

MEMO TO: Board of Commissioners

April 27, 2020

FROM: Hank Abrashkin, Interim Executive Director

RE: Resolution Amending GHA's Section 8 Administrative Plan & Authorization of Acceptance of HUD Regulatory Waivers in PIH Notice 2020-05

In response to the COVID emergency, on April 10, 2020, HUD issued Public Housing Notice (PIH Notice) 2020-05, providing authority to PHAs to accept and implement a series of temporary "waivers" to program requirements. The Notice is broken down into a series of waiver sections or alternative requirements, some of which will benefit the GHA as it serves its tenant and its program needs over the coming months. Each of these waivers to HUD regulations and GHA policies, as stated in the Section 8 Administrative Plan (Admin Plan), has an expiration date stated in the Notice.

Under normal circumstances, an amendment to an Admin Plan must be adopted by the Board of Commissioners after a public hearing. However, the Notice states that, "recognizing the difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving requirements to allow the PHA administrative plan to be revised on a temporary basis without Board approval." Temporally adopted revisions must be adopted as soon a practical.

Therefore, I have directed staff to implement about 20 waivers authorized by HUD. I am asking the Board to adopt, by Resolution, an amendment to the Admin Plan, creating an "Emergency Temporary Waiver" sub-section that covers the Notice's emergency provisions that we are implementing. As each of the Notice's waiver provisions are self-expiring I do not anticipate further formal adoption of specific amendments to the Admin Plan will be necessary.

Attached to this memo is an 11-page chart, summarizing the 44 waivers offered under the Notice. The hand-written numbers on the left side of the chart correspond to those 44 waivers. The note in the "implementation" column offers our staff recommendation for each of the waiver items. "N/A" indicates that the section is "not applicable" to our situation, and there may be a brief note that a specific section may not be required as it is in effect by GHA's practice or management performance.

This memo will briefly detail the chart's numbered sections that I am recommending you include in the "Emergency Temporary Waiver" amendment. The numbers in the list below should be viewed in conjunction with numbered items in the chart.

The waivers, as they apply to the GHA, and as recommended, are as follows:

1. PHA Annual Plan - No Action Needed -As a non-troubled PHA, with fewer than 550 Section 8 Vouchers, the GHA is a "qualified PHA" and does not have to submit an Annual Plan. The GHA's 5-Year Plan was approved in 2016.

2. Delayed Annual Reexaminations - Accept, and Authorize the Executive Director to Implement, As Needed – The vast majority of the GHA’s 481 voucher holders are scheduled to re-certified in the coming seven months. We recommend this waiver be accepted, which allows reexaminations to be delayed until December 31, 2020. GHA staff will continue its work sending out reexamination documents and verifications for residents whose re-certifications are due later in 2020, and complete reexaminations as they become complete. The waiver will allow the process to be suspended if the work becomes too burdensome or the yield is determined to be inefficient.

3. Use of Resident Self-Certification of Income Information as an Acceptable Method on Annual Re-Examinations - Accept – HUD provides PHA’s with a “hierarchy” of acceptable income verification methods, with use of HUD’s Enterprise Income Verification system at the top of the verification hierarchy. HUD is allowing PHA’s to waive mandatory use of EIV, and implement other methods of verification. HUD recognizes that employers might not be able to interface with the IRS on employee income, etc. Self-Certification is the bottom tier of the hierarchy. The waiver requires that if self-certification is used the resident agrees that use of this method will be confirmed through EIV at a later date, and a correction to rent calculations and resident repayment of extra rent paid to landlords rent might be required.

4. Use of Resident Self-Certification of Income Information as an Acceptable Method on Interim Re-Examinations - Accept -Same rational as #4 above.

5. Suspend Use of EIV for Other Requirements - Accept – HUD requires PHA’s to utilize EIV for other reporting requirements that might also be delayed or incorrect as a result of failure of proper reporting to EIV during the COVID crisis.

6. Extension of Family Self Sufficiency (FSS) Contracts Through 2020- Accept - FSS families require special re-qualification methods including face-to-face meetings. This waiver would allow those FSS Contracts to be extended through the end of the 2020.

7. Waiver of Notice of Closing Application Taking – Accept- The GHA uses a centralized Waiting List (a cooperative with other PHAs) for taking applications and maintaining our waiting list for the Section 8 program. The list is always “open” for taking new applications. This waiver would be utilized only in the event that the centralized Waiting List administrative staff suddenly suspends business and the GHA can not provide advance public notice of the closure, as is required. This provision expires July 31, 2020.

8. Owner Self-Certification of Initial Housing Quality Standards (HQS) Inspections – Accept. Properties receiving Section 8 subsidy require a physical condition inspection. This is done prior to initial occupancy. The GHA does not want its inspector and landlords to interact, as they do during inspections. This waiver would allow, prior to July 31, 2020, Initial Inspections to be performed by the landlord, who would self-certify that there are no life-threatening conditions in the unit. The GHA inspector would perform an inspection before October 31.

10. Owner Self-Certification of Initial Housing Quality Standards (HQS) Inspections Non-Life-Threatening Fails--Accept. This waiver allows for non-life threatening issues identified at initial inspection to be repaired by the landlord within the first 30-days of tenancy. (New residents would be asked to report on any problems they find in the unit). This waiver would require GHA inspections to be performed by October 31. The GHA currently has two prospective voucher holders ready to lease up, both in the apartment where they currently reside.

11. Alternate Initial HQS Inspections – Accept - Under current rules a PHA may make HAP payments retroactive to the beginning of the lease term once the unit has been determined to meet HQS standards. Inspections of the unit must occur within 15 days of the Request for Tenancy Approval. HUD is waiving the requirement that the PHA must conduct its own initial inspection of the unit in order to commence making assistance payments under the Initial Inspection. The waiver allows a PHA to commence assistance payments at the beginning of the lease term based on the owner's certification that there are no life threatening conditions in the unit. This waiver expires July 31, 2020, and GHA staff do not anticipate it being used. If it were, the unit would be inspected by the GHA prior to October 31, 2020, as required.

12. HQS Inspection Requirement –Biennial Inspections - Accept – PHA's are allowed to inspect properties every other year, under certain conditions. As a result of the age of housing stock in Greenfield, the GHA has chosen to inspect units annually. This waiver allows for a delay in inspections being conducted through October 31. The GHA is scheduled to conduct 160+ inspections in May, June and July, so this waiver is vital. The timeline of this waiver is so unforgiving because annual or biennial inspections are required by Statute. (Andi and Ann are working to ensure that the GHA has sufficient personnel capacity to conduct required inspections in addition to those planned for August, September and October.)

13. Alternative Methods for Interim HQS Inspections - Accept – Residents or the Board of Health can request a special inspection, called an "interim inspection" of a unit. Acceptance of this waiver would, through July 31, 2020, provide that the landlord would be allowed to provide the GHA with alternative methods (photograph, bill from a contractor or tenant certification) of verification that a required repair had been made.

16. HQS Quality Control Inspections - Accept -HUD is waiving Quality Control Inspection requirements, a component of SEMAP assessment, and audit requirements, through October 31. They would commence again at that time.

17. HQS Space and Security Requirements Waived -Accept – HUD anticipates that during the COVID crisis and its economic repercussions, that additional household members may need be added to the household leases. Landlords and the PHA may agree to waive their occupancy standards to allow, through April 10, 2021, those additional family members to sleep in a living room, for example, without running afoul of HQS requirements.

19. Temporary Waiver of Section 8 Administrative Plan – By Adoption of This Resolution -As stated above, HUD is waiving the requirement that amendments to the Admin Plan be made by formal amendment to the Plan, and is allowing the Plan and to be revised on a temporary basis without Board approval. Any informally adopted revisions under this waiver authority must be formally adopted no later than July 31, 2020. You are being asked to do this tonight. Adoption of this Resolution provides the Board’s endorsement of the actions taken by the GHA during this crisis.

20. Waiver of Oral Briefings. Accept – Before participants are issued a voucher an orientation briefing is held. These are done face-to-face, in a manner that would be unsafe currently. While Ann is seeking alternative ways to conduct new tenant orientations (possibly by video) the GHA seeks a waiver, through July 31, 2020, to allow voucher issuance without the requirement that a briefing be held.

21. Voucher Search Time Extensions- Accept. The GHA currently has about 20 voucher holders searching for apartments. The crisis will make it difficult for these families to find and lease up units within the usual initial search time of 60 days. HUD is waiving the need for a family to request and be granted an extension through July 31. All families will be notified of the additional 60 days.

23. Absence from Unit - Accept - The regulation requires that a family member may not be absent from the home for a period of more than 180 consecutive calendar days. HUD is waiving this requirement to allow the PHA to continue housing assistance payments and not terminate the HAP contract due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes, caring for family members). The waiver expires December 31, 2020.

24. Extension for Automatic Termination of Voucher. Accept - When a family’s income increases to the level that the HAP payment is reduced to \$0, PHAs are required to terminate the HAP contracts six months following the last payment to the owner, and re-capture the Voucher. In recognition that the COVID-19 emergency is creating unknown economic instability and might create situations where families might be adding members whose additional income may result in a \$0 HAP subsidy calculation, HUD is waiving this requirement. The waiver would allow an extension of the 6 month time period. The extension may not extend beyond December 31, 2020.

25. Increase in Payment Standard. Accept - The current regulation requires that if the payment standard amount is increased during the term of the HAP contract, the PHA shall use the higher increased payment standard for the family beginning at the family’s first regular reexamination on or after the effective date of the increase in the payment standard amount. In the GHA’s case, payment standards increased January 1, 2020. HUD is expanding the requirement to allow PHAs to apply the increased payment standard at any time (e.g., interim reexamination, owner rent increase) after the effective date of the increase in the payment standard amount. The GHA will incorporate the higher payment

standard for any re-examination whose effective date is May 1 or after. This will benefit tenants.

41. Extension for Financial Reporting and Auditing Deadlines – Accept – The waiver allows for a six month extension for completion of financial reporting and completion of the FY-20 audit. Gary DePace, the GHA's Fee Accountant believes he will not require the extension, but acceptance protects the GHA's interests.

42. Extension from 60 to 90 Days to Complete Individual 50058 Reporting – Accept – HUD requires information on voucher holders be collected, stored, and submitted to HUD on a Form 50058. Each "action" – rent change, inspection, change in family composition, inspection, etc. – requires a submission to HUD. Recognizing the strain that the COVID crisis might cause, HUD is extending its reporting deadline from 60 to 90 days following an "action" on a Section 8 family's file.