

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, DIRECTOR, HOUSING AND COMMUNITY SERVICES
SUBJECT: REVISIONS TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE TO REFLECT OTHER RECENT DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT POLICY CHANGES AND GUIDANCE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

The Department of Housing and Community Services recommends that the Housing Authority, by resolution, adopt revisions to the Housing Choice Voucher Program Administrative Plan to clarify regulatory changes under the Housing Opportunity Through Modernization Act of 2016 (HOTMA) and update for other recent Department of Housing and Urban Development (HUD) policy changes and guidance.

EXECUTIVE SUMMARY

The Administrative Plan is the major policy document guiding the ongoing administration of the federally regulated Housing Choice Voucher (HCV) rental assistance programs and all associated programs. Revisions to the Administrative Plan must be adopted by the Housing Authority. The proposed change to the Administrative Plan is to further clarify certain changes under HOTMA and make other revisions to reflect more recent HUD policy changes and guidance.

BACKGROUND

The Department of Housing and Community Services (HCS) administers the HCV program for the City of Santa Rosa Housing Authority (Housing Authority). The HCV program is a federally funded rental assistance program for qualifying extremely low and very low-income households. Public Housing Agencies (PHAs) administering the HCV program must adopt and maintain an Administrative Plan that establishes local policies for the administration of the program in accordance with the Department of Housing and Urban Development (HUD) requirements. All issues related to the HCV

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY CHANGES AND GUIDANCE
PAGE 2 OF 7

program not addressed in the Administrative Plan are governed by federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The PHA is responsible for complying with all changes in HUD regulations pertaining to the HCV program, and when changes occur that conflict with or do not appear in the Administrative Plan, HUD regulations have precedence.

HOTMA made 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. The most recent phase of HOTMA changes became effective July 1, 2025. A version of the Housing Authority Administrative Plan reflecting these changes was adopted on July 28, 2025, but additional clarity is needed in the language about certain income inclusions and exclusions under HOTMA. In addition, since July 2025, other HUD policy and guidance unrelated to HOTMA has been released, updated or clarified and the Administrative Plan needs to be updated to reflect these changes.

PRIOR HOUSING AUTHORITY REVIEW

The Housing Authority reviewed the HOTMA-related changes to the Administrative Plan on five occasions between September 2023 and July 28, 2025, when the last full Administrative Plan was adopted.

On October 27, 2025, the Housing Authority adopted a new version of Chapter 4 of the Administrative Plan which contains policies related to Applications, Waiting List and Tenant Selection. This chapter was revised to adopt policies to address the termination of Emergency Housing Voucher (EHV) funding.

ANALYSIS

The current version of the HCV Administrative Plan is in need of updating to clarify certain income inclusions and exclusions that became effective under the wave of HOTMA regulations that were implemented July 1, 2025. The version of the Administrative Plan that was approved on July 28, 2025, did not include a full list of specific income inclusions and exclusions and these should be revised in the order they appear in Chapter 6 of the Administrative Plan for further clarity. No discretionary policy decisions are included in the revision as they relate to income inclusions and exclusions.

In addition, other HUD policies and guidance unrelated to HOMTA have been updated since the Administrative Plan was last adopted in July 2025. The Administrative Plan should be updated to reflect these changes.

The following is a summary of the changes reflected in the Administrative Plan by chapter:

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY CHANGES AND GUIDANCE
PAGE 3 OF 7

- Introduction to the Administrative Plan:
 - Updated language to reflect the phase of the HOTMA implementation timeline for Public Housing Agencies (PHAs) and clarify the reasons full HOTMA implementation including Sections 102 and 104 has not occurred.
 - Updated regulatory and guidance references related to the National Standards for the Physical Inspection of Real Estate (NSPIRE) and clarified the current use of the term “housing quality standards.”
 - Updated list of resources and their online locations where applicable.
- Chapter 1 – Overview of the Program and Plan
 - Corrected the Mission, Vision and Values statement to match the language in the Five-Year and Annual Plan.
 - Updated and added regulatory references for further clarity.
 - Expanded the summary list of policies that appear in the Administrative Plan.
- Chapter 2 – Fair Housing and Equal Opportunity
 - Updated references pertaining to nondiscrimination on the basis of gender identity and sexual orientation to reflect current federal guidance including Executive Order 14168, the rescission of PIH Notice 2014-20 and the proposed revocation of the Equal Access Rule at 24 CFR 5.105(a)(2). The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
 - Revised references to federal requirements pertaining to serving limited English proficient (LEP) persons in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
- Chapter 3 – Eligibility
 - Clarified and updated certain regulatory references, including PHA obligations outlined in HUD Secretary Letter dated December 16, 2025, which restated existing regulatory requirements for PHAs to verify eligibility for assistance as it relates to eligible immigration status.
 - Updated language regarding the use of arrest records as they pertain to eligibility.
- Chapter 4 – Applications
 - Revised references to federal requirements pertaining to serving limited English proficient (LEP) persons in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY CHANGES AND GUIDANCE
PAGE 4 OF 7

practices of the Housing Authority have not changed.

- Chapter 5 – Briefings
 - Revised references to federal requirements pertaining to serving limited English proficient (LEP) persons in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
 - Updated Violence Against Women Act (VAWA) language to reflect updates to HUD VAWA forms.

- Chapter 6A – Income and Subsidy Determinations
 - Removed policy language regarding the Earned Income Disallowance (EID) because EID fully sunset effective December 31, 2025.
 - Made policy clarifications on the treatment of certain income sources based on answers to Frequently Asked Questions (FAQ) provided by HUD.
 - Revised language on treatment of student financial assistance because this change was removed from 2026 HUD appropriations.
 - Re-ordered the explanation of income types for better flow of information.
 - Added specific income inclusions and exclusions that were inadvertently left out of the most recent Administrative Plan revision.

- Chapter 7A – Verification
 - Made policy clarifications based on answers to Frequently Asked Questions (FAQ) provided by HUD.
 - Clarifies and updates certain regulatory references, including PHA obligations outlined in HUD Secretary Letter dated December 16, 2025, which restated existing regulatory requirements for PHAs to verify eligibility for assistance as it relates to eligible immigration status.
 - Updated VAWA language to reflect updates to HUD VAWA forms.

- Chapter 8 – National Standards for the Physical Inspection of Real Estate (NSPIRE) and Rent Reasonableness Determinations
 - Updated references to federal guidance.
 - Removed policies that have been phased out related to owner and family responsibilities as they relate to inspections. The current policies related to these subjects were included in the most recent version of the Administrative Plan and have now been fully implemented.

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY CHANGES AND GUIDANCE
PAGE 5 OF 7

- Chapter 9 – General Leasing Policies
 - Added language related to leasing assistance for families.
- Chapter 10 – Moving with Continued Assistance and Portability
 - Removed policy language allowing for relocation payments due to budget constraints.
- Chapter 11A – Reexaminations
 - Revised references to federal requirements pertaining to serving limited English proficient (LEP) persons in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
 - Made policy clarifications based on answers to Frequently Asked Questions (FAQ) provided by HUD.
 - Removed references to Streamlined Annual Reexaminations, which have not been adopted locally.
 - Added policy language explaining how reexaminations are completed by mail.
- Chapter 12 – Termination of Assistance and Tenancy
 - Updates language regarding the use of arrest records as they pertain to terminations.
 - Made policy clarifications based on answers to Frequently Asked Questions (FAQ) provided by HUD.
- Chapter 13 – Owners
 - Added language regarding optional owner incentive payments. Owner incentive payments have not been adopted locally, but HUD recommends that the language be included in the Administrative Plan.
- Chapter 14 – Program Integrity
 - Revised the amount of deferral awards required to have an independent audit in accordance with updated HUD guidelines.
- Chapter 15 – Special Housing Types
 - Added language regarding the use of Exception Payment Standards in Shared Housing from PIH Notice 2025-12.
- Chapter 16 – Program Administration

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY CHANGES AND GUIDANCE
PAGE 6 OF 7

- Clarified reasonable accommodation language in accordance with PIH Notice 2025-12.
- Revised references to federal requirements pertaining to language assistance in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
- Revised language on medical and disability records.
- Updated VAWA language to reflect updates to HUD VAWA forms.
- Chapter 17 – Project-Based Vouchers
 - Revised references to federal requirements pertaining to language assistance in accordance with Executive Order 14224 and Office of Attorney General Memo dated July 14, 2025. The changes reflect only the references to federal guidance; the policies and practices of the Housing Authority have not changed.
- Glossary
 - Revised definitions as updated in VAWA forms.
- HOTMA Appendix
 - Revised to reflect current HOTMA implementation timeline.
- Emergency Housing Voucher (EHV) Temporary Policy Supplement
 - This chapter was inadvertently removed from the previous publication of the Administrative Plan and has been reintroduced, including updated policies in accordance with PIH Notices 2025-07 and 2025-19.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

Pursuant to CEQA Guidelines Section 15378(b)(4), the recommended action is not a “project” subject to the California Environmental Quality Act (CEQA) because it involves administrative activities related to the adoption of revisions to the Housing Choice Voucher Program Administrative Plan and will not result in a direct or reasonably foreseeable indirect physical change in the environment. In the alternative, the action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can

UPDATE TO HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN TO
FURTHER CLARIFY HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT
CHANGES AND UPDATE POLICIES TO REFLECT OTHER RECENT HUD POLICY
CHANGES AND GUIDANCE
PAGE 7 OF 7

be seen with certainty that there is no possibility that the activity 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 (Redline Version)
- Resolution

PRESENTER

Rebecca Lane, Program Specialist