

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

Meeting Date: 08/17/2009		Item Number: <u>C-2</u>	
CITY COUNCIL AGENDA ITEM: Approval of the Certification and Submission of the Section 8 Management Assessment Program (SEMAP) to the U. S. Department of Housing and Urban Development (HUD).			
Contact Person/Dept.: Tevis Barnes, Mona Karroum- 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: (E-mail) Meetings and Agendas - City Council (08/12/09)			
Department Approval: Sol Blumenfeld (07/29/09)		City Attorney Approval: Carol Schwab (by H. Baker) (08/03/09)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (08/05/09)		City Manager Approval: Mark Scott (08/12/09)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council: 1) Approve the certification and submission of the Section 8 Management Assessment Program (SEMAP) to the U.S. Department of Housing and Urban Development (HUD); and, 2) Authorize the Mayor and the City Manager to execute the SEMAP Certification. <u>BACKGROUND:</u> On September 10, 1998, the U.S. Department of Housing and Urban Development (HUD) established the Section 8 Management Assessment Program (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" that is based on fourteen (14) key indicators. These indicators are as follows: 1. Selection of applicants from the waiting list 2. Reasonable rent 3. Determination of the adjusted income 4. Utility Allowance Schedule			

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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 (August 29, 2009).

DISCUSSION:

The Community Development Department (CDD), Housing Division, is required to perform its own self-evaluation under SEMAP on an annual basis. In order to accurately complete this certification, ten (10) randomly selected Section 8 HCV Program participant case files were evaluated.

Outlined below is the scoring of Key Performance Indicators (KPI). These eight (8) KPIs were highlighted based on the fact that they outline the essential core functions of Section 8 HCV Program case management and program participant file maintenance. The following KPIs not highlighted in this report including: Indicators 1 (Selection of Applicants from the Waiting List); 4 (Utility Allowance Schedule); 6 (HQS Enforcement); 8 (Payment Standards); and 9 (Annual Program Participant Reexamination) received a score of one hundred percent (100%). In summary, the City self-certification score is 120 points out of 145 points or 83% (this is considered a standard performance rating) based on the following evaluation.

Indicator 2 – Reasonable Rent –Ten (10) files from the survey sample had proper documentation for this category. Files resulted in a one hundred percent (100%) performance result.

Indicator 3 – Determination of Adjusted Income – The survey resulted in a ninety-one (91%) performance rating. This high score in calculating adjusted income and calculating correct tenant rent is directly related to the creation of an internal Rent Calculation Worksheet for each file managed by the housing staff. Additionally, the supervisor reviews each file upon completion.

Indicator 5 – Housing Quality Standard (HQS) Control Inspections – The Housing Division remains in full compliance in FY 2008/2009 in terms of performing and subsequently auditing annual inspections. Ten (10) HCV Program participant files were randomly selected and the Senior Structural Rehabilitation Specialist re-

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inspected the units to ensure HQS compliance. Files resulted in a one hundred percent (100%) performance result.

Indicator 7 – Expanding Housing Opportunities - Our strategy to encourage owner participation of units outside of poverty areas and to minimize concentration of subsidized households is implemented by our increased efforts to enhance property owner outreach. A strong relationship with property owners is essential to maintaining existing and attracting greater property owner participation which results in expanded housing opportunities. The activities created to maintain and attract property owners to participate in the Section 8 HCV Program include small gestures like giving hand-written “thank you” notes to property owners who participate in our housing programs and also giving twenty-five dollar (\$25) gift cards to property owners who enter into new leases through our Section 8 HCVP Program. To maintain excellent customer service, staff responds to owner and participants telephone calls within twenty-four (24) hours. Inspections for new lease-ups or rent increases are also scheduled either the same day or within twenty-four (24) to forty-eight (48) hours.

This year we will hold our sixth annual Property Owner Appreciation Dinner on August 13, 2009 at the Radisson Hotel. This year’s Mardi Gras themed dinner is held to recognize outstanding property owners who both manage and maintain their property in an excellent manner. Approximately sixty-five (65) people are scheduled to attend this event. A Certificate of Appreciation and a small gift will be presented to each attendee.

Housing staff continues to seek out new strategies to improve owner participation. Some of these new strategies include:

- Working with BIG Imagination, a local public relations agency, to help create and facilitate our outreach/public relations campaign.
- Hosting “The Art of ...Affordable Housing” on June 17, 2009 where local developers and housing advocates met to help educate the public on affordable housing.
- Creating the HQS Grant which allows qualified owners with failed properties to participate in a \$500.00 reimbursement towards the improvement of their property.
- Informing property owners of our Neighborhood Preservation Program (NPP) which provides grants to address deferred maintenance.

Our strategies to encourage property owners to continue participation in the Section 8 HCV Program resulted in 100% for this Indicator.

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Indicator 10 – Correct Tenant Rent Calculations – Compliance is at one hundred percent (100%). To assure continued one hundred percent (100%) compliance in this area, staff will be given ongoing training to stay abreast of any changes in HUD rules and regulations.

Indicator 11 and 12 – Pre contract HQS Inspections and Annual HQS Inspections – One hundred percent (100%) of all units newly leased passed the HQS inspection before the execution of a lease and Housing Assistance Payment (HAP) contract. Additionally, one hundred percent (100%) of all units undergo an annual inspection. Housing staff also guarantees that initial inspections will be scheduled within forty-eight (48) hours.

Indicator 13 – Lease-Up – The Housing Division is currently below the required lease-up percentage. HUD requires a lease-up rate of at least ninety-five percent (95%). Currently the lease-up rate is 80%. The Housing Agency continues to aggressively pull eligible households from our Section 8 HCV Program Waiting List. Vouchers are issued each month for applicants that are found to have preliminary eligibility. Based on a vacancy rate of less than two percent (2%), and rents far above the HUD allowed Fair Market Rent (FMR), securing an affordable unit is challenging.

As stated above, and with the challenging vacancy rate and high rents, the Housing Division entered into a contract with BIG Imagination, to assist in putting a new face on affordable housing by creating consumer friendly marketing materials and brochures that will help to “Tell our Story”. The Housing Division is very encouraged that this marketing/public relations campaign and outreach will assist in increasing property owner participation. On June 17, 2009 the Housing Division hosted the Art of Affordable Housing Workshop. There were over seventy-five individuals in attendance. This workshop included a panel of housing advocates and developers that discussed the fundamentals of affordable housing.

The City Council also recently renewed the contract with St. Joseph’s Center to provide Housing Relocation Specialist services. St. Joseph’s Center will continue to assist the Housing Division with housing relocation services for the Section 8 HCV Program and help participants to utilize their vouchers by connecting families with potential property owners and assisting them in the housing search. The Housing Relocation Specialist will work with each family in selecting the area in Culver City in which they will live, ensuring that the family’s new home has easy access to community amenities such as bus stops, grocery stores/shopping, public schools, libraries, hospital/healthcare, parks and recreation facilities and child-care providers. The Housing Relocation Specialist will also identify resources and provide referrals to each family depending upon their needs.

Indicator 14-Family Self Sufficiency- Since 1999 the Housing Division has been awarded approximately \$521,900 to assist Section 8 HCVP participants achieve their goal of self sufficiency. It is hoped that an award amount will be granted this

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year. St. Joseph's Center was recently reselected to provide case management services and function as the FSS Coordinator. Over the past year participation in the Family Self Sufficiency Program has more than tripled and the FSS Coordinator continues to outreach and increase these numbers.

FISCAL ANALYSIS:

HUD requires submission of SEMAP to ensure continued funding. For Calendar Year 2009, the Section 8 HCV Program is budgeted for approximately \$1.65 million. These funds are recognized in Fund 426-Section 8 Fund (42654100).

ATTACHMENTS:

- 1) SEMAP Certification (HUD Form 52648)

MOTION:

That the City Council:

1) Approve the certification and submission of the Section 8 Management Assessment Program (SEMAP) to the U.S. Department of Housing and Urban Development (HUD); and,

2) Authorize the Mayor and the City Manager to execute the SEMAP Certification on behalf of the City.