

# Streamlined Annual PHA Plan (HCV Only PHAs)

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0226  
Expires 02/29/2016

**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

## Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																																								
A.1	<p>PHA Name: <u>Marion County Housing Authority</u>      PHA Code: <u>OR014</u>            PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>01/01/2018</u>            PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)            Number of Housing Choice Vouchers (HCVs) <u>1182</u>            PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission      <input type="checkbox"/> Revised Annual Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 25%;">Program(s) not in the Consortia</th> <th style="width: 15%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> <tr><td> </td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																																		
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B.	Annual Plan.																																								

**B.1 Revision of PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?

Y N

- ☐ ☒ Housing Needs and Strategy for Addressing Housing Needs.
- ☒ ☐ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- ☐ ☒ Financial Resources.
- ☐ ☒ Rent Determination.
- ☐ ☒ Operation and Management.
- ☐ ☒ Informal Review and Hearing Procedures.
- ☒ ☐ Homeownership Programs.
- ☐ ☒ Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.
- ☐ ☒ Substantial Deviation.
- ☐ ☒ Significant Amendment/Modification.

(b) If the PHA answered yes for any element, describe the revisions for each element(s):

**HCV ELIGIBILITY : REVISION OF CRIMINAL BACKGROUND SCREENING CRITERIA**

The MCHA will revise its criminal background screening criteria in order to allow greater access to the Housing Choice Voucher program for individuals with histories of criminal convictions, in accordance with HUD's guidance on removing barriers for vulnerable groups [PIH 2015-19] and eliminating disparate impact [HUD Office of General Counsel Guidance, April 4, 2016].

The proposed new policy for criminal background screening is as follows:

HUD requires the PHA to deny assistance in the following cases:

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program
- HUD requires admission to be denied to any member of the household who was evicted from federally assisted housing for drug related criminal activity within the past three years, unless the PHA determines the member successfully completed a supervised drug rehabilitation program, or the circumstances leading to the eviction no longer exist.

**Other Permissible Grounds for Denial**

- The family does not provide information that the PHA or HUD determines is necessary in the administration of the program.
- Any member of the applicant household was evicted from federally-assisted housing in the past two years.
- A HUD EIV search for an existing participant indicates that the applicant or a member of the applicant household is receiving a subsidy in another housing program.
- Any member of the applicant household has threatened or engaged in abusive or violent behavior toward MCHA staff.
  - *Abusive or violent behavior towards PHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
  - *Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence
- Any member of the applicant household has committed fraud, bribery, or any corrupt or criminal act in connection with any federal housing program.
- The head of the applicant household is in violation of a repayment agreement with MCHA.

- Any member of the applicant household is currently on parole or probation in Marion County and has been verified to be non-compliant with their parole or probation supervision plan by the Marion County Parole and Probation department.

#### MCHA Policy

The MCHA will deny admission to any household member who has been convicted of manufacturing methamphetamines on the premises of federally assisted housing and/or who is subject to a lifetime registration requirement under a state sex offender registration program. The MCHA will admit an otherwise eligible household member who has been evicted from federally assisted housing for drug related criminal activity within the past three years, so long as the individual provides verification of successful completion of a rehabilitation program and/or verification that the circumstances leading to the eviction no longer exist.

In any case other than those in which HUD mandates that the PHA deny assistance, MCHA will exercise its discretion to consider all relevant circumstances in making a decision about denial of assistance. These factors may include the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination on other members of the family who were not involved in the action or inaction which provides the grounds for denial. The MCHA will review any documentation submitted by the applicant household including verification of mitigating circumstances, advocacy letters from supportive service/treatment providers or representatives from parole and probation departments, and certified statements of household members in an effort to consider all relevant factors prior to making a decision about possible denial.

#### HCV SELECTION : REVISION OF LOCAL PREFERENCES

The MCHA will revise its local preferences in order to allow increase access to the Housing Choice Voucher program for vulnerable groups such as homeless families and persons with disabilities, in accordance with HUD's guidance on removing barriers for vulnerable groups [PIH 2015-19].

The proposed new local preferences are as follows:

##### **Special Programs Preference: Priority 1**

Families who are referred to and qualify for any of MCHA's Special Programs receive a Priority 1 preference. This preference entitles the eligible applicant to be serviced and admitted to the Special Program for which it qualifies ahead of all other eligible applicants on the wait list. Special Programs for MCHA include Marion County Service Recipients and Marion County Parole and Probation Reentry clients. A maximum of 10 total referrals will be accepted each month from these two programs combined, however MCHA reserves the right to accept any number between zero (0) and 10 referrals based on the availability of vouchers. MCHA will notify the Marion County departments of the number of vouchers available for referral, or otherwise notify them that the HCV program is fully leased not accepting referrals during that month. The respective Marion County departments will be responsible to coordinate the division of referrals from each department and determine which 10 (or fewer) individuals will be referred during that month.

##### **1. Marion County Service Recipients:**

This program encompasses any family with a household member who is currently receiving services from a Marion County-administered program including: Marion County Health Department (including all sub-programs), Marion County Parole & Probation, Marion County Juvenile Department, and Marion County Victims Services

In order to be considered eligible for admission to this Special Program, the participant must be referred in writing by an authorized representative of the Marion County program where they are enrolled. The authorized representative must verify that the individual lacks a viable, affordable, and stable permanent housing option at the time of referral. This may also encompass participants of the Marion County Rental Assistance Program who are prepared to transition off of the Rental Assistance Program and are in need of viable long-term housing resources.

## **2. Marion County Parole and Probation Reentry Clients**

In order to be eligible for this preference, individuals must be currently under the supervision of Marion County Parole and Probation department and in compliance with their supervision plan.

The individual must be referred in writing by an authorized representative of the Marion County Parole and Probation department who must verify that the individual lacks a viable, affordable, and stable permanent housing option at the time of referral.

Individuals selected for the Special Programs Preference must agree to release information between the referring Marion County program, Marion County Housing Authority, and their prospective landlord in order to ensure sufficient coordination between these entities. The referring Marion County program agrees to provide support and advocacy to the referred applicant throughout the Housing Choice Voucher program application process, as well as in searching for a unit, completing the Request for Tenancy Approval, Inspection, and Lease-Up process, as well as moving into the unit and achieving housing stability.

*In accordance with HUD regulations, MCHA will not limit the source of referrals for this program to an agency, organization, or consortia that denies its services to members of any Federally protected class under fair housing laws, i.e., race, color, religion, national origin, sex, disability, or familial status.*

### **Residency preference: Priority 2**

Families receive a residency preference if they live, work or have been hired to work in the jurisdiction of Marion County Housing Authority. MCHA's jurisdiction includes all of Marion County OUTSIDE the Urban Growth Boundary of Salem and Keizer. Note: This does not include the City of Salem, the City of Keizer or the Urban Growth Boundary). Applicants who are incarcerated at the time of application (whether or not the address of the correctional institution is within MCHA's jurisdiction) may also be eligible for this preference if they resided in MCHA's jurisdiction prior to incarceration and plan to return to MCHA's jurisdiction after their release. Eligibility for this preferences will be verified when the applicant's name comes to the top of the wait list. If the applicant's eligibility for this preference cannot be verified at the time their name comes to the top of the wait list, the applicant family will be reassigned to the appropriate preference and retains its relative place on the applicant waiting list according to the date and time that MCHA established for the original application.

*Marion County Housing Authority's use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.*

In order to verify that family meets the residency preference; MCHA will require a minimum of 1 of the following documents at the time their name comes to the top of the wait list:

- Current Oregon Driver's License or Identification Card
- Current Rent Receipts
- Current Lease Agreement
- Utility Bills
- Employer or Agency Records Including Paystubs
- School Records

### **Homelessness Preference: Priority 2**

In order to be eligible for the homelessness preference, individuals and families must meet the HUD definition of homelessness as outlined in 24 CFR 91.5 in either Category 1 or Category 4 of the homeless definition at the time their name comes to the top of the wait list. The applicant must be either currently homeless in Marion County or demonstrate that a significant portion of their homelessness has been spent in Marion County. If the applicant's eligibility for this preference cannot be verified at the time their name comes to the top of the wait list, the applicant family will be reassigned to the appropriate preference and retains its relative place on the applicant waiting list according to the date and time that MCHA established for the original application.

Category 1: Defined as being in a current state of lacking a fixed, regular, and adequate nighttime residence, meaning:

- (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; *or*
- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); *or*
- (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Category 4: Any individual or family who:

- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; *and*
- (ii) Has no other residence; *and*
- (iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

In order to be considered eligible for a homelessness preference, written verification must be provided of the individual's homeless status in accordance with HUD's established guidelines for recordkeeping and homeless verification, outlined in order of preference below:

For Category 1 homelessness:

- 1) Evidence of current living situation may be documented by a written referral by a housing or service provider (such as emergency shelters, institutional care facilities, police officers, business owners, etc) that demonstrates the individual or head of household's homeless status; *or*
- 2) Evidence of the current living situation may be documented by a written observation of an outreach worker; *or*
- 3) When a written observation by an outreach worker or third party referral is not available, homelessness may be documented through a signed statement by the applicant verifying his or her homeless status. This self-declaration must include evidence of the efforts made to obtain third-party evidence as well as documentation of the severity of the situation in which the individual or head of household has been living.
- 4) For individuals who are exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution, the applicant must submit discharge paperwork or a written referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution that demonstrate the person resided there for 90 days or less, and evidence that the individual was homeless and living in a place not meant for human habitation, a safe haven, or in an emergency shelter, and met the criteria in paragraph (1) of the definition for chronically homeless in 24 CFR 578.3, immediately prior to entry into the institutional care facility.

For Category 4 homelessness:

- 1) Written self-certification from the individual or family member that they are fleeing/attempt to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member AND, if it causes no additional threat to safety, supported by a Third Party written referral source from whom assistance was sought for domestic violence, OR Intake worker observation (need only contain minimum amount of information necessary); *and*
- 2) Self-certification from the individual that they have no subsequent residence, housing resources or support networks which they could access to obtain permanent housing.

Applicants with a verified and documented homeless preference shall be referred to MCHA by a qualified housing provider:

A *qualified provider* meets all of the following criteria:

1. Is a nonprofit tax-exempt 501(c)3 corporation or a division of local government;
2. Has as part of its mission providing services to very low income and homeless households in Marion County;
3. Offers one or more of the following services to its clients, residents, or program participants:
  - a. Time-limited shelter or transitional housing program(s) for homeless individuals or families;
  - b. Service-enriched programs for very low-income and homeless households;  
The term, "service-enriched permanent housing programs," refers to programs that:
    - i. Provide supportive services designed to assist homeless or very low income or disabled residents in maintaining their housing and increasing their self-sufficiency (e.g., mental health or chemical addiction counseling, job counseling or training and referral, etc.)
    - ii. Case-management services to very low income persons with disabilities; or
    - iii. Case-management for homeless households to assist them in securing and stabilizing in permanent housing, including follow-up case management services for a period of at least six months following placement in housing.

#### **Reassignment of Preference**

An applicant who has either low or no preference may be reassigned to a higher preference category if, at any time during their time on the wait list the applicant can document, and MCHA can verify, that a change in circumstance occurred to merit such preference. The applicant's new rank on the waiting list after a preference is granted will be based on the date and time the original application was received. If an eligible preference family is determined to be qualified for a lower preference, the applicant family is assigned to the appropriate preference and retains its relative place on the applicant waiting list according to the date and time that MCHA established for the original application.

#### **HOMEOWNERSHIP PROGRAMS : REVISION OF SECTION 32 HOUSING PROCEEDS PLAN**

The MCHA reported in the 2017 PHA Plan that HUD approval was being sought to use proceeds of Section 32 housing sales to develop transitional reentry housing. HUD approval was unable to be obtained; therefore MCHA is currently in the process of developing alternate plans these funds which comply with the restricted uses allowed by HUD for Section 32 sales proceeds.

#### **B.2 New Activities**

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

☒ ☐ Project Based Vouchers.

(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

#### **PROJECT BASED VOUCHER PLAN**

MCHA reported in the 2017 PHA Plan that 20% of Housing Choice Vouchers would be project-based within the fiscal year. While an RFP was released, it was discovered that additional steps needed to be taken in order to comply with HUD's requirements and MCHA could not proceed with the original RFP. Following a transition in leadership in February 2017, the MCHA developed a new RFP which complies with HUD's process and was released in July 2017. MCHA plans to project-base up to 100 vouchers and is currently evaluating the respondents to the RFP to select candidates.

<b>B.3</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y   N   N/A  <input checked="" type="checkbox"/>   <input type="checkbox"/>   <input type="checkbox"/></p> <p>(b) If yes, please describe:  (c)</p> <p><b><u>Please see Attachment C</u></b></p>
<b>B.4</b>	<p><b>Civil Rights Certification</b></p> <p><u>Form HUD-50077</u>, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>B.5</b>	<p><b>Certification by State or Local Officials.</b></p> <p><u>Form HUD 50077-SL</u>, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>

**B.6 Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.

**PHA Goals and Objectives:**

**GOAL: Increase the availability of decent, safe and affordable housing.**

- Partner with for-profit and nonprofit entities to expand the supply of assisted housing by 50 units (rental and for sale). This will be accomplished through various sources (not all include) tax credits, acquisition, new construction, all eligible federal, state and local funding sources.

***Progress:** Following a transition in leadership in February 2017, it was deemed necessary for MCHA to shift focus to stabilizing current programs and operations, streamlining internal processes and ensuring compliance of all programs. In light of this, MCHA is not currently seeking any opportunities to increase its portfolio or develop additional capacity. The Housing Authority Board and Executive Director agree that expanding housing supply will not be the in the best interest of the MCHA within the next fiscal year.*

- Apply for funding to improve housing opportunities via foundations and trusts.

***Progress:** As described above, MCHA is not seeking additional funding to expand housing supply at this time. The MCHA did apply for and receive funds to rehabilitate some of its existing owned housing supply during FY16.*

**GOAL: Improve the quality of assisted housing.**

- Improve SEMAP assessment scores. 2015 SEMAP score- 80%; 2016 SEMAP target- 93%; 2017 SEMAP target – 97%; 2018 SEMAP target – 98%; 2019 SEMAP target – 98%.

***Progress:** MCHA's 2016 SEMAP score was 72%. Following the transition in leadership in February 2017, MCHA contracted with a consultant who has assisted in developing additional policies and internal processes to increase compliance with all requirements, regulations and rules.*

- MCHA will ensure compliance with various regulations, memoranda, guidance and rules. This will be accomplished by additional staff training, quality control monitoring of 50% of the files in year one (2016), 25% of the files in year two (2017), and random sampling each year thereafter.

***Progress:** Following the transition in leadership in February 2017, it was discovered that staff required additional training and guidance in order to comply with internal monitoring requirements. MCHA has created and implemented a new Quality Control Process (see Attachment A) which staff have been trained on and are utilizing effective 8/1/17. Ten other additional trainings have been conducted with staff thus far in 2017 in order to ensure greater compliance and quality control moving forward.*

- Continue 100% utilization of the Enterprise Income Verification (EIV) system.

***Progress:** Due to the transition in leadership, access to EIV was interrupted for several months at the beginning of 2017 and the process of re-establishing access was lengthy. EIV access has been now been regained and is currently being utilized for 100% of files.*

- Conduct a minimum of 2 landlord informational meetings each year.

***Progress:** MCHA staff are in the process of developing informational materials to distribute to landlords which will increase knowledge of the HCV program. MCHA plans to complete a minimum of two landlord informational meetings during FY18.*

**GOAL: Increase assisted housing choices.**

- Continue Project Based Voucher for 20% of HCV allocation by 2017.
- Explore the development of affordable housing for special populations by 2017.
- Maintain the payment standard at 100% - 110% of FMR to ensure access to quality affordable housing without a rent burden for HCV participants.

***Progress:** While an RFP to project-base vouchers was released, it was discovered that additional steps needed to be taken in order to comply with HUD's requirements for the RFP process. Following the transition in leadership in February 2017, the MCHA developed a new RFP which complied with HUD's process and was released in July 2017. MCHA plans to project-base up to 100 vouchers and is currently evaluating the respondents to the RFP to select candidates. MCHA is not currently seeking to develop any additional affordable housing units due to a need for focus on stabilization and compliance of existing programs and projects. MCHA is currently maintaining the payment standard at 110% of FMR and is exploring the possibility of requesting HUD approval for a success rate payment standard increase in order to provide greater access to rental units in MCHA jurisdiction.*

**GOAL: Improve community quality of life and economic vitality.**

- Work with various public transportation partners to increase opportunities for mobility in rural Marion County.
- Continue to build collaborations with other agencies.

***Progress:** Throughout the past fiscal year, the Marion County Board of Commissioners, also serving as the MCHA Board, has collaborated extensively with the Salem-Keizer Transit District/Cherriots to maintain existing bus routes and increase routes into rural areas of Marion County.*

**GOAL: Promote self-sufficiency and asset development of families and individuals.**

- Review and assist contractors and subcontractors to ensure compliance with Section 3 employment.
- Seek new partnerships to enhance social and economic services to residents in assisted housing.

***Progress:** MCHA partnered with a subcontractor to hire one temporary employee who falls under Section 3 employment and is a current participant of the HCV program. MCHA also employed one additional employee who was a purchaser of an MCHA Section 32 home. MCHA is working to ensure that Section 3 language is incorporated into future RFP's so that subcontractors and partners can be evaluated for participation in Section 3 employment activities. MCHA staff members are also developing additional partnerships with entities such as the Emergency Housing Network, social service providers, and financial literacy groups so as to increase access to services and resources for assisted housing participants.*

**GOAL: Ensure equal opportunity in housing.**

- MCHA will provide and/or participate in annual trainings to ensure compliance with Section 504, ADA, and the Fair Housing Act.
- Combat fraud and waste in housing programs.
- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, income, national origin, sex familial status, disability, sexual orientation, or gender identity. Review all marketing materials and wait list procedures to ensure no adverse impact on any particular group.

***Progress:** MCHA staff attended two Fair Housing trainings in the past year and continue to look for additional opportunities for training. MCHA has also implemented a new Quality Control Process in 2017 and conducted trainings on compliance with rental calculation requirements which are aiding MCHA to combat fraud and waste. With this PHA plan, MCHA seeks to (1) revise its criminal background screening policy which will remove barriers to accessing assisted housing and combat disparate impacts for vulnerable groups; and (2) implement additional local preferences which will increase access to assisted housing for vulnerable and underserved groups.*

	<p><b>GOAL: End chronic homelessness.</b></p> <ul style="list-style-type: none"> <li>- On an annual basis, participate and conduct outreach regarding housing programs available to address homelessness.</li> <li>- Continue homelessness as a preference.</li> </ul> <p><i><b>Progress:</b> MCHA has engaged in consultation and collaboration with local homeless service providers to determine policy changes that will increase housing availability for the vulnerable homeless population, including engagement in the Mid-Willamette Homeless Initiative Task Force and Emergency Housing Network. MCHA has also created additional informational eligibility documents to educate the public on the availability of MCHA's assisted housing programs, and is working toward expanding application method options in order to increase the accessibility of the application process for vulnerable homeless persons. MCHA is also working toward establishing a computer kiosk in its main lobby so that homeless persons have greater access to apply. Through this PHA Plan, MCHA is also refining its Homeless Preference to ensure that those who have been verified to meet the HUD definition of Category 1 or Category 4 homelessness are being given preference.</i></p>
B.7	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y   N  <input checked="" type="checkbox"/>   <input type="checkbox"/></p> <p>(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.  <b>Please see attachments D and E</b></p>

## Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

### A. PHA Information. All PHAs must complete this section. (24 CFR §903.23(4)(e))

**A.1** Include the full PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), Number of Housing Choice Vouchers (HCVs), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

**PHA Consortia:** Check box if submitting a Joint PHA Plan and complete the table. (24 CFR §943.128(a))

### B. Annual Plan. All PHAs must complete this section. (24 CFR §903.11(c)(3))

#### B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the "yes" box. If an element has not been revised, mark "no."

☐ **Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA's jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(1) and 24 CFR §903.7(a)(2)(i)). Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. 24 CFR §903.7(a)(2)(ii)

☒ **Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.** A statement of the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

☐ **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based

assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

☐ **Rent Determination.** A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

☐ **Operation and Management.** A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)(3)(4)).

☐ **Informal Review and Hearing Procedures.** A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

☒ **Homeownership Programs.** A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

☐ **Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.** A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA's partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA's partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program's size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

☐ **Substantial Deviation.** PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

☐ **Significant Amendment/Modification.** PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. Should the PHA fail to define 'significant amendment/modification', HUD will consider the following to be 'significant amendments or modifications': a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD's website at: [Notice PIH 1999-51](#). (24 CFR §903.7(r)(2)(ii))

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

**B.2 New Activity.** If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark "yes" for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark "no." (24 CFR §983.57(b)(1) and Section 8(13)(C) of the United States Housing Act of 1937.

☒ **Project-Based Vouchers (PBV).** Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

**B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.11(c)(3), 24 CFR §903.7(p))

**B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

**B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15)

**B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))

**B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

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This Information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low-income, very low-income, and extremely low-income families.

Public reporting burden for this Information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

## QUALITY CONTROL PROCESS

### Effective 8/1/17

- **INITIAL ELIGIBILITY (HCV Program)**

On a monthly basis: Approximately 50% of all initial eligibility packets will be reviewed/quality controlled prior to HCV issuance.

HCV staff will route all completed eligibility packets - that are ready for voucher issuance; for quality control; seven (7) business days prior to the next scheduled voucher briefing session.

Each eligibility packet will indicate the date they are intending to invite them to a briefing session.

Eligibility packets that are not selected for QC will be passed back to the Eligibility Specialist and/or a designated representative; to continue with process for issuing a voucher. The eligibility packets that are selected for QC; will be routed back in a timeframe that allows for 5 business days prior to the briefing session date so applicant can be mailed a briefing letter inviting them to the briefing session and file can be prepared for voucher issuance.

If the above deadline has passed; briefing packets will be routed for issuing at the next briefing session or if there is/are eligibility packets that need to get into the scheduled briefing session; that is now within the 7 business day window for QCing and inviting to the session by mail; on a case by case basis the Eligibility Specialist can follow up with the staff member handling QC and see if it can be worked in for review; which would then require a telephone invite to the session once the file passes QC.

Note: QC will be conducted in a manner that files are reviewed for each of the staff who is involved in and/or responsible for processing long-aps for voucher issuance. If QC indicates there are systemic issues; and/or a high number of files needing correction the number of files reviewed will be expanded accordingly.

- **NEW ADMISSION/MOVE-IN FILES (HCV)**

On a monthly basis: A new admission list\* for the prior month will be generated by the staff member handing the QC and a random selection of approximately 20% of all move-ins and moves (other change of unit) for the HCV programs will be pulled for quality control.

Note: QC will be conducted in a manner that files are pulled for each staff member who is involved in and/or responsible for processing move-ins/moves. If QC indicates there are systemic issues; and/or a high number of files needing correction the number of files reviewed will be expanded accordingly.

\*Run tenant statistic lists – choose the following for the HCV program:

HOH Full Name  
Move in Date  
Current Address  
Project Name

Put in excel and sort by new admission date.

Note: If QC indicates there are systemic issues; and/or a high number of files needing correction and/or with eligibility issues; the number of files reviewed, prior to placement, will be expanded accordingly.

- **ANNUAL RECERTIFICATIONS**

On a monthly basis; annual recertification lists will be generated from HMS and approximately 20% of the files will be randomly selected for QC, ensuring that the files pulled for QC contain a cross section of staff who processed the files.

If file review indicates a systemic issue the scope of the file review will be expanded.

- **MOVES/TENANT REQUESTS (INTERIMS)**

On a monthly basis; QC of a random selection of approximately 20% of all moves and Interims will be pulled for QC to ensure staff is following all applicable rules/regulations/in-house processes.

If file review indicates a systemic issue the scope of the file review will be expanded.

- **WAITING LISTS**

On a monthly basis; waiting lists (with active statuses) will be monitored and at a minimum a review will be made of the first and last pages to QC three key areas:

- 1) To make sure that any that have “old” dates and times that are not in alignment with the other applicants dates/times – are researched and can show that they were reinstated with a supervisors approval etc.;
- 2) To view the last page – to make sure that those lists where “points” are given – that no applicant has “0” points – if so – need to research and correct; and
- 3) To monitor length of lists and to recommend to appropriate staff – purging/closing of waiting lists.

Any discrepancies will be brought to the attention of the appropriate staff member and they will be asked to respond back the results of the research.

- **FSS**

On a quarterly basis, active FSS files will be reviewed to ensure that all required documents are in the files; all forms are dated and initialed; the ITSP's are completed and have established goals and benchmarks for setting the goals.

Graduations from the program – Contract Graduation packets will be filled out indicating that the participant is in fact eligible for graduation. File is to be routed to supervisor and Finance Manager for review and sign off as soon as it is determined that the household is eligible for graduation. Supervisor and Finance Manager will review the file in 3 business days and will then either sign off or will return the file for correction.

Files will be reviewed for completeness and accuracy. Any discrepancies will be brought to the attention of the appropriate staff member and they will be asked to respond back the results of the research.

- **HQS INSPECTIONS**

On a monthly basis, inspector will run HQS list for the prior 12 months and any inspections noted as “failed” will be follow up on per the instructions dated 3/8/17 as well as per the MCHA Fail HQS Inspection Procedures dated 6/30/16.

On a quarterly basis; Supervisor and/or their designated representative – will conduct quality control inspections of a sampling of units; to ensure that units indicating as passed – do in fact pass – and units that were indicated as failing – did in fact get any and all deficiencies corrected and/or that HAP was abated per the HCV Admin Plan.

Files will be reviewed for completeness; including documentation showing that all fail items have passed and/or that proper HAP abatement has occurred.

Any discrepancies will be brought to the attention of the appropriate staff member and they will be asked to respond back the results of the research.

- **QUALITY CONTROL LOGS**

QC logs will be maintained showing:

Which files were QC'd and/or audited;

What type of action was reviewed;

The results of the review (e.g. No errors and/or if files were returned for correction/clarification; was the issue (or issues) of a critical and/or of a noncritical nature);

Staff member who conducted the interview and/or did the work up of the file and

When file was returned with the requested corrections/clarifications by the deadline requested.

Quality control is to indicate that client files are processed with a 95% accuracy rate using pre-audit and/or detailed checklists for each of the above processes (example: If five (5) annual recertification files are quality controlled for a staff member; only one file can require corrections/clarifications in order to achieve the 95% accuracy rate. The remaining 4 files are to pass QC without the need for correction/clarification).

Any files needing corrections (critical and/or non-critical type issues) will be routed to the staff member who interviewed/worked up the file for correction; with a deadline date stated for the return of the file for final sign off. Results of the monthly quality control will be documented on a monthly report that is submitted to the applicable supervisor.

Files that are returned for correction and/or clarification will include a Quality Control memo that outlines the issues that need corrected/clarified; the deadline for responding to the QC memo; and the file will contain corresponding flags on the issues at hand for easy reference for staff.

In general; staff will be given 5 business days to respond to the QC memo(s) and route the file back to the staff member who conducted the review of the file; for final review and sign off.

If any of the QC processes above, indicate a systemic problem with an individual staff member; the scope of the review will be expanded and/or determination will be made if additional training is needed and/or if possible performance issues exist.

**DEFINITION OF CRITICAL AND NON-CRITICAL ERRORS**

Critical errors are errors involving things such as:

- MCHA counting incorrect income/assets/expenses;
- Placing someone who is ineligible for the applicable program/project
- Placing someone who did not meet the applicable Admin Plan screening criteria;
- Placing someone out of order on the waiting list;

Administrative errors involve things such as:

- Not documenting the file properly;
- Blanks on forms not filled in;
- Paperwork out of order;
- Different colored inks used on the documents with no explanation;
- Dates and/or signatures missing etc.

**ATTACHMENT B**

**Statement of Anticipated Financial Resources: Planned Sources and Uses**

<b><u>RESOURCE</u></b>	<b><u>ANTICIPATED</u></b>	<b><u>PLANNED USE</u></b>
CFDA 14.871 – Section 8 Housing Choice Vouchers	\$ 5,886,000	Housing Assistance Payments
CFDA 14.871 – Section 8 Housing Choice Vouchers	802,000	HCV Administration
CFDA 14.896 – Family Self-Sufficiency Program	48,000	FSS Administration

**B.3 Most Recent Fiscal Year Audit Findings and Corrective Action Plans*****FEDERAL AWARD FINDINGS AND QUESTIONED COSTS*****Finding 2016-001 – CFDA#14.871 Section 8 Housing Vouchers – Eligibility Documentation (Material Weakness)**

**Criteria:** The Uniform Guidance requires that MCHA maintain proper documentation to demonstrate compliance with the program's eligibility requirements.

**Condition:** MCHA could not provide the necessary eligibility documentation for eight of the 60 tenant files selected.

The tenant files noted the follow errors:

- 2 files – missing third party verification of assets
- 2 files – incorrect number of dependents
- 2 files – incorrect utility allowance calculation
- 1 file – missing annual recertification information
- 1 file – missing social security number and date of birth verification

**Cause:** The Authority personnel responsible for determining eligibility documentation did not receive the proper training and did not understand the requirements or the proper documentation required to demonstrate compliance.

**Effect:** The questioned costs for the eight participant's files not in compliance is \$11,183. The errors account for 13% of the total testing population. The HAP payments related to these participants could be disallowed.

***Recommendation:******The Authority should:***

- Strengthen the training available to staff that are responsible for determining and documenting compliance with the eligibility requirements.
- Strengthen the review process of tenant files by management so that errors will be identified prior to payments being made to landlords on the tenant's behalf.

**Views of Responsible Officials and Planned Corrective Action Plan:** On a monthly basis, approximately 50% of all initial eligibility packets will be reviewed/quality controlled prior to HCV issuance. Quality control (QC) will be conducted in a manner that files are reviewed for all staff who are involved in, and/or responsible for, processing long applications for voucher issuance. If QC indicates there are systemic issues, and/or a high number of files need correction, the number of files reviewed will be expanded accordingly.

**Finding 2016-002 CFDA#14.871 Section 8 Housing Choice Vouchers HQS Enforcement (Significant Deficiency)**

**Criteria:** HUD regulations require that all units receiving voucher assistance pass Housing Quality Standards (HQS) inspections to ensure quality housing is being provided. Occasionally a unit is found to be deficient, in that it did not pass HQS standards, and will need to be reinspected to verify that the deficiencies have been corrected. If the deficiencies are deemed to be life threatening they must be corrected within 24 hours. If the deficiencies are not considered to be life threatening they are to be corrected within 30 calendar days or within a specific approved extension. If the deficiencies are not corrected within the prescribed timeframe MCHA must stop housing assistance payments for the unit.

**Condition:** Out of a population of 360, we sampled 40 (a non-statistically valid sample) failed HQS inspections to determine that the deficiencies were corrected within the prescribed timeframe and found that two of the inspections did not have deficiencies corrected within 30 days and payment was not stopped for the unit. We were unable to determine if MCHA had granted an extension for the units.

**Cause:** MCHA does not have documented procedures in place to track failed HQS inspections to ensure that deficiencies are corrected timely or that payments are stopped when deficiencies are not corrected.

**Effect:** MCHA continued to provide assistance for a unit that had deficiencies that were not corrected within the appropriate time frame. This resulted in an overpayment for this unit of \$2,406. The HAP payments related to these participants could be disallowed.

**Identification of Repeat Finding:** This is a repeat finding from the immediate prior year of finding number 2015-101.

**Recommendation:** We recommend that MCHA develop procedures to appropriately document and track failed HQS inspections. This includes maintaining documentation of letters provided to landlords showing the unit had a failed inspection, any communication granting an extension, and documentation of passed reinspections.

**Views of Responsible Officials and Planned Corrective Action Plan:** On a monthly basis, inspector(s) will run HQS list for the prior 12 months and any inspections noted as "failed" will be followed up on per the MCHA Fail HQS Inspection Procedures dated June 30, 2016. On a quarterly basis, supervisors and/or their designated representative will conduct quality control inspections of a sampling of units to ensure that units indicating as passed do in fact pass, and units that were indicated as failing, did in fact get any and all deficiencies corrected and/or that HAP was abated per the HCV Admin Plan. Files will be reviewed for completeness, including documentation showing that all failed units have passed and/or that proper HAP abatement has occurred.

**Finding 2016-003 – CFDA#14.871 Section 8 Housing Vouchers – Special Test – Utility Allowance (Significant Deficiency)**

**Criteria:** The Uniform Guidance requires MCHA to maintain an up-to-date utility schedule including review of utility rates to determine if there has been a rate change of 10 percent or more for each utility category since the last rate change.

**Condition:** MCHA has not increased utility rates since 2013. The utility rate review for the year ended December 30, 2016 only compared the utility rates to the immediate prior year and did not include 2014.

**Cause:** The MCHA personnel responsible for performing the review did not understand the requirements and MCHA did not have adequate oversight of the review process to identify the error in the review methodology.

**Effect:** MCHA modified the calculation to include 2014 and found that one of the rates should have been increased.

**Recommendation:**

**The Authority should:**

- Strengthen the training available to staff that are responsible for determining and documenting compliance.
- Strengthen the review process of changes to the utility allowance rates.

**Views of Responsible Officials and Planned Corrective Action Plan:** MCHA is moving to one regional utility allowance calculation versus separate calculations for each municipality as is currently the case. In association with this transition, all responsible staff will be trained on best practices and to assure compliance with Uniform Guidance and HUD Notice H-2015-04. All rate changes and supporting documentation will be reviewed by a housing program coordinator or designated supervisor prior to implementation.

**Finding 2016-004 – CFDA#14.871 Section 8 Housing Vouchers – Special Test – Reasonable Rents (Significant Deficiency)**

**Criteria:** OMB Uniform Guidance requires that MCHA develop and maintain procedures to comply with the reasonable rents special test.

**Condition:** MCHA did not document that rents charged on behalf of participants living in MCHA-owned properties were reasonable based on MCHA's administrative plan and HUD's special test requirement under 240 CFR Section 982. We found that one of the 40 tenant files randomly selected did not contain a reasonable rent determination for the tenant's current residence. Upon further investigation, we determined that the 10 participants that moved into MCHA-owned properties during 2016 did not have the reasonable rent documentation in their files.

**Cause:** MCHA personnel tasked with overseeing the special test documentation for the MCHA-owned properties did not receive the proper training and did not understand the requirements or the proper documentation required to demonstrate compliance.

## ATTACHMENT C

**Effect:** Payments totaling \$18,094 were made to MCHA on behalf of the participants as identified above.

**Recommendation:**

**The Authority should:**

- Strengthen the training available to staff that are responsible for determining and documenting compliance with the reasonable rent requirement.
- Strengthen the review process of tenant files by management so that errors will be identified prior to payments being made to landlords on the tenant's behalf.

**Views of Responsible Officials and Planned Corrective Action Plan:** Additional staff training has been provided and quality control has been strengthened. Approximately 20% of files will be audited at move-in and after annual recertification for inclusion of a reasonable rent determination for the tenant's current residence. If file review indicates a systemic issue, the scope and percentage of files selected will be increased. In addition, an outside contractor was retained for reasonable rent determination on properties owned by MCHA and such information will be made available to staff to document compliance.

### PRIOR FINDINGS AND QUESTIONED COSTS

**Finding 2015-101 CFDA#14.871 Section 8 Housing Choice Vouchers HQS Enforcement (Significant Deficiency)**

**Condition:** This finding stated that MCHA did not have tracking procedures in place to ensure that failed HQS inspections are reinspected within the required length of time.

**Recommendation:** We recommended that MCHA develop procedures to appropriately document and track failed HQS inspections. This included maintaining documentation of letters provided to landlords showing the unit had a failed inspection, any communication granting an extension, and documentation of passed reinspections.

**Current Status:** MCHA has not implemented the prior year recommendation and new non-compliant HQS Enforcement inspections were identified in the Single Audit for the year ended December 31, 2016. See new finding at 2016-002.

**Finding 2015-001 Review of Journal Entries (Significant Deficiency)**

**Criteria:** Strong internal controls require multiple individuals to be involved in any transaction class. During the year there were many entries prepared and posted by the finance manager that were not reviewed by another knowledgeable individual.

**Condition:** MCHA did not have a consistently documented review process over these journal entries.

**Recommendation:** We recommended that all journal entries have a consistent documented review to ensure the accuracy and appropriate classification in the financial statements.

**Identification of Repeat Finding:** This is a repeat finding from the immediate prior year of finding number 2014-001

**Current Year Update:** MCHA has implemented the changes. This finding is not repeated in the current year.

## ATTACHMENT D

### List of all Marion County Housing Authority Resident Advisory Board Members as of 9/1/17

- 1 Margaret McGurn – Mt. Angel, OR
- 2 Terry Wright – Mt. Angel, OR
- 3 Patricia Ichinoe – Mt. Angel, OR
- 4 Rehab Ismaeil – Hubbard, OR
- 5 Michelle Dominguez – Silverton, OR
- 6 Estella Gonzalez – Silverton, OR
- 7 Ellen Marshall – Silverton, OR
- 8 Christine Arrant – Silverton, OR
- 9 Eman Ibrahim – Woodburn, OR
- 10 Donald Hearn – Woodburn, OR
- 11 Margarita Audelo – Woodburn, OR
- 12 Nicole Tolijs – Woodburn, OR
- 13 Coddie Justesen – Stayton, OR
- 14 Teresa Franken – Stayton, OR
- 15 Catherine Klass – Stayton, OR
- 16 Donna Davis – Stayton, OR
- 17 James Morse – Salem, OR
- 18 Everett Ede – Salem, OR
- 19 Kevin Smith – Salem, OR
- 20 Ifrah Muse – Salem, OR

**Marion County Housing Authority  
Resident Advisory Board Meeting**

**Date: September 1, 2017**

**Time: 5:00pm – 6:30pm**

**Location: MCHA 2645 Portland Rd. NE Suite 200, Salem, OR 97301**

**RAB Members Present:** Donald Hearn, Nijole Toliuisis, Eman Ibrahim, Donna Davis, Estelle Gonzalez, Patricia Ichinoe, Margaret “Peggy” McGurn, Ellen Marshall, Coddie Justesen

**MCHA Staff Present:** Ashley Marshall, Lisa Trauernicht

**Questions/Comments from RAB Members:**

**Question:** If we have grievances about our housing or if our neighbors have grievances, is this where we talk about them?

**Response:** The purpose of this board is to review and receive feedback on the PHA Plan. If you have comments or issues that are related to the content of the PHA plan then it would be appropriate to talk about them here. Otherwise, the Housing Authority has its own grievance process which you would follow for unrelated issues.

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**Question:** How often will this group meet?

**Response:** Your participant agreement says that we will meet one to three times per year. We will meet at least once each year when the PHA Plan is being revised so that we can get your feedback prior to submitting it to HUD. If we find additional meetings are needed to resolve any feedback, then we will meet one to two times more. If we decide that it's necessary to make any significant amendment to the PHA Plan outside of the annual update, then we would also meet with the RAB then.

---

**Question:** If we have comments or questions outside of the annual meetings, how do we let you know?

**Response:** You can call or write in to the Housing Authority at any time. It would be helpful if you identify yourself as a Resident Advisory Board member so we can make sure that our RAB representative on staff is aware of your feedback.

---

**Question:** How do we know what the 5-year goals of the Housing Authority are?

**Response:** The goals are all outlined in the PHA plan, so as we go through the document today, you will see each of the goals from the 5-year plan and an update on the progress.

---

**Question:** If a person was convicted of manufacturing methamphetamines, but not on the premises of federally assisted housing, then under these new criteria they could be admitted to the program?

**Response:** That's correct, we would not be required to deny them admission to the program. However, the language in this policy says that we will consider all relevant factors. So if, for example, this person was still actively abusing drugs or if they were on probation but not complying with the terms of their supervision, then we would still have the discretion to deny them. It's important to the Housing Authority that we remove barriers for vulnerable groups will still protecting the safety of the community residents.

---

**Question:** So if a person is engaging in violent behavior toward their neighbors or others in their apartment, but not toward Housing Authority staff, that would not disqualify them?

**Response:** These criteria are specific to screening a new applicant for the program, so this would only apply for people who are not on the program and trying to receive a voucher. It sounds like you're talking about someone who is currently a voucher participant and engaging in violent behavior. If that's the case, a separate set of rules apply for reasons why a person can be terminated from the program. I would recommend that you report that information to housing authority staff so that we can look into it, as violent behavior could certainly be grounds for termination.

---

**Question:** If someone lives in Marion County housing, why do they have to wait for a voucher when other people in the housing already have one?

**Response:** The wait lists for Marion County-owned housing and the Marion County Housing Choice Voucher program are separate. It's possible that someone could have a tenant based voucher and use it in a Marion County-owned unit, but the process for each is separate. If a person is on our wait list for a voucher, living in a Marion County unit would not expedite the process of them getting the voucher.

---

**Question:** Are seniors and people with disabilities considered in these preferences?

**Response:** Seniors and people with disabilities are not groups we have established explicit preferences for. This is certainly something we could consider in our next PHA Plan update. With that said, a person receiving services from Marion County Health Department would often have a disability, and many people who are homeless are seniors and/or disabled, so they are definitely represented within those preference groups.

---

**Comment:** It's good that you're helping people coming out of jail to get housing. They usually don't have anywhere to go and sometimes their family doesn't want them back. Those are the people who you see homeless out on the streets and I'm glad that someone's helping them.

---

**Question:** When you are giving people a residency preference, do you think about homeless people who might not be able to stay in Marion County because there is nowhere for them to stay?

**Response:** Yes, we have written into our plan that a person who is either currently homeless in MCHA jurisdiction or who has spent a significant amount of their homelessness in MCHA jurisdiction can still

## ATTACHMENT E

receive the residency preference. We'll look at this on a case by case basis, because we recognize that the availability of shelter housing is limited in many parts of MCHA jurisdiction. Those people will often need to go within the Urban Growth Boundary of Salem in order to find a place to stay, and we don't want them to lose out on the preference because of that.

---

**Question:** If the Housing Authority gives a voucher to someone who is fleeing domestic violence, can they require that person to get a restraining order against their abuser? Or can they notify the neighbors that this person is moving into their building? Doesn't it create a safety risk for the other tenants if someone is moving into an apartment and their abuser could come after them?

**Response:** It would violate privacy laws for the Housing Authority to notify other tenants that someone who is moving into the building has experienced domestic violence. We also cannot require someone to get a restraining order, because that could be viewed as creating a barrier or potentially excluding a vulnerable person from getting housing. What we can do is work closely with the new voucher holder and encourage them to engage with agencies that support victims of domestic violence, so they can be empowered to access all the resources available to them, including restraining orders.

---

**Question:** I still don't understand why you can't require them to get a restraining order. That should be allowed so that you can look out for the safety of other residents.

**Response:** There are specific laws around the rights and protections of people who have been victims of violence. We will have to research this further to make sure we are operating within the letter of the law while still balancing the public safety aspect.

---

**Question:** Does domestic violence include people who are seniors and being abused?

**Response:** Seniors could certainly experience domestic violence—people of any age group can. However, there are different types of elder abuse that would not be considered domestic violence. For example, if an elderly person is a victim of financial abuse from a family member, that would not be classified as domestic violence.

---

**Question:** Can voucher program participants move into a project based voucher unit? Will we be notified when these are available to rent?

**Response:** You could certainly apply for a project based voucher unit, but you cannot be on both the project based and tenant based voucher program. Everyone in this room has a tenant based voucher, which means you can move to any unit in MCHA jurisdiction with your voucher. Each time you move, your voucher goes with you. If you were to move into a PBV unit, you would have to give up your tenant based voucher. The project based voucher then stays with that unit. So you would continue receiving the rental subsidy as long as you lived in that unit, but if you wanted to move, the voucher would not go with you.

**Question:** If you were in a project based voucher unit and wanted to move to another state, could you?

**Response:** No. The project based vouchers stay with the unit, or the “project.” Tenant based vouchers are the only ones you can take with you if you want to port out to another state.

---

**Question:** How does Enterprise Income Verification (EIV) work? Do they only check your income if you’re working? I thought they just called all of these places to check our income amount? Why do I have to turn in my income verification if the staff are looking it up anyway?

**Response:** EIV is an electronic system that is used to verify that the income you report is correct. It checks income from all sources, including employment, social security, and any other income sources. The system is used so we can make sure that the amount we are paying for your rent is not too high or too low based on your income amount. Submitting verification of your income is a requirement of the voucher program, and your case worker may still be in contact with you to verify the details of your income or clarify any discrepancies. We always need to get the full picture which we can’t always understand from EIV alone.

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**Question:** Is it necessary to do recertification packets every year? Is it possible to only require them every two years? Seniors and people with disabilities have a hard time completing the packets, and sometimes they don’t understand the questions. It is very challenging for them to complete on their own.

**Response:** It is a HUD requirement for the household’s information to be recertified every year, so we can make sure we are serving the family correctly, calculating their rent correctly, and keeping our information current. However, we understand how challenging the paperwork can be. Within the past few months, we have implemented a new policy that recertification appointments will be done in person. This means that our staff will be able to help you answer any questions that you may have found challenging. We are also moving toward greater involvement with community service organizations. These agencies have case managers who can help complete this type of paperwork and we are hoping to partner closely with them to make sure these supports are provided.

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**Question:** What do I do if I don’t think my rental amount is correct? Why does it keep getting recalculated? Why does my rent keep going up even though my SSI is not being increased? Why do my food stamps keep going down every year?

**Response:** We have had some instances where rental portions were not calculated correctly and need to be adjusted, and we are working hard as a team to make sure that doesn’t happen moving forward. The trainings we referenced in our PHA plan are part of making sure our team calculates your rent correctly the first time around. We will take note of any potential rental calculation issues today and follow up on your files after today’s meeting. The Housing Authority does not have any control over the amounts of your Social Security or food stamps, however any increase in cash income such as Social Security would result in an increase in your rent. Your Food Stamps are not factored into your rental portion because this is considered non-cash income.

## ATTACHMENT E

**Comment:** It is so hard to find a place where the rent is the same as your voucher amount. Most places now are too expensive so there is nowhere to live that you can use your voucher.

**Response:** This is an issue we are very aware of. Our payment standards are currently 110% of Fair Market Rent, which means we are setting the voucher amounts as high as we possibly can while still following HUD's requirements. The success rate payment standard that we mention in the PHA Plan would tell HUD that our voucher holders are not able to find units because the rent in this area is too expensive, and if we got it approved, would allow us to increase the amounts of the vouchers.

**Comment:** We need the bus lines in the Canyon (rural Marion County) to stay in operation. That's the only way for seniors and disabled people in those areas to get around. If those bus lines went away, the people would be cut off from resources. I'm glad that the County was able to work with Cherriots to make sure that those bus lines stay in operation.

**Comment:** Homelessness has gotten so bad in this area. It seems like it just keeps getting worse. Homeless people need help so I'm glad to see that you're helping them get vouchers.

**Question:** If we want to read this plan later or we want to read the agency's 5-year plan, where can we find it? Is it online?

**Response:** We are working on updating the website so that we can make these documents available online. In the meantime, you can come into the Housing Authority office and request to see the PHA Plan and we will have it available for you. The copies we provided you today are also yours to keep, so you can take this home with you. Once we have finalized the PHA Plan, added today's comments to it, and gotten it approved, we will also make that available for you to view upon request.

**Question:** Are you aware of Dial-a-ride? It is a free service that provides transportation to people throughout the county. We can give elderly and disabled people rides to appointments like at the Housing Authority and many people don't know that it even exists.

**Response:** We will ensure that our staff are aware of Dial-a-Ride as a resource that they can encourage their clients to access. We will also look for a flyer that we can place in our lobby. Thank you!

### **Summary of RAB PHA Plan Recommendations and MCHA Consideration:**

- *Incorporation of seniors and persons with disabilities as a preference:* MCHA will conduct an analysis of the needs of the community as well as the persons currently served by the MCHA HCV program. If this it is determined that these individuals are not being adequately served by the HCV program, these groups may be incorporated as a preference in the next annual PHA Plan update.

## ATTACHMENT E

- *Requirement of restraining orders for voucher holders fleeing from domestic violence:* After reviewing HUD's guidance (Memorandum 2/9/11: Assessing Claims of Housing Discrimination against Victims of Domestic Violence under the Fair Housing Act and the Violence Against Women Act), MCHA staff have confirmed that requiring domestic violence victims to obtain a restraining order would not be a reasonable or legal policy. HUD asserts that domestic violence victims are often denied access to housing and discriminated against due to their status as victims of domestic violence. Such discrimination is a violation of the Fair Housing Act and prohibited in any publicly assisted housing. Implementing such a policy could have a disparate impact on victims of domestic violence (most commonly women) by imposing unreasonable conditions on victims which would deny them access to housing resources.

# **Certification of Compliance with PHA Plans and Related Regulations (Small PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 02/29/2016

## **PHA Certifications of Compliance with the PHA Plans and Related Regulations including Civil Rights and PHA Plan Elements that Have Changed**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or \_\_\_ Annual PHA Plan for the PHA fiscal year beginning **January 1, 2018**, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA certifies that the following policies, programs, and plan components have been revised since submission of its last Annual PHA Plan (check all policies, programs, and components that have been changed):
  - ☐ 903.7a Housing Needs
  - ☒ 903.7b Deconcentration and Other Policies Governing Eligibility, Selection, Occupancy, and Admissions Policies
  - ☐ 903.7c Financial Resources
  - ☐ 903.7d Rent Determination Policies
  - ☐ 903.7h Demolition and Disposition
  - ☒ 903.7k Homeownership Programs
  - ☒ 903.7r Additional Information
    - ☒ A. Progress in meeting 5-year mission and goals
    - ☐ B. Criteria for substantial deviation and significant amendments
    - ☒ C. Other information requested by HUD
      - ☐ 1. Resident Advisory Board consultation process
      - ☒ 2. Membership of Resident Advisory Board
      - ☐ 3. Resident membership on PHA governing board

The PHA provides assurance as part of this certification that:

- (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
  - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
  - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
  6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
  7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
  8. For a PHA Plan that includes a policy for site based waiting lists:
    - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of site-based waiting lists would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
  10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
  11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
  12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
  13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
  14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
  15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
  16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
  17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
  18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
  19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
  20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
  21. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Marion County Housing Authority  
PHA Name

OR014

PHA Number/HA Code

5 -Year PHA Plan for Fiscal Years 20 17 - 20 18

Annual PHA Plan for Fiscal Year 2018

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Samuel Brentano

Title: Marion County Commissioner, Chair

Signature

Date: September 26, 2017

BEFORE THE BOARD OF DIRECTORS  
FOR THE MARION COUNTY HOUSING AUTHORITY,  
SALEM, OREGON

IN THE MATTER OF RESCINDING RESOLUTION )  
#2017-005R ENTERING INTO A MEMORANDUM OF )  
OF UNDERSTANDING WITH THE SALEM HOUSING )  
AUTHORITY TO EXPLORE CONSOLIDATION OF )  
THE TWO HOUSING AUTHORITIES. )

RESOLUTION # 2017-008R

This matter came before the Marion County Housing Authority Board of Directors, at its regularly scheduled meeting Tuesday, September 26, 2017, to consider rescinding Resolution #2017-005R, entering into a Memorandum of Understanding with the Salem Housing Authority to explore the possibility of consolidation of the individual housing authorities and the creation of a new regional Public Housing Authority.

IT APPEARING TO THE BOARD that consolidation is unlikely at this time, it is necessary to rescind Resolution #2017-005R in order to proceed with programmatic and operational planning for the Marion County Housing Authority;

NOW, THEREFORE, IT IS HEREBY ORDERED that Resolution #2017-005R, attached hereto, is rescinded by the Marion County Housing Authority Board of Directors.

DATED at Salem, Oregon this 26th day of September, 2017.

Marion County Housing Authority Board of Directors



Samuel Brentano, Commissioner, Chair

Not Present At Meeting

\_\_\_\_\_  
Janet Carlson, Commissioner



Kevin Cameron, Commissioner



Jennifer Beatty, Commissioner

**Certification by State or Local  
Official of PHA Plans Consistency  
with the Consolidated Plan or  
State Consolidated Plan  
(All PHAs)**

U. S Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 2/29/2016

**Certification by State or Local Official of PHA Plans  
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Kenny LaPoint, the Assistant Director, Public Affairs  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Marion County Housing Authority

*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of

Impediments (AI) to Fair Housing Choice of the

*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI.

The plan seeks to increase the availability of safe, decent and affordable housing, as well as the quality of assisted housing. In addition, the plan sets out to improve the quality of life and economic vitality, promote self-sufficiency and asset development, promote fair housing and end chronic homelessness.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729, 3802)

Name of Authorized Official

Kenny LaPoint

Signature



Title

Assistant Director of Public Affairs

Date

10/2/17