



***Leveraging the
Housing Choice Voucher
Program to Improve
Housing Quality***

April 27, 2016

Agenda

- Housing Choice Voucher Program
- Housing Stock - HCV Program
- Housing Quality Standards- HQS
- Fresno Housing Inspection Process
- Policy and Procedures Update
- Case Studies



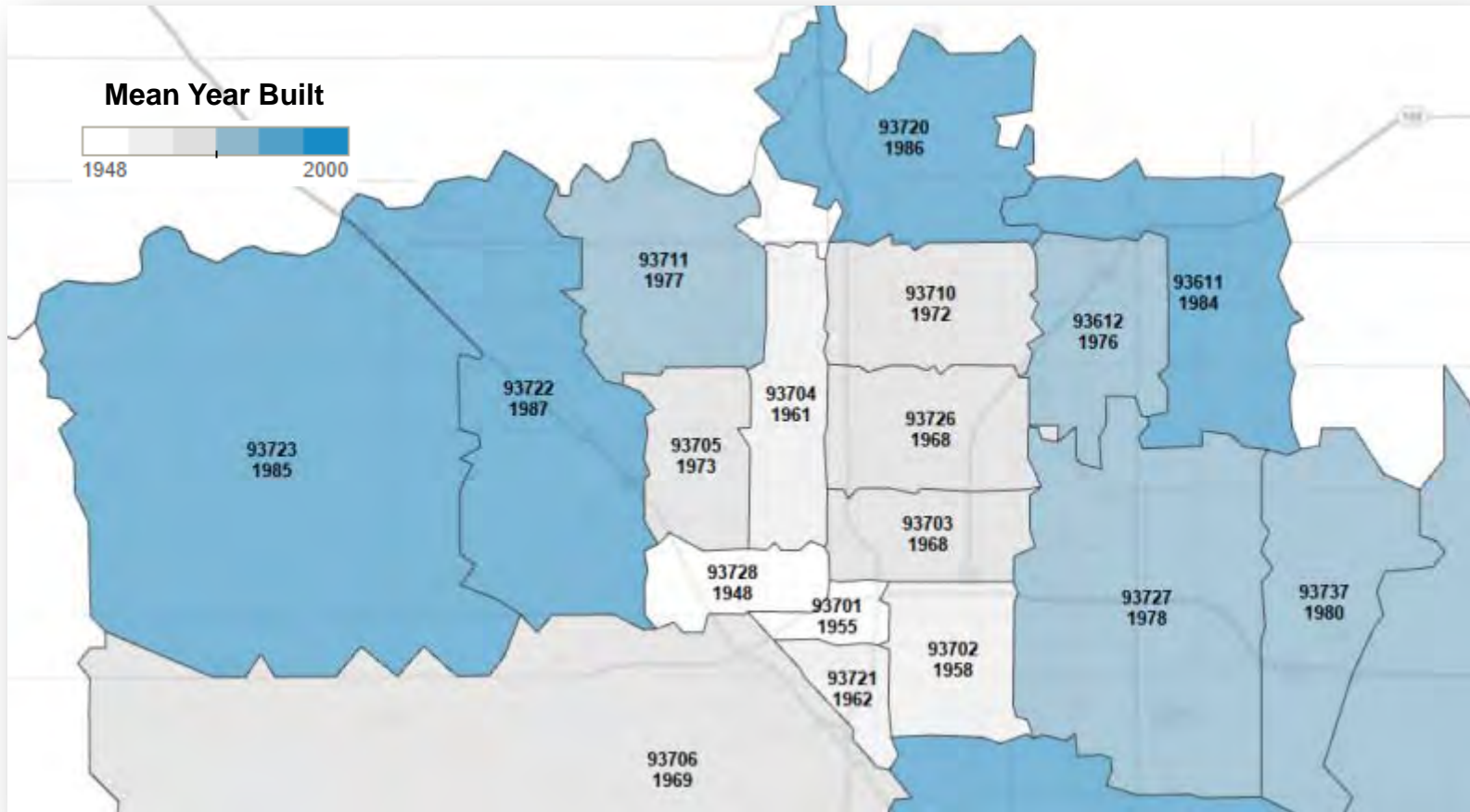
Housing Choice Voucher (HCV) Program

- Formerly called Section 8
- Approx. 13,000 total combined vouchers (City and County)
- Over 38,000 program participants
- Participants must be income-eligible
 - Limit is approximately 30% Area Median Income or \$24,300 for a family of four
- Participants pay roughly 30% of their monthly income toward rent
 - Agency pays the balance directly to landlord in form of a HAP payment

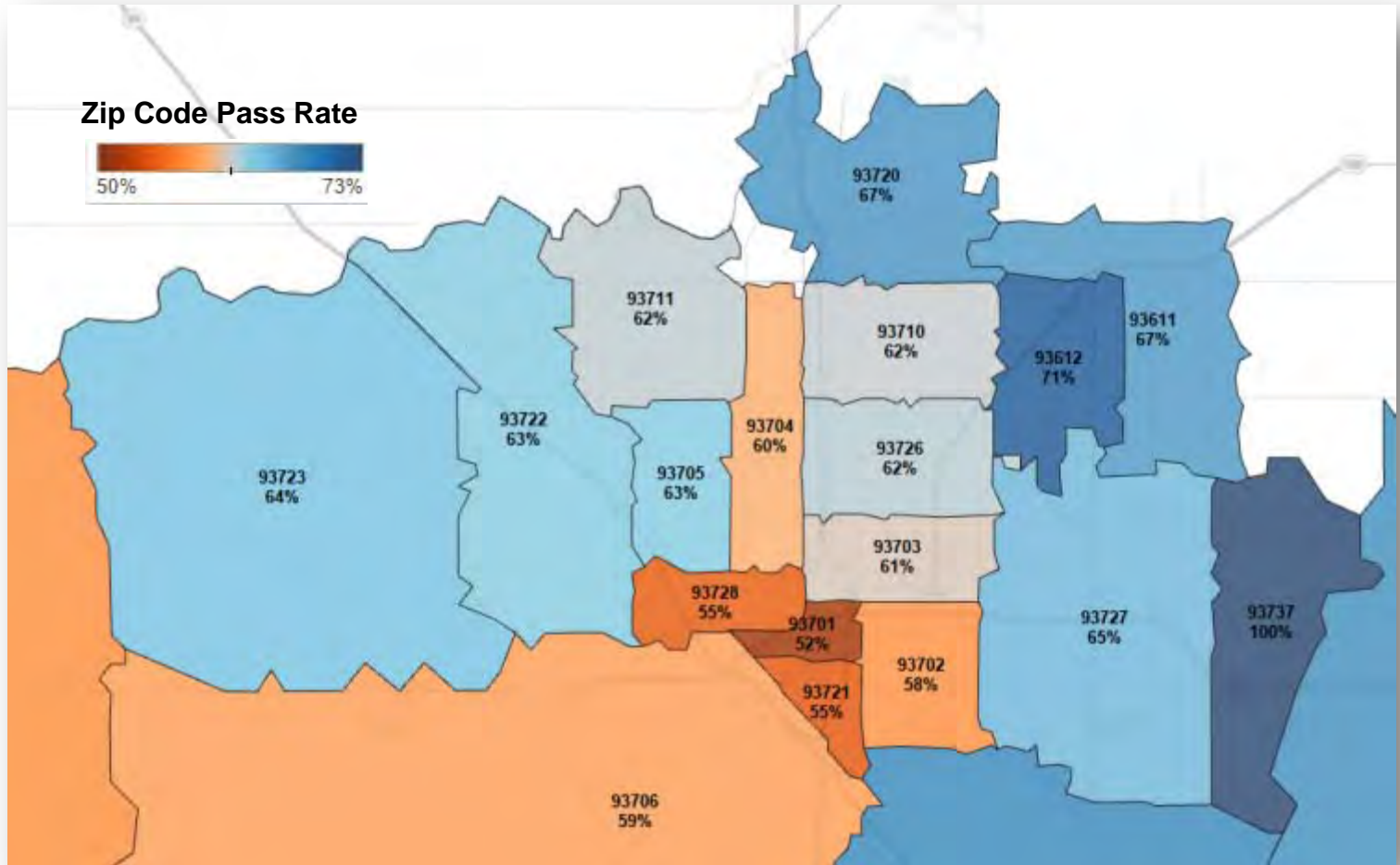
HCV Housing Stock

- Average age of all units was 41 years (1973)
- Multi-family - 69% of the units
 - Average age is 37 years (1977)
- Single-family - 31% of the units
 - Average age is 51 years (1963)

Housing Stock by Zip Code



Housing Stock by Zip Code - City



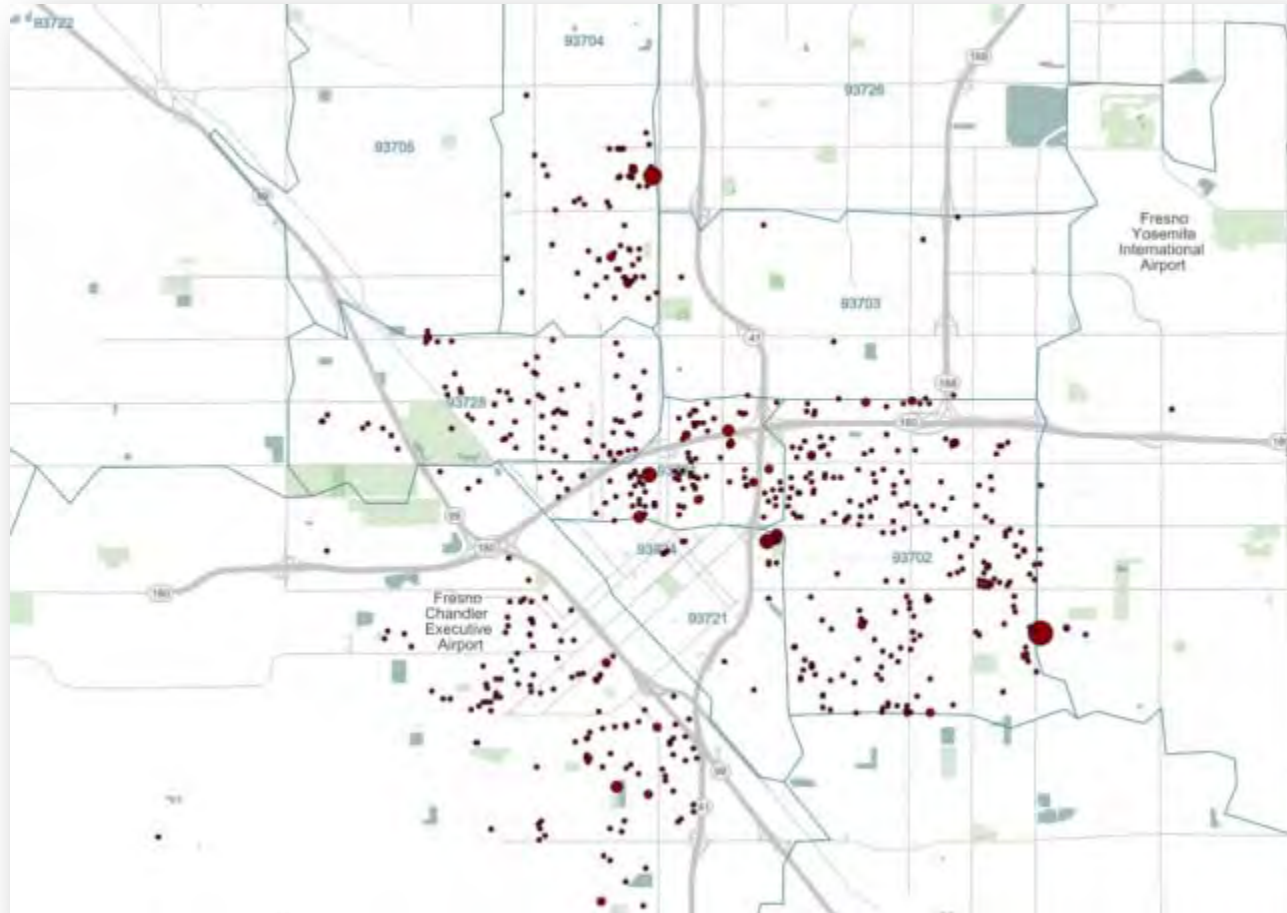
Housing Stock by Zip Code

City	Zip	Avg Age	Avg Year Built	Pass Rate
Selma	93662	35	1979	72.5%
Clovis	93612	38	1976	71.2%
Fresno	93725	28	1986	67.5%
Sanger	93657	34	1980	67.0%
Fresno	93727	36	1978	64.9%
Fresno	93722	27	1987	63.2%
Fresno	93704	53	1961	59.7%
Fresno	93706	45	1969	58.7%
Fresno	93702	56	1958	58.0%
Fresno	93728	66	1948	55.1%
Fresno	93721	52	1962	54.7%
Fresno	93701	59	1955	52.0%

Pass rates by Zip Code

- The six zip codes with the highest pass rates had an average pass rate of 67.7%
- The six zip codes with the lowest pass rates had an average pass rate of 56.4%
 - *~11.3% difference in the six highest zip codes*

Geographic Areas of Concern



“Housing Quality Standards (HQS) are set in place to ensure that the assisted housing is decent, safe and sanitary.

HQS standards apply to the building and premises, as well as the unit.”

HUD provides guidance and forms

Inspection Form

Housing Choice Voucher Program

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

Public reporting burden for this collection of information is estimated to average 0.25 hours per response, including reviewing existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing the burden, to Washington Headquarters Office, Directorate for Information Operations and Reports, Paperwork Project, (202) 433-0170.

Privacy Act Statement. The Department of Housing and Urban Development (HUD) is authorized to collect the information under this form to determine if a unit meets the housing quality standards of the section 8 rental assistance program. HUD agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or required by law. Failure to provide any of the information may result in delay or rejection of the rental assistance program.

Assurances of confidentiality are not provided under this collection.

This collection of information is authorized under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). Collection of the name and address of both the family and the unit meets the housing quality standards of the section 8 rental assistance program.

PHA		Tenant ID	
Inspector		Date	
Neighborhood/Census Tract		Type of Inspection <input type="checkbox"/> Initial <input type="checkbox"/> Special	
A. General Information Street Address of Inspected Unit			
City	County	State	Zip
Name of Family		Current Telephone of Family	

1. Living Room

Item Description
No.

For each numbered item, check one

Decision			If Fail, what repairs are needed? If Inconclusive, what repairs are needed? If Pass with comments, what comments?
Yes, Pass	No, Fail	Inconclusive	

1.1 Living Room Present

Is there a living room?

1.2 Electricity

Are there at least two working outlets and one working light fixture?

1.3 Electrical Hazards

Is the room free from electrical hazards?

1.4 Security

Are all windows and doors that are accessible from the outside lockable?

1.5 Window Condition

Is there at least one window, and are there any signs of severe deterioration or broken out panes?

1.6 Ceiling Condition

Is the ceiling sound and free from hazardous defects?

1.7 Wall Condition

Are the walls sound and free from hazardous defects?

- Duplex or Two Family Row
- House or Town House
- Low Rise: 3,4 Stories, including Garden Apartment

2. Kitchen

Item Description
No.

For each numbered item, check one

Decision			If Fail, what repairs are needed? If Inconclusive, what repairs are needed? If Pass with comments, what comments?
Yes, Pass	No, Fail	Inconclusive	
2.1 Kitchen Area Present Is there a kitchen?			<input type="checkbox"/> <input type="checkbox"/>
2.2 Electricity Are there at least one working outlet and one working, permanently installed light fixture?			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2.3 Electrical Hazards Is the kitchen free from electrical hazards?			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2.4 Security Are all windows and doors that are accessible from the outside lockable?			<input type="checkbox"/> <input type="checkbox"/>
2.5 Window Condition Are all windows free of signs of deterioration or missing or broken out panes?			<input type="checkbox"/> <input type="checkbox"/>
2.6 Ceiling Condition Is the ceiling sound and free from hazardous defects?			<input type="checkbox"/> <input type="checkbox"/>
2.7 Wall Condition Are the walls sound and free from hazardous defects?			<input type="checkbox"/> <input type="checkbox"/>
2.8 Floor Condition Is the floor sound and free from hazardous defects?			<input type="checkbox"/> <input type="checkbox"/>
2.9 Lead-Based Paint Are all painted surfaces free of deteriorated paint? <i>If no, does deteriorated surfaces exceed two square feet?</i>			<input type="checkbox"/> <input type="checkbox"/>

Types of Inspections

- Initial/Move-in
- Annual
 - Pass – See you next year
 - Fail – Re-inspections and potential Abatement
- Special/Complaint
- Quality Control

Inspections Analysis

- HQS staff scheduled over 32,000 initial, annual and complaint inspections
 - 60.2% of physical inspections passed
- Initial Inspections – 5000 annually
 - 67.7% passed, a 3% decrease from the 2013
- Complaint Inspections - nearly 350 annually
 - 26.4% of these inspections passed and the unit was HQS-complaint

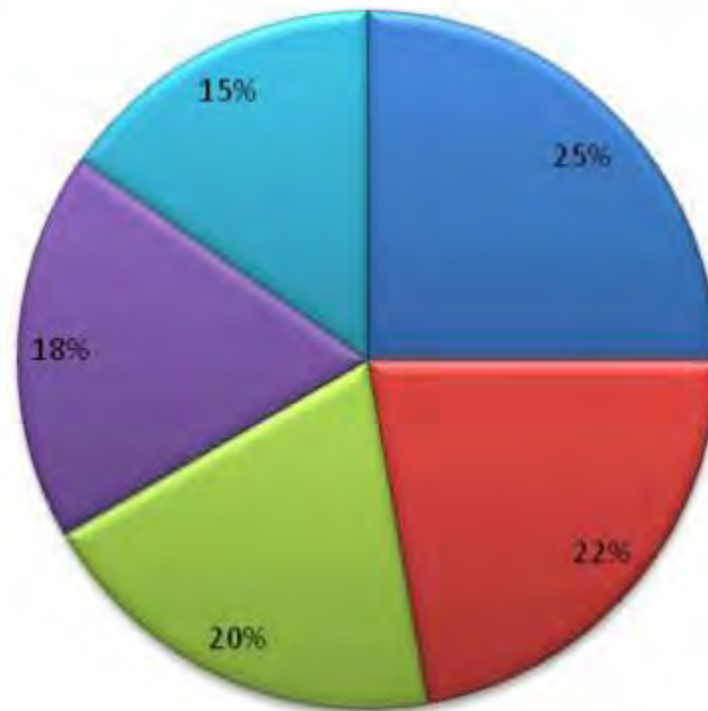
Commonly Failed Items

- 11% of fails were a result of electrical hazards
 - Inoperable electrical outlets, missing outlet cover plates, inoperable light switches, improperly grounded three-prong outlets
- 9% of fails were a result of poor floor conditions
 - Damaged flooring and potential tripping hazards
- 9% of fails were a result of poor site and neighborhood conditions
 - Poor yard, tree, gate, patio and shed conditions, lighting
- 8% of fails pertained to failed security items
 - All accessible windows and doors accessible must be lockable
- 7% of fails were tied to poor tub or shower conditions

Abatement

- The unit has failed two inspections for owner-related items
 - The owner is at risk of losing HAP \$
 - These items may be cured, result in an abatement, or a contract cancellation
 - A third inspection is required to clear the abatement
 - If unit fails again, HAP contract will be cancelled and resident will be required to move

Common/Easily Cured Items



■ CO/Smoke Monitors

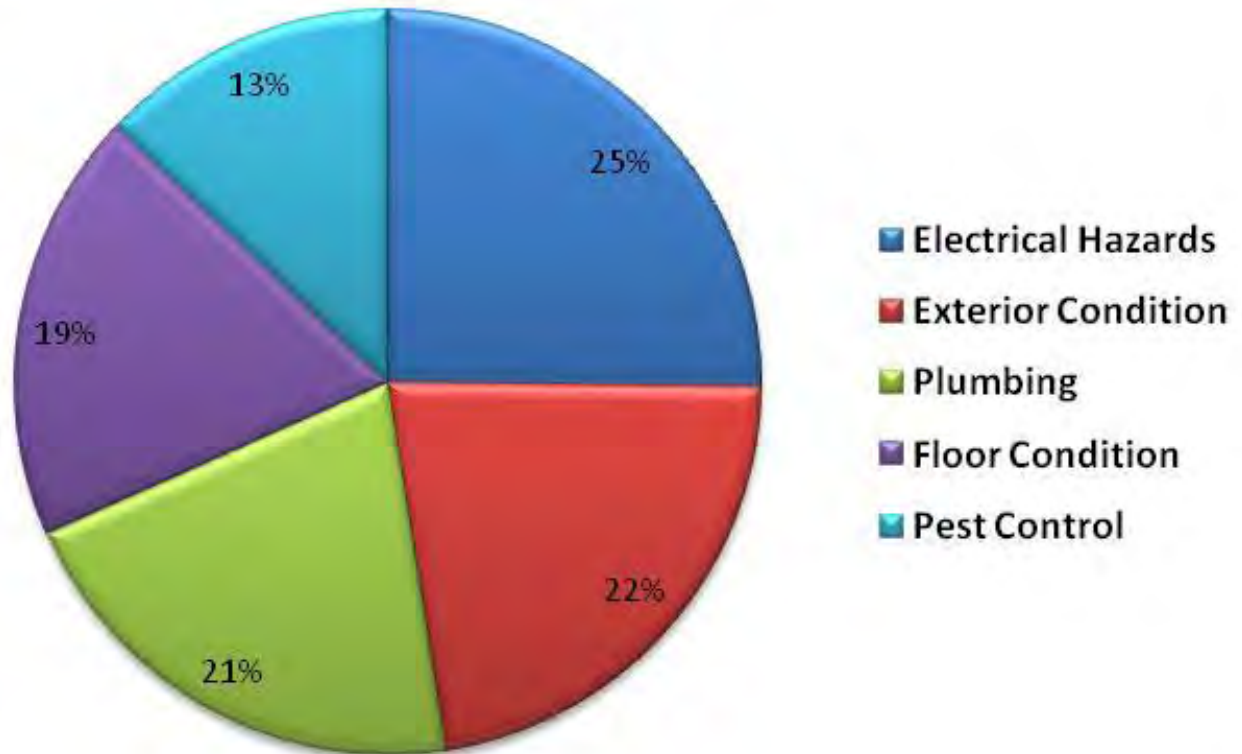
■ Entry Door

■ Caulking/Waterproofing

■ Electrical

■ Window Condition

Common Abatement Reasons



May – December 2015 Abatement Data

	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Abatement Status	78	81	80	119	83	72	60	48	621
Passed HQS	60	61	64	92	59	44	32	32	434
Pass before abatement	39	37	18	20	28	24	20	20	206
Pass after abatement	21	14	46	72	31	20	12	12	228
Cancellations	18	20	16	27	24	28	19	16	168
HAP Abated	\$7,400	\$10,000	\$12,800	\$24,200	\$4,600	\$6,500	\$14,500	\$9,800	\$89,800

- Approximately \$90,000 in HAP was abated from May to December

Jan-Mar 2016 Abatement Data

	Jan	Feb	Mar	Total
Abatements Status	107	83	120	310
Passed HQS	76	67	94	237
Pass before abatement	23	20	28	71
Pass after abatement	53	47	66	166
Cancellations	31	16	26	73
HAP Abated	\$19,048	\$15,246	\$20,884	\$55,178

- Approximately \$55,000 in HAP was abated from January through March 2016

Costs of Abatements

Annual Costs for Abatements
1015 Abatements
~ 3 inspections/abatement
~3045 Inspections
\$33,400 Admin Expenses (Inspector salaries, scheduling + admin, fuel, maintenance)
\$106,575 Annual Admin Expenses (projected)
Estimated Cost per Inspection: \$35
\$154,000 Annual HAP abated (projected)

Abatement Analysis

- Repeat Owners
 - These 600+ abatements represent 450 different owners or landlords
 - 81 owners had multiple abatements
 - 8 of which had 5 or more abatements
 - 3 of the 8 had 10 or more abatements
 - 12 owners had multiple contract cancellations
 - 2 of which had 5 or more contract cancellations
 - 5 of the 81 owners are on our hot list



Impacts of Abatement

- Additional time for inspectors, accounting staff, HCV staff
- 2-3 inspections per occurrence on abatement list multiply the impact on both staff and residents
- If contract cancels, residents must move burdening residents
- Additional admin burden to staff due to processing of new “move-in”
- Lost admin fees during time between contracts

Potential Solutions

- Landlord Support and Training Program
 - Underway and delivery anticipated to start in June (collaboration with CAA)
- Recovery of some financial losses through a waiver allowing us to charge fees for excessive inspections
 - Waiver submitted; potential HUD rule change
- Additional landlord outreach to increase the number of quality housing options for residents
 - New positions to support outreach
- Disallowance of landlords with repetitive issues
 - Three landlords in disallowance process



Support for Residents

- Cancellations due to inspections failure have adverse impact on residents
- Resident concerns
 - Funds to move not readily available
 - Poor credit history limits options
 - Moving is difficult and time consuming
 - Approx 1/2 were more concerned w/criminal activity in area and wanted to relocate if possible
 - Rent rates in North Fresno (and acceptance of voucher) limited mobility to this area
- Housing Navigator position developed and will be hired by the end of the week



Policy and Procedure Updates



Discretionary Owner Disapproval

- Applies to: owners, representatives, property management companies
 - Can apply to individual properties
- Overview of Causes
 - History of non-compliance with HQS
 - History of failing to terminate tenancy where appropriate
 - History of renting units that fail to meet State or local code
 - Has not paid State or local real estate taxes, fines or assessments



*From the Eyes of an
Inspector*