



Good Neighbors

San Diego
Housing Commission

- ◆ 1625 Newton Avenue
- ◆ San Diego, California 92113-1038
- ◆ 619/231 9400
- ◆ FAX: 619/544 9193
- ◆ www.sdhc.net

REPORT

DATE ISSUED: August 12, 2004

ITEM 100

REPORT: HCR04-60
For the Agenda of August 20, 2004

SUBJECT: Section 8 Management Assessment Program (Citywide)

SUMMARY

Issue: Should the Housing Commission approve the submission of the FY 2004 Section 8 Management Assessment Program (SEMAP) paper and electronic Certification and accompanying resolution to the Department of Housing and Urban Development (HUD)?

Recommendation: Authorize the Chief Executive Officer to execute the SEMAP Certification and submit it with the resolution to the HUD Los Angeles office by mail and electronically before August 30, 2004.

Previous Related Action(s): The Housing Commission has approved submission of the SEMAP Certification for past fiscal years; the most recent, FY03 was approved on August 15, 2003.

BACKGROUND

On October 13, 1998, HUD implemented the Section 8 Management Assessment Program to objectively measure a public housing agency's performance in key areas of the Section 8 tenant-based assistance program and to assign performance ratings. A housing authority may be rated as a high, standard or troubled performer.

The Code of Federal Regulation, Section 985.101 requires a housing authority that administers a Section 8 tenant-based assistance program to annually submit a SEMAP certification to HUD within 60 calendar days after the end of its fiscal year.



DISCUSSION

SEMAP consists of fourteen performance indicators that address key areas in the management of the Section 8 Voucher Program (Attachment 1). Each indicator has an assigned point value. A housing authority self certifies to each of the indicators and HUD verifies the housing authorities' SEMAP self certification through annual audits, submission of documents, and through a tenant reporting database system called the PIH Information Center (PIC), maintained by HUD.

For FY04 the Housing Commission achieved 15 of the maximum 20 possible points for Indicator #3, Adjusted Income. During this past year a new computer software system was implemented to improve automation of program requirements in conformance with regulatory changes. Comprehensive training was also provided for staff. Errors identified were attributed to the complexity of the new software, and staff has taken steps to work with the consultant to make the software more user-friendly. The Housing Commission continues to provide additional training and feedback as necessary to reduce the error rate. In past years, the Commission has achieved the maximum points for this indicator.

The Rental Assistance Program staff has audited tenant files and conducted quality control inspections to determine the present program performance and to prepare the Certification form. The overall SEMAP score is based on the cumulative scores of all fourteen indicators. Attachment 1 is a table of the SEMAP indicators, maximum points available for each indicator, and the Housing Commission's points based on the self-assessment certification (Attachment 2).

For FY04, the Commission's overall SEMAP rating is 97%. Housing authorities that achieve 90% and above are rated as high performers.

Respectfully submitted,

Approved by,

**Signature on File
With Original Document**

Patricia Zamora
Director, Rental Assistance

Elizabeth C. Morris
President and Chief Executive Officer

Information: Patricia Zamora (619) 578-7601

Attachments: 1. SEMAP Indicators
2. Self-Certification Form HUD 52648
3. Resolution

ATTACHMENT 1

**SEMAP INDICATORS
FY 04**

Performance Indicators	Maximum Points	SDHC Rating
1. Selection from the Waiting List	15	15
2. Reasonable Rent	20	20
3. Determination of Adjusted Income	20	15
4. Utility Allowance Schedule	5	5
5. Housing Quality Standards (HQS) Quality Control Inspections	5	5
6. HQS Enforcement	10	10
7. Expanding Housing Opportunities	5	5
8. Fair Market Rent (FMR) Limit and Payment Standards	5	5
9. Annual Reexaminations	10	10
10. Correct Tenant Rent Calculations	5	5
11. Pre-Contract HQS Inspections	5	5
12. Annual HQS Inspections	10	10
13. Lease-up	20	20
14. Family Self Sufficiency	10	10
Total Possible Points	145	140
Deconcentration Bonus	5	0
Total Points SDHC		140

ATTACHMENT 2

**Section 8 Management Assessment
Program (SEMAP)
Certification**

U.S. Department of Housing and Urban Development OMB Approval No. 2577-0215 (exp. 11/30/2006)
Office of Public and Indian Housing

Public reporting burden for this collection of information is estimated to average 12 hours 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. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions Respond to this certification form using the PHA's actual data for the fiscal year just ended.

PHA Name SAN DIEGO HOUSING COMMISSION	For PHA FY Ending (mm/dd/yyyy) 06/30/2004	Submission Date (mm/dd/yyyy) 08/20/2004
---	---	---

Check here if the PHA expends less than \$300,000 a year in Federal awards

Indicators 1 - 7 will not be rated if the PHA expends less than \$300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than \$300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

- Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))

(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

PHA Response Yes No

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

PHA Response Yes No
- Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)

(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

PHA Response Yes No

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

PHA Response At least 98% of units sampled 80 to 97% of units sampled Less than 80% of units sampled
- Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)

The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

PHA Response At least 90% of files sampled 80 to 89% of files sampled Less than 80% of files sampled
- Utility Allowance Schedule. (24 CFR 982.517)

The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

PHA Response Yes No
- HQS Quality Control Inspections. (24 CFR 982.405(b))

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

PHA Response Yes No
- HQS Enforcement. (24 CFR 982.404)

The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

PHA Response At least 98% of cases sampled Less than 98% of cases sampled

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).

Applies only to PHAs with jurisdiction in metropolitan FMR areas.

Check here if not applicable

(a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.

PHA Response Yes No

(b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.

PHA Response Yes No

(c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.

PHA Response Yes No

(d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.

PHA Response Yes No

(e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.

PHA Response Yes No

(f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.

PHA Response Yes No

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response Yes No

Enter current FMRs and payment standards (PS)

0-BR FMR <u>822</u>	1-BR FMR <u>939</u>	2-BR FMR <u>1175</u>	3-BR FMR <u>1636</u>	4-BR FMR <u>1928</u>
PS <u>842</u>	PS <u>962</u>	PS <u>1204</u>	PS <u>1676</u>	PS <u>1975</u>

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

PHA Response Yes No

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

PHA Response Yes No

11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)

PHA Response Yes No

12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))

PHA Response Yes No

13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

PHA Response Yes No

14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)

Applies only to PHAs required to administer an FSS program.

Check here if not applicable

PHA Response

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

358

0

or, Number of mandatory FSS slots under HUD-approved exception

b. Number of FSS families currently enrolled

413

c. Portability: If you are the initial PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

0

Percent of FSS slots filled (b + c divided by a)

115.00

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

Applies only to PHAs required to administer an FSS program.

Check here if not applicable

PHA Response Yes No

0

Portability: If you are the initial PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

- (1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;
 - (2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;
- or
- (3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response Yes No If yes, attach completed deconcentration bonus indicator addendum.

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

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)

Executive Director, signature

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy) _____

Date (mm/dd/yyyy) _____

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. _____

ADOPTED ON _____

WHEREAS, on October 13, 1998 the U.S. Department of Housing and Urban Development (HUD) established the Section 8 Management Assessment Program to objectively measure a public housing agency's performance standards in key Section 8 tenant-based program areas; and

WHEREAS, HUD has established performance indicators that address key areas in the management of the Section 8 Voucher and Certificate programs; and

WHEREAS, HUD has established a database system called the PIH Information Center (PIC), to monitor the housing authorities compliance with the designated performance indicators;

WHEREAS, CFR Section 985.101 requires a Housing Authority administering a Section 8 tenant-based assistance program to submit annually a Section 8 Management Assessment Program (SEMAP) Certification within 60 days after the end of the its fiscal year; and

WHEREAS, the SEMAP Certification is due to HUD as required by August 30, 2004;

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the San Diego Housing Commission as follows:

- 1) That the Chief Executive Officer or her designee is hereby authorized and directed to prepare a SEMAP Certification attesting that there is no evidence to indicate seriously deficient performance in the operation of the Housing Commission's Section 8 Program; and
- 2) That the Chief Executive Officer or her designee and Chairperson of the Housing Commission are hereby authorized to execute said Certification on behalf of the Housing Commission, and to submit same, along with a copy of this resolution, to the Los Angeles Office of the Department of Housing and Urban Development.

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of **RESOLUTION NO. _____** passed and adopted by the San Diego Housing Commission of the City of San Diego, California, on _____.

VOTE: Yeas -
 Nays -
 Absent –

By: _____
 Deputy Secretary

Approved as to form:

Christensen Schwerdtger & Spath LLP
General Counsel

By _____
 Charles B. Christensen, Managing Partner