

## **Overview of Proposed Changes to the Sonoma County Housing Authority Administrative Plan Public Hearing on July 16, 2025**

Below is a summary of changes being proposed to the Sonoma County Housing Authority Administrative Plan. This summary is intended to provide a broad overview of what has been determined to be substantive changes. Interested parties are encouraged to review the red-lined changes to the Administrative Plan. All red-lined chapters are available for review on-line at: <https://share.sonoma-county.org/link/ODyut98iWkA/> or in person at the office of the Sonoma County Housing Authority located at 141 Stony Circle, Suite 210.

### **Chapter 00. Introduction**

**Introduction, pages 1-5.** Provides background information related to the Housing Opportunity Through Modernization Act (HOTMA) and the implementation of the National Standards for the Physical Inspection of Real Estate (NSPIRE) .

### **Chapter 1. Overview of the Program and Plan**

There are no substantive changes to Chapter 1.

### **Chapter 2. Fair Housing and Non-Discrimination**

There are no proposed changes to Chapter 2

### **Chapter 3. Eligibility**

**3-I.B, page 4.** At HOTMA implementation date, amends the definition of “Family” to include otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days

**3-I.K, pages 9-10.** Adds back in the pre-HOTMA definition of a foster child and foster adult

**3-I.M, page 12.** Provides flexibility for adding a Live-In-Aid when a disability related need is apparent or known to the Housing Authority.

**3-II.C, pages 19-20.** Removes allowable delay and previous exemption for providing complete and accurate social security number.

**3-III.C, page 29-30.** Delays the restriction on asset limitations until the HOTMA compliance date and adds in that Housing Authority’s do not have discretion to NOT enforce the asset limitation at admission.

**3-III.C, page 31.** Adds in a policy for geographical hardship for when a household owns a home which is habitable. Adds an explanation that real property may not be excluded from asset limitations under any circumstances.

### **Chapter 4. Application Waitlist and Tenant Selection**

**4-II.B, page 5.** Clarifies that the Housing Authority will maintain separate waitlists for the Housing Choice Voucher program, the Mainstream Voucher program, and Project Based voucher programs.

**4-III.C, page 14-17.** 1) Adds point values to certain local preferences 2.)Clarifies that some homeless preferences are available even when the waitlists are closed to other applicants; 3) Removes preference for persons transitioning out of a mental health institution or other segregated setting; 4) Adds preferences for the new Mainstream Voucher Program Waitlist.

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## Chapter 5, Briefing and Voucher Issuance

**5-I.B, page 2.** Provides clarity on the Housing Authority's policy for notifying a family of their eligibility for assistance and requirement to attend a briefing.

**5-I.B, page 3-6.** Provides an option for a pre-recorded briefing video to be reviewed in lieu of an in-person or telephonic briefing.

**5-I.B, page 5-8.** Updates requirements for oral briefings to remove irrelevant requirements and updates the requirements for documents to be included in briefing packets.

**5-II.D, page 15.** Clarifies that the PHA will issue a voucher to an eligible applicant family within 60 days of determining eligibility. Also updates the allowable dates for income verification.

## Chapter 6A , Income, New Chapter

This chapter is entirely new and therefore contains no red line changes. The chapter reinstates pre-HOTMA rules related to income calculation for rental assistance programs

## Chapter 6B, Income and Subsidy Determinations Under HOTMA 102/104

**Part I, page 6B-2.** Clarifies that income will be calculated using gross wages, before wage garnishments.

**6-I.D, page 6B-11.** Clarifies that income earned as a seasonal worker or day-laborer is NOT considered non-recurring income and will be used in income calculations.

**6-I.F, page 6B-14.** Clarifies that income earned from 'gig-work' such as rideshare drivers, babysitters, etc is NOT considered non-recurring income and will be used in income calculations.

**6-I.G, pages 6B 16-17.** Removes pre-HOTMA income rules related to student financial assistance.

**6-I.G, pages 6B 18-20.** Clarifies that student financial aid that exceeds actual covered costs for education is to be included in the income calculation and provides the process for when and how the student financial assistance is counted based upon circumstances.

**6-I.H, pages 6B-22-23.** Provides clarification on what the Housing Authority may consider a periodic payment for purposes of income calculation.

**6-I.I, page 26.** Removes the flexibility to extend excluded income beyond 1 year. Clarifies that in-kind donations received by friends and family are included as income.

**6-I.M, pages 29-35.** Updates the HUD allowable list of income exclusions.

**6-II.C, pages 43-44.** Provides clarification as to when and how the Housing Authority will count income received from a Trust.

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**6-II.C, page 45.** Clarifies how the Housing Authority should count or exclude tax refunds.

**6-III.D, pages 51- 52.** Clarifies that the Housing Authority will use the current IRS Publication 502 as a standard for determining eligible medical expenses.

**6-III.F, page 56.** Removes Earned Income Disallowance (EID) provisions from childcare expense deductions. The EID program has been ended by statute.

**6-IV.C, pages 6B-67-69.** Addresses regulatory changes related to changes in payment standards related to when and how changes (increases or decreases) will be applied. The Housing Authority policy to not decrease payment standards for those households in existing leases remains the same. The Housing Authority will only apply increases in payment standards at the family's first regular or interim reexamination. If a family unit size changes during the term of a HAP contract, the new payment standard will be applied when a new HAP contract is executed.

**6-IV.D, page 6B-70.** Clarifies that the Housing Authority will utilize its existing utility allowances even when an owner charges a flat fee for utilities and also clarifies that if a PBV project has a site-specific utility allowance that the Housing Authority will utilize that utility allowance schedule.

**EXHIBIT 6-1, pages 6B-73-77.** Adds the regulatory definition of income

**EXHIBIT 6-2, page 6B-78.** Adds regulatory language related to Net Family Assets.

**EXHIBIT 6-3, pages 6B-79-80.** Adds regulatory language related to Welfare Benefit Reduction

### **Chapter 7A, Verification, New Chapter**

This chapter is entirely new and therefore contains no red line changes. The Chapter reinstitutes pre-HOTMA rules related verification requirements

### **Chapter 7B, Verification Under HOTMA 102/104**

**7.I.A, page 2.** Requires that a household member who turns 18 years of age between annual recertifications must sign Housing Authority forms within 10 business days of turning 18.

**7.I.C, pages 5-6.** Adjusts the process for annual recertification related to fixed income sources to eliminate unnecessary processes.

**7.I.F., page 11-12.** Provides flexibility in calculating income when income is seasonal or fluctuating in nature so that income reflected is accurate. Also provides for when the Housing Authority may or will request written third-party verification of income.

**7-III.C, page 25.** Changes requirement for applicants to provide verification of Social Security and SSI benefits from something current within the past 120 days to appropriate benefit year.

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**7.III.D, page 26.** Clarifies that the Housing Authority will verify alimony and child support payments received and outlines the verification hierarchy.

**7.III.F, pages 27-29.** Provides the process for self-certification and verification of ownership of real property and removes former policy regarding the disposal of assets for less than fair market value.

**7-III.J, page 30.** Clarifies that the Housing Authority is NOT required to verify fully excluded income.

**7-IV.D, page 39.** Provides that an assisted family member cannot be the recipient of deductible child care expenses. Provides that the Housing Authority will confirm that only “Reasonable” childcare expenses are allowable as income deductions.

### **Chapter 8A, Housing Quality Standards and Rent Reasonableness Determinations**

**8-I.A., pages 3-4.** Outlines that NSPIRE standards for carbon monoxide alarms, smoke alarms and lead based paint hazards apply even if NSPIRE standards haven’t been fully implemented.

**8-I.C, page 8.** Adds that confirmation of emergency repairs will be made by the Housing Authority on the next business day following owner notification.

**8-I.D, pages 8-10.** Outlines the owners responsibility for maintaining housing quality standards in assisted units. Adds the policy that the Housing Authority will waive the owner’s responsibility when deficiencies are determined to have been caused by an assisted family. Also lays out specific times when an assisted family may be held responsible for a breach of housing quality standards.

**8-II.B, pages 14-15.** States that the Housing Authority will require all deficiencies in a unit to be corrected before a HAP agreement will commence. States that the Housing Authority will not rely on alternative inspections.

**8-II.C, page 17.** Adds that the Housing Authority may opt to conduct an annual inspection of certain units rather than biennially.

**8-II.D, page 18.** Adds regulatory information related to life-threatening deficiencies.

**8-II.F, pages 20-21.** Outlines the process and policy for Notification of Corrective Actions related to failed inspections.

**8-II.G, pages 23-25.** Adds new regulatory guidance related to housing assistance payments and abatement of rent. Clarifies that the Housing Authority will not immediately abate rent to owners upon notification of deficiencies but allow the owner an opportunity to take corrective action. States that any abatements will be effective the first of the month and that the Housing Authority will inspect abated units within five business days of notification that repairs have been made. Sets in policy that the longest time that the Housing Authority will abate rent before cancelling a HAP contract is 60 days.

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**8-II.H, pages 25-26.** States that if a family fails to correct family-caused housing quality standard deficiencies in the allowable period, the family will be terminated from the program. Also states that the if the owner pays to repair family-caused deficiencies, that the owner may bill the family for the repair and enter into a repayment agreement with the family.

### **Chapter 8B, National Standards for the Physical Inspection of Real Estate and Rent Reasonableness Determinations. New Chapter**

This chapter is entirely new and therefore contains no red-line changes. The Chapter lays out the inspection process under the National Standards for the Physical Inspection of Real Estate (NSPIRE).

### **Chapter 9, General Leasing Policies**

**9-I.G, page13.**Adds regulatory language stating that any HAP contract that is not executed within 60 days from the beginning of a lease term is void.

### **Chapter 10, Moving with Continued Assistance and Portability**

**10-I.B, pages 4-5.**States the process for a tenant to move when they are in a deficient unit due to the owners failure to make necessary repairs. Provides that when a disabled family's HAP contract is terminated because the owner fails to make repairs, up to two months of abated rent may be used to assist with the security deposit in a new unit. No other relocation assistance funds will be provided.

**10-II.A, page 11-13.** Provides that if a participant family is subject to a repayment agreement, they will not be allowed to exercise portability until such time that the debt to the Housing Authority is paid in full.

### **Chapter 11A, Reexaminations, New Chapter**

This chapter is entirely new and therefore contains no red-line changes. The Chapter reinstates pre-HOTMA rules related verification requirements

### **Chapter 11B, Reexaminations Under HOTMA 102/104**

**11-II.B, pages 9-10.**States that if a family's voucher size changes during the term of a HAP contract, the new voucher size will be used to determine the payment standard at the first reexamination following the change in family size..

**11-II.C, pages 11.** When a family reports an increase in income during the last three months of a certification period, the Housing Authority will not process the increase until the next regular reexamination, regardless the size of the increase.

### **Chapter 12, Terminations**

**12-I.B, pages 2-3.**When a family is receiving zero rental assistance and they are set for termination from the program, it is the assisted family's responsibility to notify the Housing Authority of changes in circumstances occur.

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**12-I.D, pages 3-4.** Clarifies that for purposes of termination from the rental assistance program, a family is considered evicted from a unit if they move after a legal eviction order has been issued. Section also adds that upon HOTMA implementation, the Housing Authority will terminate assistance when an assisted household revokes consent for the Housing Authority to collect information from financial institutions.

**12-I.E, pages 6-7.** Clarifies the policy for termination of assistance related to abuse of illegal drugs or alcohol that interfere with the health, safety, or right to peaceful enjoyment of the premises of other residents. Defines “Currently Engaged” in as the use of illegal drugs during the previous three months.

**12-I.E, page 10.** Outlines post-HOTMA asset limitations for existing participants. An exception policy will be utilized for households of elderly persons (ages 62+) and disabled households. The asset limitation for these households will be \$250,000. All other existing households will be subject to the HUD-published asset limitation amount (\$103,200 for 2025). The exception policy does not apply to participant owned homes which are otherwise suitable for dwelling.

**12-I.E, pages 10-11.** Updates the policy for termination of assistance when the Housing Authority has insufficient funding and must terminate households from any of its rental assistance programs. The designated order of termination is ranked from highest income and asset households and then, if ever necessary converts to those households who have been on the program the longest.

**12-III.D, pages 23-24.** Outlines some of the reasons an owner may consider when deciding whether or not to terminate the tenancy of an assisted tenant.

### **Chapter 13, Owners**

**13-1.C , page 6.** States that a unit is not in compliance with housing quality standards if the owner fails to make required deficiencies within the appropriate timeframe.

**13-1.D , page 7.** Provides a mechanism for the Housing Authority to pay risk mitigation funds to an owner when an assisted unit is damaged by a tenant and the damage exceeds normal wear and tear. This program is not available for corporately owned, multi-family units.

### **Chapter 14, Program Integrity**

There are no significant changes being proposed in this chapter

### **Chapter 15, Special Housing Types**

**15-VI.C, page 14-17 .** Modifies policy to match existing practice. Updates the description of what is considered rent for a manufactured home to include all eligible housing expenses for manufactured homes. Clarifies that if the housing assistance payment exceeds the portion of the monthly rent due to the owner for space rent, the housing authority will pay the excess to the assisted family.

**15-VII.B, page 18 -19.** Clarifies that the homeownership program is available to assisted tenants in the Mainstream Voucher program. Provides that the minimum income

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requirement for a disabled family's participation in the homeownership program is equal to the current SSI monthly payment for an individual living alone.

**15-VIII.G, page 24**. Clarifies the Housing Authority policy for homeownership professional home inspections. Removes the requirement for the Housing Authority to select tin inspector and removes the Housing Authority as the intermediary for receipt of the home inspection report. Allows that the Housing Authority may deny a homeownership unit due to information found in the inspector report even if the unit otherwise complies with housing quality standards.

**15-VII.K, page 28** Provides that for homeownership the payment standard may not be lower than what the payment standard was at the commencement of homeownership assistance.

### **Chapter 16, Program Administration**

**16-II.A, page 3-11**. Describes Small Area Fair Market (SAFMR) rents and the processes for a housing authority to implement them. Sets the Housing Authority policy that the Housing Authority is not a mandatory SAFMR area and will not voluntarily adopt SAFMRs. Sets Housing Authority policy that there will not be designated payment standard areas within the jurisdiction. Describes the process for when a housing authority may pay rents above the basic payment standard range or set Exception Payment Standards. Sets Housing Authority policy that exception payment standard areas have not been adopted. Sets Housing Authority policy that payment standards will be reviewed on an annual basis and ensure that payment standards are with in the HUD basic range (90-110

**16-II.C, page 11**. Institutes a policy that the Housing Authority will maintain and energy efficient utility allowance schedule beginning at the next utility allowance update. Updates the utility allowance policy to include the requirement for a utility allowance for air conditioning in an assisted unit.

**16-III.C, page 20**. Provides a policy for a Family Self Sufficiency (FSS) participant to request an informal hearing when supportive services are withheld or a family is terminated from the FSS program.

**16-IV.A, page 35-39**. Provides a policy that housing authority staff will consult with the HUD Field Office and the OIG Special Agent to determine if participant fraud will be referred to the state or district attorney for fraud charges.

### **Chapter 17, Project Based Voucher (PBV) Program**

**17-I.A, pages 2-3**. Updates regulatory information and clarifies the policy for project types PBVs may be applied to.

**17-I.B, pages 6-7**. Provides that the Housing Authority may opt to provide fewer project based vouchers to than what was requested in a proposal. Updates the process for tied PBV applications to remove date/time submission as a tiebreaker.

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**17-VI.B, page 36.** Provides that the Housing Authority may pull names from other waitlists when accessible units are available and there are no qualifying families on the site-specific PBV waitlist.

**17-VI.C, page 38-40.** Updates list of PBV projects utilizing the Sonoma County Coordinated Entry System for the PBV units. Updates that the housing provider must provide the Housing Authority with the basis for which any applicant was denied admission to the PBV program.

**17-VIII.B, page 53.** Clarifies that rent increases for PBV units must be submitted to the Housing Authority at least 60 days prior to the anniversary month of the PBV HAP contract.

### **Chapter 18, Intentionally Blank**

### **Chapter 19, Special Purpose Vouchers**

**19-I.B, page 2.** Clarifies where and how referrals for the Family Unification Program (FUP) family and youth program vouchers originate.

**19-I.K, page 17.** Clarifies that the Housing Authority may project base FUP vouchers in accordance with policies outlined in Chapter 17.

**19-II.B, page 19.** Clarifies the role of the Coordinated Entry System in identifying FUP eligible youth in the community.

**19-II.D, page 20.** Adds regulatory language which allows administrative fee reserves to be used to cover the costs of supportive services.

**19-III.C, pages 34-36.** Requires that the Housing Authority must use available flexibilities related to verification of social security numbers for VASH recipients. Adds alternative requirements for income verification for VASH households. Clarifies in policy that the Housing Authority will not charge a minimum rent to VASH households.

**19-III.E, page 38.** Clarifies that for VASH households the Housing Authority may provide an exception payment standard up to 140% of the published Fair Market Rent as a reasonable accommodation for a household that includes a person with a disability. Provides clarification on the types of housing a VASH household may utilize a voucher in.

**19-III.G, pages 41-42.** Adds alternative requirements for the termination of assistance for a VASH household. Provides that if a VASH family is not participating in case-management and would otherwise be terminated from assistance, the Housing Authority may opt to offer the family continued assistance through the Housing Choice Voucher program. Provides that the Housing Authority is not required to terminate a VASH household if they are evicted from assisted housing, but have authorization to consider the circumstances in each situation.

**19-III.H, pages 42-46.** States that VASH PBV assistance must be terminated for a VASH household fails to participate in case management when it is required by the VA. Provides that a VASH participant who is non-compliant with case-management will have 120 days to move from the PBV unit. Provides regulatory information related to how a PBV HAP contract will be handled when a VASH participant is terminated. Addresses moves from VASH PBV

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units with continued assistance. Addresses determinations that a VASH family is occupying a wrong size unit or a unit that has accessibility features not necessary for the family. Adds in regulatory information related to VASH participants when a PBV HAP contract ends, the setting of rents in VASH PBV units, removing units from a PBV HAP contract when a participant is ineligible for assistance and zero HAP families. .Provides that project selection for VASH PBVs may be made on a non-competitive basis when units are made exclusively available to VASH recipients on the site of a VA facility.

**19-IV.D. pages 49-50.** Updates regulatory guidance related to the Mainstream Voucher program. Updates the Housing Authority policy to provide that the Housing Authority will maintain a separate waiting list for the Mainstream Voucher program.

**19-IV.E. pages 50- 51.** Establishes local preferences for administration of the Mainstream Voucher waitlist. Provides preference points for applicants who are referred for assistance by a local service provider who has entered into an MOU with the Housing Authority.

**19-IV.F. pages 51-52.** Sets Housing Authority policy that initial search term for all Mainstream Vouchers will be 120 days from voucher issuance. Sets Housing Authority policy for the voucher extension including the requirement that Mainstream Voucher families receive contact from the Housing Authority notifying them of voucher termination at least 30 days prior to voucher expiration.