

Streamlined Annual PHA Plan (HCV Only PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																																			
A.1	<p>PHA Name: <u>Texas Department of Housing and Community Affairs</u> PHA Code: <u>TX-901</u> PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>01/2021</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) <u>1689</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 20%;">Program(s) not in the Consortia</th> <th style="width: 20%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
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B. Annual Plan.	
B.1	<p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission? Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Housing Needs and Strategy for Addressing Housing Needs. <input type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. <input type="checkbox"/> <input type="checkbox"/> Financial Resources. <input type="checkbox"/> <input type="checkbox"/> Rent Determination. <input checked="" type="checkbox"/> <input type="checkbox"/> Operation and Management. <input type="checkbox"/> <input type="checkbox"/> Informal Review and Hearing Procedures. <input type="checkbox"/> <input type="checkbox"/> Homeownership Programs. <input type="checkbox"/> <input type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. <input type="checkbox"/> <input type="checkbox"/> Substantial Deviation. <input type="checkbox"/> <input type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p> <p>See attachments</p>
B.2	<p>New Activities</p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year? Y N Project Based Vouchers. <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.</p>
B.3	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit? Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
B.4	<p>Civil Rights Certification Form HUD-50077 PHA Certifications of Compliance with the PHA Plans and Related Regulations, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.5	<p>Certification by State or Local Officials. Form HUD 50077-SL Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.6	<p>Progress Report. Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.</p> <p>See attachment Progress Report</p>
B.7	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan? Y N <input type="checkbox"/> <input type="checkbox"/></p> <p>(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>Public hearing was held January 11, 2021. No comments were received.</p>

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

A. PHA Information. All PHAs must complete this section. ([24 CFR §903.23\(4\)\(e\)](#))

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#) and [24 CFR §903.7\(a\)\(2\)\(i\)](#)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. ([24 CFR §903.7\(e\)\(3\)\(4\)](#)).

Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. ([24 CFR §903.7\(l\)\(i\)](#)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)\(iii\)](#)).

Substantial Deviation. PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

Significant Amendment/Modification. PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD’s website at: [Notice PIH 1999-51](#). ([24 CFR §903.7\(r\)\(2\)\(ii\)](#))

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

B.2 New Activity. If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark “yes” for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark “no.” ([24 CFR §983.57\(b\)\(1\)](#) and Section 8(13)(C) of the United States Housing Act of 1937.

Project-Based Vouchers (PBV). Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

- B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(p\)](#))
- B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. ([24 CFR §903.7\(o\)](#))
- B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. ([24 CFR §903.15](#))
- B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(r\)\(1\)](#))
- B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. ([24 CFR §903.13\(c\)](#), [24 CFR §903.19](#))

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Housing Need Attachment to PHA Plan Submission.

Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

Housing Needs Analysis- Section 8 June 2018

When analyzing local housing markets and developing strategies for meeting housing challenges, HUD suggests the consideration of several factors. These factors include how much a household spends on housing costs, the physical condition of housing and whether or not the household is overcrowded.

An excess cost burden is identified when a household pays more than 30 percent of its gross income for housing costs. When so much is spent on housing, other basic household needs may suffer.

The measure of physical inadequacy is the number of units lacking complete kitchen and/ or plumbing facilities. While this is not a complete measure of physical inadequacy, the lack of plumbing and/or kitchen facilities can serve as a strong indication of one type of housing inadequacy.

Overcrowded housing conditions may occur when a residence accommodates more than one person per each room in the dwelling. Overcrowding may indicate a general lack of affordable housing in a community where households have been forced to share space, either because other housing units are not available or because the units are too expensive.

The following table estimates the number of low-income households with housing needs for the 34-county TDHCA Section 8 jurisdiction. The figures are adjusted to 2016 levels based on population growth estimates.

Housing Needs for Section 8	Number
Population	3,352,772
Number of Individuals in Poverty	386,468
Number of Cost Burdened Households	130,434
Number of Overcrowded Households	17,894
Number of Substandard Housing Units	6,014

2012-2016 American Community Survey

The TDHCA waiting list is approximately 827 applications. The waiting list figure is a composite of several jurisdictional waiting lists, as well as the Project Access waiting list.

Progress Report Attachment to PHA Plan Submission

Expanding supply of affordable units

The Department implemented SAFMRs where appropriate and utilized payment standards up to 110% of FMR in areas where market rents were high and there was high demand for rental units making it challenging for a voucher holder to find a unit. Increased FMRs will aid in areas where voucher holders have had difficulty in finding acceptable units or affording units in more desirable areas. Higher FMRs provide additional choices and opportunities to tenants in highly competitive rental markets. In areas where market rents are higher than FMR, poverty levels are lower, schools are better and there are more opportunities for employment. Ensuring that a household's voucher provides enough assistance to house them and the vouchers is not over-subsidized.

The Housing Opportunity through Modernization Act (HOTMA)

HUD's Office of Public and Indian Housing (PIH) issued Notice PIH 2017-20 on January 18, 2017, provided guidance to public housing agencies (PHAs) regarding two new options that could speed up access to homes for households seeking to use tenant-based vouchers or to occupy units that have project-based vouchers. The HOTMA Act of 2016 allows a PHA to approve a voucher-assisted tenancy and begin making housing assistance payments to an owner of a unit that fails an initial Housing Quality Standard (HQS) inspection provided the deficiencies are not life-threatening.

The first option allows a PHA to approve a voucher-assisted tenancy and make housing assistance payments (HAPs) on a unit that fails to meet HQS, provided the unit only has non-life-threatening (NLT) deficiencies and provided that the owner corrects the NLT deficiencies within 30 days.

The second option allows a PHA to approve assisted tenancy of a unit prior to HQS inspection if the property has passed an alternative inspection within the past 24 months; however, the PHA must still inspect the unit within 15 days of receiving a prospective resident's Request for Tenancy Approval (RFTA). PHAs have the discretion to adopt one, both, or neither option. The Notice stresses PHAs must conduct an inspection before making a HAP.

The Department is adopting the first option allowing the PHA to approve a voucher-assisted tenancy and make housing assistance payments on a unit that fails to meet HQS, provided the unit has non-life threatening deficiencies.

Rent reasonableness

The final rule changes the percentage decrease in FMRs that triggers the need for a rent reasonableness determination from 5 to 10% (see 24 CFR §§982.507(a)(2)(ii), 983.302(a)(2), and 983.303(b)(1)). A rent reasonableness determination will be required only when the decrease in the FMRs from the previous year is exactly 10%. (An FMR will never decrease by more than 10 % from the previous year's FMR, regardless of whether a PHA is voluntarily using SAFMRs, is operating in a designated SAFMR area, or is not using SAFMRs. This outcome results from HUD's decision, described above, to establish SAFMRs at a level that will not decrease by more than 10 % from the prior year's MAFMR levels.)

A PHA is still required to re-determine rent reasonableness before any increase in rent to owner and/or if directed by HUD. Decrease in the payment standard amount during the HAP contract term. The Housing Opportunity Through Modernization Act of 2016 (HOTMA) amended the United States Housing Act of 1937 to provide that no PHA is required to reduce a family's payment standard based on a reduction in the FMR.

Prior to this change, if the amount on the PHA's payment standard schedule decreased during the term of the HAP contract, the PHA was required to use the lower payment standard to calculate the family's HAP beginning on the effective date of the family's second regular reexamination following the effective date of the decrease in payment standard. The final rule amends the voucher program regulations at 24 CFR §982.505(c)(3) to reflect the change made by HOTMA, providing PHAs with three options for applying a decrease in the payment standard amount to families under HAP contract on the effective date of the decrease in the payment standard amount. Specifically, a PHA may adopt one of the policies listed below if there is a decrease to the payment standard schedule during the term of a household's HAP contract:

- (i) Hold harmless — no reduction in subsidy. A PHA may continue to use the existing higher payment standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit.
- (ii) Gradual reduction in subsidy. A PHA may gradually reduce the payment standard amount used to calculate the family's subsidy, phasing in the reduction. The initial reduction in payment standard cannot take place before the effective date of the family's second regular reexamination following the effective date of the decrease in payment standard. Phased-in reductions may proceed annually from the second regular reexamination until the payment standard amount for the family meets the normally applicable payment standard amount on the PHA's voucher payment standard schedule.
- (iii) No change in policy. A PHA may continue to use the lower payment standard to calculate the family's HAP beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard.

The Department is adopting the hold harmless regulation which will hold families harmless of increases in payment standards. Therefore, if the amount on the payment standard schedule is decreased during the term of the HAP contract, PHA will continue to use the higher payment standard for the family's subsidy calculation as long as the family continues to receive voucher assistance in the same unit.

Changes Affecting All HCV PHAs.

The final rule implements a number of HCV provisions that apply to all PHAs:

Revisions to payment standard amounts and schedules. The final rule provides that all PHAs must revise and implement their payment standard amount and schedule, if a revision is necessary to stay within the basic range, no later than 3 months following the effective date of the change in the FMR (see 24 CFR §982.503(b)(1)(ii)). For example, if a published FMR that went into effect on October 1, 2018, pushed a PHA's payment standards to 89 or 111 percent of the FMR, then the PHA would have until January 1, 2019, to revise and implement its payment standard amounts to bring them back within the basic range. Pursuant to this change, a new payment standard schedule may go into effect on or after the effective date of the published FMR, but no later than 3 months following the effective date of the published FMR. The following scenarios apply:

- (i) For reexaminations of income with an effective date prior to the effective date of the new payment standard schedule, the old payment standard schedule will be used.
- (ii) For reexaminations of income that are effective on or after the effective date of the new payment standard schedule, the new payment standard will be used.

Annual PHA Plan for Fiscal Year 2021 for
Housing Choice Voucher Section 8 Program

Operation and Management

TDHCA will remove families from the HCVP waiting list if they are found not to qualify for a preference which they have claimed. This change will allow staff the ability quickly and efficiently issue vouchers to eligible households and will also discourage applicants from making false or inaccurate claims.

TDHCA will train staff thoroughly on HUDs Enterprise Income Verification (EIV) system is a web-based application Income Validation Tool (IVT) that allows PHAs to check employment, wage, unemployment compensation and social security benefit information for Section 8 and Public Housing program participants. The IVT Report replaces the Income Discrepancy Report under the verification reports link located in EIV. The IVT report is updated monthly. It will provide information on tenant reported income, previous reported income from the form HUD-50058, and discrepancies between tenants reported income and information gleaned from HUD data sharing agreements with Health and Human Services and the Social Security Administration.

TDHCA will continue to work closely with service providers to maximize housing opportunities for targeted populations of current Waiting List: (1) Project Access, (2) Main Stream, (3) Veteran's and veterans' family members.

Marketing the program to non-participating owners and establishing owner retention on vacated units on the program.

Housing Needs.

Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

Housing Need Analysis- Section 8

August 2020

When analyzing local housing markets and developing strategies for meeting housing challenges, HUD suggests the consideration of several factors. These factors include how much a household spends on housing costs, the physical condition of housing and whether or not the household is overcrowded.

An excess cost burden is identified when a household pays more than 30 percent of its gross income for housing costs. When so much is spent on housing, other basic household needs may suffer.

The measure of physical inadequacy is the number of units lacking complete kitchen and/ or plumbing facilities. While this is not a complete measures of physical inadequacy, the lack of plumbing and/ or kitchen facilities can serve as a strong indication of one type of housing inadequacy.

Overcrowded housing conditions may occur when a residence accommodates more than one person per each room in the dwelling. Overcrowding may indicate a general lack of affordable housing in a community where households have been forced to share space, either because other housing units are not available or because the units are too expensive.

The following table estimates the number of low-income households with housing needs for the 34 TDHCA Section 8 service areas. The figures are adjusted to 2019 levels based on population growth estimates.

Housing Needs for Section 8	Number
Population	3,534,994
Number of Individuals in Poverty	376,037
Number of Cost Burdened Households	19,959
Number of Overcrowded Households	149,833
Number of Substandard Housing Units	6,539

2014-2018 American Community Survey

The TDHCA waiting list is approximately 689 applications. The waiting list figure is a composite of several statewide jurisdictional waiting lists, as well as the Project Access waiting list.

Item B3 - Progress Report

Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

Expanding supply of affordable units [24 CFR 982.503]

The Department implemented payment standards between 90% and 110%, with higher percentages in areas where market rents were high. Where there is high demand for rental units it can be challenging for a voucher holder to find a unit. Sufficient payment standards help aid in areas where voucher holders have had difficulty in finding acceptable units or affording units in more desirable areas. Higher FMRs provide additional choices and opportunities to tenants in highly competitive rental markets. In areas where market rents are higher, poverty levels are lower, schools are better and there are more opportunities for employment. The Department annually has revisited the payments standards to ensure that a household's voucher provides enough assistance to house them in locations they desire, while seeking to ensure that vouchers are not over-subsidized.

Improve Performance and Processes

The Department sought to obtain high performance status on its SEMAP; however the Department's most recent SEMAP rating is Standard. The Department is hopeful that it will be able to increase this rating in its 2021 SEMAP and increase points in scoring area where the agency failed to meet the standard. In order to improve the performance rating, the Department will track the progress of the SEMAP indicators on a monthly basis improving voucher management and the PIC SEMAP reports.

The Department is currently a standard performer under HUD's SEMAP assessment system which consists of 14 evaluation criteria. Under the latest assessment for FY 2018, the Department lost points for improperly classifying units that had passed (but had comments); the units should have been classified so that they resulted in a re-inspection of the unit prior to occupancy. Staff recently received module training pertaining to HQS, and best practices on how to generate re-inspections and pull PIC reports for the possible corrections. By updating standard operating procedures, and performing more intensive monthly reviews, the Department believes a SEMAP review performed at this time would earn these points.

In addition, the Department will continue to monitor HAP payments monthly expenses to ensure that at least 98% of the Annual Contributions Contract is utilized or that 98% of total unit months are leased each year. For the calendar year 2020 the Department utilized 102.6% of regular HCV vouchers, 71% of NED vouchers, 70% of PB-VASH vouchers, 56% of Main Stream, and is working within the budget to increase lease up for NED, TB-VASH, and Main Stream voucher so the funds are fully utilized.

Improve the quality of assisted housing

The Department will improve the quality of the housing assessment by continuing the applicability of EIV's Income Information and Verification Reports (i.e. Multiple Subsidy Report, Identity Verification Report, Immigration Report, and Income Validation Tool Report). These reports will be monitored and reviewed monthly. If needed corrections are needed, staff will be required to correct and resubmit for another review. A new tool introduced by HUD is called Income Validation Tool (IVT). The IVT was developed in response to an OIG audit that found a large volume of false positives in the EIV Income Discrepancy Report. The IVT was pilot tested with 12 PHAs between October 2017 and January 2018 and has replaced the EIV Income Discrepancy Report. The results of this report have reduced false positives in EIV Income Discrepancy Report, identified potential cases of identity theft, and provides more reporting accuracy of families income. (review of Wage, Unemployment Compensation, Zero Incomes and Social Security Benefits)

5-Year Annual PHA Plan for Fiscal Year 2021 for
Housing Choice Voucher Section 8 Program

Increase assisted housing choices

The Department has been, and will continue, to provide mobility counseling at briefings to inform families and property owners of our expanded housing choices. With the use of technology and our system software, it has allowed staff to streamline and improve the inspection process and better educate families and property owners. In addition, maps are provided to our families educating them on specific census data tailored for the program.