect the family’s responsibility for rent.</p>	<p>processing an interim reexamination or other non-interim reexamination transaction.</p> <ul style="list-style-type: none"> • PHAs have the discretion to develop specific reporting policies that describe which changes must be reported and the timeline for reporting the change to be considered timely. • PHAs may adopt a policy to apply rent decreases retroactively and establish additional criteria to describe the conditions under which retroactive decreases will be applied e.g., extenuating circumstances that may inhibit timely reporting. • PHAs must describe these policies in their ACOPs or Admin Plans.
<p>Revocation of Consent Form (Form HUD-9886)² (24 CFR §§ 5.230(c)(5)(iii) and 24 CFR 5.232(c))</p>	<ul style="list-style-type: none"> • The executed consent form will remain effective until the family is denied assistance, the assistance is terminated, or the family provides written notification to the PHA to revoke consent. 	<ul style="list-style-type: none"> • PHAs may establish in written policy that revocation of consent will result in termination of assistance or denial of admission. • When PHAs do not establish a policy such that revoking consent will result in termination of assistance, participant families will be required to

² Revocation of consent or refusal to sign the consent form prohibits the PHA from requesting and accessing income information and financial records, including pulling any EIV reports and using EIV data to verify income.

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3/14/2024

<p>Reference: Notice PIH 2023-27 / Attachment J</p>	<ul style="list-style-type: none"> • Families have the right to revoke consent by notice to the PHA; however, revoking consent can result in termination or denial of assistance if the PHA has established an admission and occupancy policy that the revocation of consent will result in termination of assistance or denial of admission. • PHAs may not process interim or annual reexaminations of income, including when a family’s income decreases and the family requests an interim reexamination to decrease tenant rent, without the family’s executed consent form(s). • PHAs must explain to families the consequences, if any, of revoking their consent. • PHAs must notify their local HUD office when an applicant or participant family member revokes their consent. <p>Note: Data matches between HUD and other agencies will continue to automatically occur, when consent is revoked, if the family is not terminated from the program.</p>	<p>sign a new consent form by the next regularly scheduled reexamination or interim reexamination, whichever occurs first.</p> <ul style="list-style-type: none"> • PHAs may establish policies to deny admission but allow existing participant families to continue to receive assistance after revoking their consent until the next interim or annual reexamination, whichever is sooner.
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<p>Determination of Family Income Using Other Means Tested Public Assistance, i.e., “Safe Harbor” (24 CFR §§ 5.609(c)(3) and 891.105)</p> <p>Reference: Notice PIH 2023-27 / Attachment J</p>	<ul style="list-style-type: none"> ● PHAs may determine the family’s income prior to the application of any deductions based on income determinations made within the previous 12-month period for purposes of the following means-tested forms of Federal public assistance: <ul style="list-style-type: none"> ○ The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.). ○ Medicaid (42 U.S.C. 1396 et seq.). ○ The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.). ○ The Earned Income Tax Credit (26 U.S.C. 32). ○ The Low-Income Housing Tax Credit (26 U.S.C. 42). ○ The Special Supplemental Nutrition for Woman, Infants, and Children (42 U.S.C. 1786). ○ Other programs administered by the Secretary. ○ Other means-tested forms of Federal public assistance for which HUD has established a memorandum of understanding. 	<ul style="list-style-type: none"> ● PHAs that choose to implement Safe Harbor income determinations must: <ul style="list-style-type: none"> ○ Establish in policy when they will accept Safe Harbor income determinations (e.g., at reexamination only or at admission and reexamination), including which programs from which they will accept income determinations; and ○ Create policies that outline the course of action when families present multiple verifications from the same or different acceptable Safe Harbor programs (e.g., PHAs could establish policies to accept the most recent income determination). ● PHAs must include in their ACOPs or Admin Plans whether they will accept Safe Harbor income determinations, along with the accompanying policies described above, if applicable.
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	<ul style="list-style-type: none">○ Other Federal benefit determinations made by other means-tested Federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.● PHAs are not required to accept or use determinations of income from other Federal means-tested forms of assistance.● Safe Harbor verification must be obtained by means of third-party verification and must state the family size, must be for the entire family (i.e., the family members listed in the documenting must match the family's composition in the assisted unit, except for household members) and must state the amount of the family's annual income.	
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<p>Enterprise Income Verification (EIV) Usage (24 CFR § 5.233)</p> <p>Reference: Notice PIH 2023-27 / Attachment J</p>	<ul style="list-style-type: none"> • PHAs must use HUD’s EIV system in its entirety, in accordance with 24 CFR 5.233. • PHAs must update their EIV policies and procedures to reflect their discretionary use of EIV reports (e.g., Income Report, zero income reports, New Hires Report, IVT) under HOTMA. 	<ul style="list-style-type: none"> • PHAs are not required to use EIV during interim reexaminations. • PHAs who adopt local policies to not include <i>earned</i> income increases in determining whether the 10% threshold is met for increases in adjusted income when the family previously had an interim reexamination performed for a decrease in annual adjusted income (earned, unearned, or combined) since the last annual reexamination, are not required to use the EIV New Hires report between annual reexaminations. • PHAs who have a policy to consider <i>earned</i> income increases in calculating whether the 10% threshold has been met for an interim reexamination are required to review the EIV New Hires report at least quarterly, for the remainder of the reexamination period after the interim reexamination to decrease rent occurs.
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3/14/2024

Preparing for HOTMA

Topic	Information/Guidance
<p>PHA forms</p>	<ul style="list-style-type: none"> • PHAs must update any form referencing eligibility or admission annual and interim reexamination, etc. to comply with the HOTMA final rule. • For example: <ul style="list-style-type: none"> ○ The PHA’s local interim reexamination form must provide families a place to report all changes that impact annual adjusted income including: all changes in income, assets, expenses, and household composition. ○ A self-certification form to determine present ownership interest in any real property. If applicable i.e., the family has ownership in real property, the form can also include questions regarding the legal right to reside in, and the effective legal authority to sell a property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence. ○ A self-certification form to declare net family assets are \$50,000 or less. This form must allow families to report anticipated asset income earned.
<p>Impact of HOTMA on Family Self-Sufficiency (FSS) Programs</p>	<p>PHAs who operate FSS programs should note that families participating in the FSS program are subject to all HOTMA interim reexamination regulations. PHAs cannot implement local policy to perform an interim reexamination for increases in adjusted income below the 10% threshold for FSS participants.</p> <p>Although families participating in FSS may experience fewer escrow increases under the HOTMA final rule, the revised IR regulations may provide these families the opportunity to use their increased earnings to realize other short or long-term goals outside of the scope of the FSS program.</p>

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	<p>The HOTMA interim reexamination regulations impact administration of the FSS program in the following ways:</p> <ol style="list-style-type: none"> 1. FSS participants are subject to <i>all</i> requirements of the HOTMA interim reexamination regulations; and 2. At enrollment, PHAs may not perform an interim reexamination of annual income <i>unless</i> the family experienced a change in adjusted annual income that meets the threshold to perform an interim reexamination under the HOTMA final rule. 3. Families for whom their first reexamination of income does not occur until their regularly scheduled annual reexamination will not have the opportunity to begin escrowing their increased earnings until that time and may have fewer escrow increases over the life of the 5-year contract³.
<p>HOTMA Resources</p>	<p>HOTMA Resources Page (Public Housing and HCV): HOTMA Resources HUD.gov / U.S. Department of Housing and Urban Development (HUD)</p> <p>HUD Exchange (Public Housing and HCV only): Materials Posted: HOTMA Income and Assets Training Series - HUD Exchange</p>

²See the [Streamlining and Implementation of Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to Family Self-Sufficiency Program](#) final rule for more information on requirements related to the term of the FSS contract of participation (COP) i.e., it generally expires 5 years *from the date of the family's first re-certification of income after* the effective date of the FSS COP.

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HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02850

AUSTIN AFFORDABLE HOUSING CORPORATION

ITEM NO. 4.

MEETING DATE: June 20, 2024

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 02850 by the Board of Commissioners of the Housing Authority of the City of Austin (the “Authority”) approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 02850 of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

SUMMARY

Background:

Austin Affordable Housing Corporation was presented an opportunity to partner with April Housing on the acquisition and rehabilitation of an existing development located at 1000 Collinwood West Drive, Austin, Texas 78753 in the Austin city limits. This property was built using tax credits and has reached its 15-year compliance period expiration. The project (Village at Collinwood) consists of 174 senior apartment units serving residents at or below 60% Area Median Income. The board saw this project originally in September of 2023 for the bond inducement resolution and again in February 2024 for the tax credit application resolution.

AAHC is excited to partner with April Housing to preserve this very deep affordability in an existing property with senior units and provide much needed renovations and upgrades that will also provide relief in lower

utility bills. With the new issuance of bonds and tax credits, the affordability term will begin anew.

Process:

The development will use a mix of 4% tax credits and bonds to finance the rehab. The development currently consists of 90 one bedroom/one bath units and 84 two bedroom/two bath units. As with all AAHC properties, all units will be marketed to HACA's Housing Choice Voucher families.

HACA, through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$24,800,000. PNC Bank, National Association will provide the construction loan and a bridge loan as well as the tax credit equity.

Rehab will include, but is not limited to accessibility modifications, repairs/upgrades to HVAC and water heaters, new flooring, updated finishes, plumbing upgrades, upgraded countertops, upgraded light fixtures, exterior paint, upgraded mailboxes, upgraded amenities, improved/additional exterior lighting, and an upgrade on the community building. Please see attached Scope of Work for more details.

Unit Breakdown:

90	1-bedroom/1-bath
84	2-bedroom/2-bath

Staff Recommendation:

Staff recommends approval of Resolution No. 02850.

RESOLUTION NO. 02850

RESOLUTION APPROVING ISSUANCE BY AUSTIN AFFORDABLE PFC, INC. OF THE AUSTIN AFFORDABLE PFC, INC. MULTIFAMILY HOUSING REVENUE BONDS (VILLAGE AT COLLINWOOD APARTMENTS) SERIES 2024A and Multifamily Housing Revenue Bonds (Village at Collinwood Apartments) Series 2024B; APPROVING THE FORM AND SUBSTANCE OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RENTAL RESIDENTIAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Austin Affordable PFC, Inc. (the “Issuer”) was created by the Housing Authority of the City of Austin (the “Sponsor”) pursuant to the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, Section 303.071 of the Act requires that the governing body of the Sponsor approve by resolution any of the Issuer’s bonds; and

WHEREAS, the Board of Directors of the Issuer (the “Board”) has determined to authorize the issuance, sale and delivery of the Issuer’s Multifamily Housing Revenue Bonds (Fannie Mae MBS Secured) (Village at Collinwood Apartments), Series 2024A and Multifamily Housing Revenue Bonds (Village at Collinwood Apartments), Series 2024B (the “Bonds”), pursuant to and in accordance with the terms of an Indenture of Trust (the “Trust Indenture”), between the Issuer and Wilmington Trust, NA, as trustee; and

WHEREAS, the Board adopted a resolution on the date hereof authorizing the issuance of the Bonds (the “Issuer Resolution”); and

WHEREAS, the proceeds of the sale of the Bonds will be used for the purpose of lending the funds to 1000 Collinwood West Drive (TX) Owner LP, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition, rehabilitation and equipping of a multifamily rental housing development identified on Exhibit A of the Issuer Resolution located in Austin, Texas known as Village at Collinwood Apartments (the “Project”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF AUSTIN THAT:

Section 1. The Issuer Resolution, a copy of which is attached hereto as Exhibit A and made a part hereof for all purposes, is hereby approved.

Section 2. The approval herein given is in accordance with the provisions of Section 303.071 of the Act and is not to be construed as any undertaking by the Sponsor, and the Bonds shall never constitute an indebtedness or pledge of the Sponsor, the City of Austin, Travis County, or the State of Texas, within the meaning of any constitutional or statutory provision, and the owners of the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the Issuer, the Sponsor, the City of Austin, Travis County, or the State of Texas except those revenues assigned and pledged by the Issuer in the Trust Indenture.

Section 3. The activities and expenditures authorized and contemplated by the Issuer Resolution are hereby in all respects approved.

Section 4. The officers of the Sponsor are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution.

Section 5. This Resolution was considered and adopted at a meeting of the Board of Commissioners of the Sponsor that was noticed, convened, and conducted in full compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

Section 6. This Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2024.

CHAIRMAN

ATTEST:

SECRETARY

EXHIBIT A

HOUSING AUTHORITY OF THE CITY OF AUSTIN

BOARD ACTION REQUEST

RESOLUTION NO. 02851

AUSTIN AFFORDABLE HOUSING CORPORATION

ITEM NO. 5.

MEETING DATE: June 20, 2024

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 02851 by the Board of Commissioners of the Housing Authority of the City of Austin (the “Authority”) approving resolution of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 02851 of Austin Affordable PFC, Inc. providing for the issuance of its Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments) Series 2024A and Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments) Series 2024B; approving the form and substance of and authorizing the execution and delivery of documents and instruments necessary to carry out the financing of such multifamily rental residential development; and containing other provisions relating to the subject

SUMMARY

Background:

Austin Affordable Housing Corporation was presented an opportunity to partner with April Housing on the acquisition and rehabilitation of an existing development located at 8000 Decker Lane, Austin, Texas 78724 in the Austin 2-mile extraterritorial jurisdiction (ETJ). This property was built using tax credits and has reached its 15-year compliance period expiration. The project (Eagle’s Landing) consists of 240 family apartment units serving residents at or below 50% Area Median Income. It is located in the Manor ISD and the schools that will serve this property are: Decker Elementary, Decker Middle School, and Manor High School. The board saw this project originally in September of 2023 for the bond inducement resolution and again in February 2024 for the tax credit application resolution.

AAHC is excited to partner with April Housing to preserve this very deep affordability in an existing property with family units and provide much needed renovations and upgrades that will also provide relief in lower utility bills. With the new issuance of bonds and tax credits, the affordability term will begin anew.

Process:

The development will use a mix of 4% tax credits and bonds to finance the rehab. The development currently consists of 48 one bedroom/one bath units, 128 two bedroom/two bath units, and 64 three bedroom/two bath units. As with all AAHC properties, all units will be marketed to HACA’s Housing Choice Voucher families.

HACA, through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$45,000,000. PNC Bank, National Association will provide the construction loan and a bridge loan as well as the tax credit equity.

Rehab will include, but is not limited to accessibility modifications, repairs/upgrades to HVAC and water heaters, new flooring, updated finishes, plumbing upgrades, upgraded countertops, upgraded light fixtures, exterior paint, upgraded mailboxes, upgraded amenities, improved/additional exterior lighting, and an upgrade on the community building. Please see attached Scope of Work for more details.

Unit Breakdown:

48	1-bedroom/1-bath
128	2-bedroom/2-bath
64	3-bedroom/2-bath

Staff Recommendation:

Staff recommends approval of Resolution No. 02851

RESOLUTION NO. 02851

RESOLUTION APPROVING ISSUANCE BY AUSTIN AFFORDABLE PFC, INC. OF THE AUSTIN AFFORDABLE PFC, INC. MULTIFAMILY HOUSING REVENUE BONDS (EAGLE’S LANDING FAMILY APARTMENTS) SERIES 2024A and Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments) Series 2024B; APPROVING THE FORM AND SUBSTANCE OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING OF SUCH MULTIFAMILY RENTAL RESIDENTIAL DEVELOPMENT; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Austin Affordable PFC, Inc. (the “Issuer”) was created by the Housing Authority of the City of Austin (the “Sponsor”) pursuant to the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, Section 303.071 of the Act requires that the governing body of the Sponsor approve by resolution any of the Issuer’s bonds; and

WHEREAS, the Board of Directors of the Issuer (the “Board”) has determined to authorize the issuance, sale and delivery of the Issuer’s Multifamily Housing Revenue Bonds (Fannie Mae MBS Secured) (Eagle’s Landing Family Apartments), Series 2024A and Multifamily Housing Revenue Bonds (Eagle’s Landing Family Apartments), Series 2024B (the “Bonds”), pursuant to and in accordance with the terms of an Indenture of Trust (the “Trust Indenture”), between the Issuer and Wilmington Trust, NA, as trustee; and

WHEREAS, the Board adopted a resolution on the date hereof authorizing the issuance of the Bonds (the “Issuer Resolution”); and

WHEREAS, the proceeds of the sale of the Bonds will be used for the purpose of lending the funds to 8000 Decker Lane (TX) Owner LP, a Texas limited partnership (the “Borrower”), to provide financing for the acquisition, rehabilitation and equipping of a multifamily rental housing development identified on Exhibit A of the Issuer Resolution located in Austin, Texas known as Eagle’s Landing Family Apartments (the “Project”), all in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF AUSTIN THAT:

Section 1. The Issuer Resolution, a copy of which is attached hereto as Exhibit A and made a part hereof for all purposes, is hereby approved.

Section 2. The approval herein given is in accordance with the provisions of Section 303.071 of the Act and is not to be construed as any undertaking by the Sponsor, and the Bonds shall never constitute an indebtedness or pledge of the Sponsor, the City of Austin, Travis County, or the State of Texas, within the meaning of any constitutional or statutory provision, and the owners of the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the Issuer, the Sponsor, the City of Austin, Travis County, or the State of Texas except those revenues assigned and pledged by the Issuer in the Trust Indenture.

Section 3. The activities and expenditures authorized and contemplated by the Issuer Resolution are hereby in all respects approved.

Section 4. The officers of the Sponsor are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution.

Section 5. This Resolution was considered and adopted at a meeting of the Board of Commissioners of the Sponsor that was noticed, convened, and conducted in full compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

Section 6. This Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2024.

CHAIRMAN

ATTEST:

SECRETARY

EXHIBIT A