For Housing Authority Meeting of: July 28, 2025

CITY OF SANTA ROSA HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS

FROM: ANNETTE ANTHONY, MANAGER

HOUSING AND COMMUNITY SERVICES

SUBJECT: UPDATE TO HOUSING CHOICE VOUCHER PROGRAM

ADMINISTRATIVE PLAN TO INCLUDE HOUSING

OPPORTUNITIES THROUGH MODERNIZATION ACT OF 2016

(HOTMA) PROVISIONS EFFECTIVE JULY 1, 2025

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Department of Housing and Community Services that the Housing Authority, by resolution, adopt the Housing Choice Voucher Program Administrative Plan revisions that comply with the implementation requirements effective July 1, 2025, under the Housing Opportunities Through Modernization Act of 2016 (HOTMA).

EXECUTIVE SUMMARY

The Administrative Plan is the major policy document guiding the ongoing administration of the federally regulated Housing Choice Voucher (HCV) program. Each Public Housing Agency (PHA) administering an HCV program is required to establish an Administrative Plan to outline the federal regulations and, where allowed under the law, enact local policies pertaining to the HCV program. The Administrative Plan must be reviewed at a public meeting and approved by the PHA's Board of Commissioners.

HOTMA makes significant changes to the regulations pertaining to the HCV program, requiring numerous substantive changes to the Administrative Plan across all chapters. The regulatory changes have been implemented in phases since 2017, with the full HOTMA implementation previously expected by January 1, 2025. The fully HOTMA-compliant Administrative Plan was approved by the Housing Authority as part of the Annual PHA Plan process on March 25, 2024, and submitted to Department of Housing and Urban Development (HUD) on April 8, 2024, concurrent with the previous HOTMA compliance timeline for all Housing Authorities. However, HUD subsequently postponed the implementation of certain provisions in Sections 102 and 104 of HOTMA indefinitely.

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HUD's Office of Public and Indian Housing (PIH) Notice 2024-38 provided the most recent guidance on which provisions of HOTMA are delayed and which provisions are enforceable beginning July 1, 2025. The version of the Administrative Plan submitted to the Housing Authority with this action follows the provisions in PIH Notice 2024-38.

Several chapters of the Administrative Plan include notations regarding "pre-HOTMA" and "post-HOTMA" policies to help clarify which policies are now effective and which are still pending. "Post-HOTMA" policies refer to the provisions of HOTMA that cannot be applied. When the final provisions under HOTMA Sections 102 and 104 are implemented, further revisions of the Administrative Plan will be required.

BACKGROUND

The Department of Housing and Community Services (HCS) administers the HCV program for the City of Santa Rosa Housing Authority. The HCV program, formerly known as Section 8, is a federally funded rental assistance program for qualifying extremely low and very low-income households. The Housing Authority currently has 1,925 vouchers under its Annual Contributions Contract (ACC) with HUD. In addition, the HCV program administers assistance for approximately 290 Santa Rosa households utilizing vouchers from other jurisdictions, referred to as "port-ins."

The federal regulations governing HCV and related programs are found at Section 24 of the Code of Federal Regulations (CFR) Parts 982 and 983. The program regulations were updated for HOTMA on January 1, 2024. However, since full HOTMA implementation is still pending, the pre-HOTMA regulations continue to apply to some elements of the program. The Administrative Plan has been updated to differentiate between pre- and post-HOTMA regulatory requirements and outlines policies where the Housing Authority has discretion under the regulations to make policy decisions in the best interest of the jurisdiction.

PRIOR HOUSING AUTHORITY REVIEW

On September 25, 2023, the Housing Authority held a Study Session on the Administrative Plan including a preliminary review of the anticipated HOTMA changes and NSPIRE.

On October 23, 2023, the Housing Authority held a Study Session updating the timeline and transition plan for the anticipated HOTMA changes.

On February 26, 2024, the Housing Authority held a Study Session on the draft HOTMA-compliant Administrative Plan.

On March 25, 2024, the Housing Authority held a Public Hearing during and approved the HOTMA-compliant Administrative Plan.

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ANALYSIS

The current version of the HCV Administrative Plan needs updating to clarify which provisions of HOTMA have been implemented and which are still pending. The version of the Administrative Plan approved on March 25, 2024, has been revised to reverse the changes that were prepared for the with the full HOTMA implementation previously expected by January 1, 2025, and proceed with the changes that became enforceable as of July 1, 2025. No discretionary policy decisions were allowed under provisions that became effective July 1, 2025.

FISCAL IMPACT

The changes to the Administrative Plan do not have a fiscal impact on the HCV program; the funding is available under the ACC with HUD.

ENVIRONMENTAL IMPACT

The Housing Authority finds that pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 Housing Choice Voucher Program Administrative Plan
- Resolution

CONTACT

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