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# San Diego Housing Commission (SDHC) Admissions and Continued Occupancy Policy Update Presentation to the SDHC Board of Commissioners May 12, 2023

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# SDHC Admissions and Continued Occupancy Policy

## Introduction

- SDHC administers the federal public housing program for 189 units in the City of San Diego.
- The U.S. Department of Housing and Urban Development (HUD) requires all Public Housing Authorities (PHA) to adopt a written administrative plan that establishes local policies for program administration.
- December 7, 1999: The Housing Authority of the City of San Diego delegated authority to the SDHC Board to approve future administrative changes to the Public Housing Occupancy Plan, now known as the Admissions and Continued Occupancy Policy (ACOP), that do not affect the selection preferences as approved by the Housing Authority.
  - The proposed ACOP revisions do not affect selection preferences.
- Policies are updated periodically and incorporate Moving to Work (MTW) initiatives adopted by the agency for other programs, legally-required updates, and verbiage clarifications.
- The proposed policy update is required under the Housing Opportunities Through Modernization Act (HOTMA).



# SDHC Admissions and Continued Occupancy Policy

## HOTMA Overview

- **HOTMA**
  - Enacted in 2016 to streamline administration of the rental assistance and public housing programs.
  - February 2023: HUD issued a final ruling that included changes to section 103 of HOTMA regarding the treatment of over-income households.
- **Impact on SDHC's public housing portfolio**
  - Terminate over-income public housing households from the program.

OR

  - Charge over-income public housing households an alternative rent amount based on the Fair Market Rent or the subsidy from HUD, whichever is higher.



# SDHC Admissions and Continued Occupancy Policy

## Current Policy

- **SDHC's current policy on over-income public housing households:**
  - Allows over-income households to remain in their unit.
  - ACOP states that when this Section 103 of HOTMA becomes legally effective, SDHC will adopt the alternative rent option, allowing residents to remain in place.
  - SDHC Board approved the updated ACOP on September 20, 2022.
- **Current status of over-income public housing households**
  - SDHC does not currently have any over-income public housing households.
  - Historically, few households have exceeded the income limit.
  - SDHC certifies income for public housing units every two years, based on move-in date.
    - 2023: 105 households certified to date.
    - 2024: 81 households scheduled for recertification.



# SDHC Admissions and Continued Occupancy Policy

## Over-income Limits

Household Size	*50% of AMI	Over-income Limit
1	\$45,550	\$109,320
2	\$52,050	\$124,920
3	\$58,550	\$140,520
4	\$65,050	\$156,120
5	\$70,300	\$168,720
6	\$75,500	\$181,200
7	\$80,700	\$193,680
8	\$85,900	\$206,160



# SDHC Admissions and Continued Occupancy Policy

## Policy Options

- **Option 1 (Current SDHC Policy): Continue to allow the family to live in the public housing unit and pay an alternative rent.**
  - The family will no longer be part of the public housing program.
  - A subsidy will no longer be received for this unit.
  - An alternative rent amount based on the higher of Fair Market Rent or the HUD subsidy will be charged.
  - The unit will be considered a non-public housing, over-income (NPHOI) household; however, they still reside in the public housing unit.
  - Considerations
    - An over-income household occupies a unit that would otherwise house a low-income household.
    - An over-income household would pay the alternative rent regardless of their income level.
    - There is no ceiling on over-income limitations.



# SDHC Admissions and Continued Occupancy Policy

## Policy Options (Continued)

- **Option 2: Terminate the over-income household from the program/unit.**
  - Family must exceed the over-income limit for 24 consecutive months before termination.
  - After those 24 consecutive months, the family will be given no more than six months from the date the third notice was issued before they are terminated.
  - No household would be displaced until September 2026 at the earliest.
  - The household must be over-income for a consistent 24-month period before the third notice is issued.
  - Considerations:
    - Finding alternative housing in a challenging housing market may be difficult, even with the higher income.
    - Currently, no public housing unit is over-income.



# SDHC Admissions and Continued Occupancy Policy Policy Options (Continued)

- SDHC staff recommends Option 1, SDHC's current policy, to allow residents to remain in the unit and pay an alternative rent.





# SDHC Admissions and Continued Occupancy Policy Staff Recommendations

## **That the SDHC Board of Commissioners (Board) take the following actions:**

- 1) Approve the revised Admissions and Continued Occupancy Policy for Public Housing, pursuant to the authority delegated to the SDHC Board by the Housing Authority of the City of San Diego (Housing Authority) in Housing Authority Resolution HA-1036.
- 2) Authorize SDHC's President and Chief Executive Officer (President & CEO), or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.



## Questions & Comments

