

Housing Authority of Travis County

502 East Highland Mall Blvd.,
Suite 106-B
Austin, Texas 78752

T : (512) 480-8245
F : (512) 480-8248
W : www.hatctx.com

HATC Action Item 6C.
February 2, 2017

Resolution No. HATC-2017-02: To Amend the Housing Choice Voucher (HCV) Administrative Plan by redefining commencement dates for new Housing Assistance Payment (HAP) Contracts for New Admissions and Unit Transfers.

WHEREAS, The HATC Housing Choice Voucher (HCV) Administrative Plan provides a framework for the management and administration of the HCV Program; and

WHEREAS, Periodic amendments to HATC Board-adopted Plan are necessary in order to accommodate legislative changes, and in consideration of current trends and best practices; and

WHEREAS, Establishing specific dates for HAP Contracts to be conferred will result in greater staff efficiency, and cost savings for the overall Voucher Program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of HATC hereby:

1. Approves Resolution No. HATC,
2. Authorizes the CEO/Executive Director to execute all necessary documents and extensions.

Passed and approved the 2nd day of February 2017.


John Hernandez, Chair, Board of Commissioners

Attested and approved as to form:



Patrick B. Howard, CEO/Executive Director

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Resolution No. HATC-2017-02: To Amend the Housing Choice Voucher (HCV) Administrative Plan by redefining commencement dates for new Housing Assistance Payment (HAP) Contracts for New Admissions and Unit Transfers.

Background Information:

HATC adopted new policy to enter into new contracts on the 1st and 15th for implementation on December 1, 2016. Because HATC serves vulnerable populations, limiting the contract dates could result in prolonged homelessness. However, HATC must also consider the most economical manner in which to utilize funds efficiently.

This proposed amendment would establish a framework whereby HATC would only enter into a HAP Contract with landlords on the 1st for all unit transfers for current tenants under HAP contract/ lease.

Furthermore, this amendment would allow for new HAP contracts for new admissions to be commenced any day of the month following a passed inspection and signed lease.

Associated Reference: 24 CFR 982.311 - *When Assistance Is Paid*

Requested Action:

Consideration and appropriate action regarding Resolution No. HATC-2017-02, To Amend the Housing Choice Voucher (HCV) Administrative Plan by redefining commencement dates for new Housing Assistance Payment (HAP) Contracts for New Admissions and Unit Transfers.

Alternate Option:

The Board of Commissioners could elect to Not Amend the Housing Choice Voucher (HCV) Administrative Plan to redefine commencement dates for new Housing Assistance Payment (HAP) Contracts for New Admissions and Unit Transfers.

Fiscal Impact:

Entering into contracts on the 1st for all unit transfers for current tenants under HAP contract/ lease would result in cost savings in the Voucher Program, and thus creating more opportunity to provide vouchers to more families on the Waiting List.

Since HUD pays an Administrative Fee for every file leased on the 1st of the month, HATC anticipates receiving an increase in Administrative Fees.

The proposed amendment would alleviate staff's workload by processing contracts more quickly and efficiently and reduce the number of adjustments that are processed monthly.

In addition, the proposed amendment would allow commencement dates for HAP contracts of new admissions to begin any day of the month following a passed inspection and signed lease in order to avoid homelessness.



Attachments:

- A. 24 CFR 982.311
- B. Proposed Amended Administrative Plan Excerpt

Prepared by:

Christina Montes, *Director of Housing Operations*

Approval:

A handwritten signature in blue ink that reads 'Patrick B. Howard'. The signature is written in a cursive style and is positioned above a horizontal line.

Patrick B. Howard, *CEO/Executive Director*

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24 CFR 982.311 - When assistance is paid.

(a) Payments under HAP contract. Housing assistance payments are paid to the owner in accordance with the terms of the HAP contract. Housing assistance payments may only be paid to the owner during the lease term, and while the family is residing in the unit.

(b) Termination of payment: When owner terminates the lease. Housing assistance payments terminate when the lease is terminated by the owner in accordance with the lease. However, if the owner has commenced the process to evict the tenant, and if the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner in accordance with the HAP contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. The PHA may continue such payments until the family moves from or is evicted from the unit.

(c) Termination of payment: Other reasons for termination. Housing assistance payments terminate if:

(1) The lease terminates;

(2) The HAP contract terminates; or

(3) The PHA terminates assistance for the family.

(d) Family move-out.

(1) If the family moves out of the unit, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

(2) If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.



9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]

HAP contract is a written agreement between HATC and the owner of the dwelling unit occupied by a housing choice voucher assisted family. Under the HAP contract, HATC agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements.

The HAP contract format is prescribed by HUD.

If HATC has given approval for the family of the assisted tenancy, the owner and HATC execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a) (2)].

HATC is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

HATC must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

HATC may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, HATC will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and HATC may not pay any housing assistance payment to the owner.

HATC Policy

Owners who have not previously participated in the HCV program will be sent HATC "Landlord Participation".

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to HATC. HATC will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and HATC will execute the HAP contract. HATC will not execute the HAP contract until the owner has submitted IRS form W-9. HATC will ensure that the owner receives a copy of the executed HAP contract.

HATC Proposed Policy

For all unit transfers, HAP contracts may only begin on the 1st of the month following a passed inspection if a tenant is currently under a HAP contract/ lease. HAP contracts for all new admissions or tenants not under contract/ lease may begin on any day following a passed inspection and signed lease.

13-II.C. HAP CONTRACT PAYMENTS

General



During the term of the HAP contract, and subject to the provisions of the HAP contract, HATC must make monthly HAP payments to the owner on behalf of the family, by the first week of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

The amount of the HAP payment is determined according to the policies described in Chapter 6, and is subject to change during the term of the HAP contract. HATC must notify the owner and the family in writing of any changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

HATC Policy:

HAP contracts will only be entered into with a landlord on the 1st and 15th of the month following a passed inspection and tenant move in.

HATC Proposed Policy

For all unit transfers, HAP contracts may only begin on the 1st of the month following a passed inspection if a tenant is currently under a HAP contract/ lease. HAP contracts for all new admissions or tenants not under contract/ lease may begin on any day following a passed inspection and signed lease.