

**City of Culver City, California
Agenda Item Report**

Meeting Date: 08/23/2010		Item Number: <u>C-7</u>	
CITY COUNCIL AGENDA ITEM: Certification of the Section 8 Management Assessment Program (SEMAP) and Enterprise Income Verification (EIV) Policies and Procedures and Authorization to File the SEMAP with the U. S. Department of Housing and Urban Development (HUD).			
Contact Person/Dept.: Tevis Barnes, Mona Kennedy- Community Development Department/Housing Agency		Phone Number: (310) 253-5782	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Agendas and Meetings – City Council (08/18/10)			
Department Approval: Sol Blumenfeld: (08/11/10)		City Attorney Approval: Carol Schwab (by H. Baker) (08/18/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (08/18/10)		City Manager Approval: John M. Nachbar (08/18/10)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: 1) Certify the Section 8 Management Assessment Program (SEMAP); and, 2) Authorize the Mayor and the City Manager to execute the SEMAP Certification on behalf of the City and authorize its submission to the U.S. Department of Housing and Urban Development (HUD); and, 3) Approve the Enterprise Income Verification (EIV) policies and procedures as required by the U.S. Department of Housing and Urban Development. <u>BACKGROUND:</u> SEMAP: On September 10, 1998, HUD established SEMAP. SEMAP was designed to assist HUD with measuring the performance of Public Housing Agencies (PHAs) that administer the Section 8 Housing Choice Voucher (HCV) Program. Under SEMAP, PHA's conduct a "self-evaluation" based on fourteen (14) HUD defined indicators (24 Code of Federal Regulations Section 985.1 – 985.3). A score of 60% or higher must be received to remain in good standing with HUD. These indicators are as follows:			

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1. Selection of applicants from the waiting list
2. Reasonable rent
3. Determination of the adjusted income
4. Utility Allowance Schedule
5. Housing Quality Standard (HQS) Control Inspections
6. HQS Enforcement
7. Expanding housing opportunities
8. Payment Standards
9. Annual program participant reexamination
10. Correct tenant rent calculation
11. Pre-Contract HQS Inspection
12. Annual HQS Inspections
13. Lease-up
14. Family Self Sufficiency

PHA's are required to transmit their SEMAP certification via the Internet within sixty (60) calendar days of fiscal year end (or no later than August 29, 2010).

DISCUSSION:

The Culver City Housing Agency (CCHA) is required to perform its own self-evaluation under SEMAP on an annual basis. In order to accurately complete this certification, sixteen (16) randomly selected Section 8 HCV Program participant case files were evaluated. The number of files and file selection methodology is defined in 24 Code of Federal Regulations (CFR) section 985.2. In summary the CCHA self certification score is 123 points out of 145 points or 85% (this score is above the minimum required score of 60%). The scoring of each indicator is attached. (Attachment 1).

ENTERPRISE INCOME VERIFICATION (EIV):

The Enterprise Income Verification (EIV) System was developed by HUD for the primary purpose of reducing subsidy payment errors as a result of program participant under and non-reporting of income and to ensure that limited federal resources serve as many eligible families as possible. EIV facilitates more timely and accurate verification of program participant -reported income at the time of mandatory annual and interim re-examination of household income. EIV was also designed to maintain data quality, integrity, and to prevent fraud and abuse.

The EIV System allows the CCHA to verify each working household member(s) wages and employment information, unemployment compensation, and Social Security Benefits (SS/SSI). EIV also assists the CCHA to:

- Detect abuse of the Section 8 HCV Program.
- Take administrative or legal actions to resolve past and current abuse.

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- Deter abuse by verifying the income of program participants at the time of annual and interim re-examinations.

HUD has recommended the CCHA implement policies and procedures with reference to the EIV system. The documentation attached has been recommended by the HUD Los Angeles Area Field Office for implementation.

The EIV policies and procedures documentation includes the following information:

- Types of Upfront Verification of Income Provided by EIV
- What EIV Participant Data Is Used For
- Examples of Privacy Act Violations
- CCHA Security Officers
- Security Awareness Training
- Technical Safeguards
- Administrative Safeguards
- Physical Safeguards
- Reporting Improper Disclosures
- Safeguards Provided by the Privacy Act

FISCAL ANALYSIS:

HUD requires submission of SEMAP to ensure continued funding. For Calendar Year 2010, the Section 8 HCV Program is budgeted for approximately \$1.65 million. These funds are recognized in Fund 426-Section 8 Fund.

ATTACHMENTS:

- 1) CCHA Indicator Scoring
- 2) SEMAP Certification (HUD Form 52648)
- 3) EIV Policies and Procedures

MOTION:

That the City Council:

- 1) Certify the Section 8 Management Assessment Program (SEMAP); and,
- 2) Authorize the Mayor and the City Manager to execute the SEMAP Certification on behalf of the City and authorize its submission to the U.S. Department of Housing and Urban Development (HUD); and,
- 3) Approve the Enterprise Income Verification (EIV) Policies and Procedures as required by the U.S. Department of Housing and Urban Development.