



**DUPAGE HOUSING
AUTHORITY:
HOUSING CHOICE
VOUCHER
PROGRAM**

**OPERATION REVIEW
FY 2017**

Presented to
DuPage County Board of Commissioners
Tuesday June 13, 2017

This review is designed to provide general overview information about the federal ***Housing Choice Voucher Program*** with specific program performance metrics within the DuPage County service delivery area for FY 2017. Forms and materials used for this program, as well as more detailed voucher program information, is available online at www.hud.gov and on our website at www.dupagehousing.org.

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Chapter 1 Program History

The *United States Housing Act of 1937* is responsible for the birth of federal housing program initiatives. The *Act* was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for lower income residents.

Part I: Housing Subsidy Programs

Section 8 Certificate Program

The *Housing and Community Development (HCD) Act of 1974* created a new federally assisted housing program - the *Section 8 Existing Program* (also known as the *Section 8 Certificate Program*). The *HCD Act* represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the *Section 8 Certificate Program*, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families could select housing in the private rental market. If the housing met certain basic physical standards of quality (“housing quality standards”) and was within certain *US Department of Housing and Urban Development* (HUD) established rent limitations (“fair market rents”), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was based on a “payment standard”, generally set at 30 percent of the family’s adjusted income, with the remainder of the rent paid by the program. Rent increases were based on an “annual adjustment factor” (AAF).

Another unique feature of the *Certificate Program* was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the *Certificate Program* was characterized as tenant-based assistance, rather than unit-based assistance.

Section 8 Voucher Program

The *Housing and Community Development (HCD) Act of 1987* authorized a new version of tenant-based assistance - the *Section 8 Voucher Program*. The *Voucher Program* was very like the *Certificate Program* in that eligible families could select housing in the private rental market and receive assistance in that housing unit.

However, the *Voucher Program* permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no payment standard or AAF rent limitation on rent. The family contribution to rent was not set at a limit of 30 percent of adjusted income. Consequently, depending on the actual rental cost of the unit selected and the “fair market rent” for the area, a family might pay more or less than 30 percent of their adjusted income for rent.

From 1987 through 1999, Public Housing Agencies (PHA) managed both the Certificate and *Voucher* tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

Merger of Certificate and Voucher Programs

In 1998, the *Quality Housing and Work Responsibility Act* (QHWRA) - also known as the *Public Housing Reform Act* - was signed into law. QHWRA eliminated all statutory differences between the *Certificate* and *Voucher* tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the *Housing Choice Voucher* (HCV) program.

The *HCV* program was modeled closely on the pre-merger voucher program. However, unlike the pre-merger voucher program, the *HCV* program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the *Certificate* and *Voucher* programs to the new *HCV* program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the *HCV* program.

Part II: Creation of the DuPage Housing Authority

Illinois Statute Requirements

The Illinois Statutes, beginning with *310 ILCS 5/*, (known as the "*State Housing Act*"), and *310 ILCS 10/*, (known as the "*Housing Authorities Act*"), authorize agencies and other instrumentalities of the state to establish both housing authorities and their operations. A PHA is a largely autonomous public corporation established to provide housing assistance primarily to low-income households. Under *310 ILCS 10/8*, the Statutes grant to the PHA all the public powers necessary or convenient to carry out and effectuate the purposes and provisions of the *State Housing Act* and the *Housing Authorities Act*, except for the power to levy taxes. In addition to others herein granted, the powers enumerated in the statutes in Sections 8.1 through 8.8, inclusive, also apply.

Organization and Structure

The Board of County Commissioners in DuPage County adopted a resolution declaring the need for a housing authority. That need was based on a finding that there was a shortage of decent, safe and sanitary housing, that was affordable to persons of low to moderate income within its jurisdiction. Once the resolution was adopted, the PHA is considered a legal entity.

Upon adoption of the resolution, the County Board Chairman appointed a 7-member PHA Board of Commissioners to oversee the PHA operations. Those appointments were confirmed by the County Board. Subsequently, the PHA Board of Commissioners elected chairs from amongst its Board Members and hired the Executive Director - who is the principal staff member of the PHA. The Executive Director is responsible for hiring all PHA staff as needed and as funds are available, and managing the day to day operations of the

PHA. Thus, DuPage Housing Authority (DHA) was established in 1942 in DuPage County and is one of 17 PHA's in the Greater Chicago Metropolitan Area.

Generally, all the funds awarded to DHA come from HUD, but DHA is not a federal department or agency within the federal government structure, or a department within HUD, or the State of Illinois, or even within DuPage County government.

DHA, like every PHA, is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low and moderate income families. DHA enters an *Annual Contributions Contract* (ACC) with HUD to administer the program requirements on *behalf* of HUD. DHA must ensure compliance with federal laws, regulations and Notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation. Other funding sources from state, county or local municipalities are for the administration of *their* local programs, for example the *Bridge Subsidy*, *Neighborhood Stabilization* or *Rental Housing Support* programs in Illinois.

Mission

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions

The mission of the DuPage Housing Authority is to affirmatively further fair housing utilizing resources to serve vulnerable populations; providing access to decent, safe, sanitary and affordable housing to improve quality of life and promote self-sufficiency.

Chapter 2 The Housing Choice Voucher Program

The DuPage Housing Authority's (DHA) Housing Choice Voucher (HCV) program is a federally funded rental assistance program which allows income eligible households to rent housing on the private market. Program participants are required to pay 30% to a maximum of 40% of their adjusted household income for rent and a calculated utility allowance. DHA will pay the remaining amount for rent and utility costs in the form of a subsidy payment in accordance with program rules.

Program participants may choose to remain where they are living now or move elsewhere, providing the housing is in decent, safe and sanitary condition and the owner is willing to participate in the program. Most types of rental housing are eligible for the program including single family houses, apartments, townhouses, mobile units and some condominiums and co-operatives. Property owners retain all normal ownership and management rights and responsibilities including tenant screening, rent collection, property maintenance and lease enforcement. A summary of the Housing Choice Voucher Program is provided below:

Part I Program Summary

Overview of the Process Steps

- DHA selects voucher program eligible families from its wait list or by an approved special admission, to issue Housing Choice Vouchers to.
- The voucher holder searches for housing that meets program requirements.
- Property owners use their own tenant selection criteria to select tenants; DHA does not screen program participant households for suitability as tenants.
- DHA ensures units are decent, safe and sanitary by conducting initial and annual inspections of participating units.
- Property owners may collect a full security deposit.
- Property owners and their tenant sign a lease of at least 1 year which stipulates the terms of the tenancy.
- DHA and the property owner sign a *Housing Assistance Payment* (HAP) contract which authorizes and assures subsidy payments to the property owner in behalf of the tenant during the lease term.

Why Should I Participate in HCV?

The primary benefit of the *Housing Choice Voucher* program is to provide housing to program participants with low to moderate incomes which include:

- single mothers with children,
- veterans,
- seniors,
- persons with disabilities and
- victims of domestic violence.

Other program benefits are a “no cost to owner” option to choose from a pool of applicants seeking housing, a free unit inspection, the assurance that subsidy payments from DHA to the owner will be made on time and the ability to deduct up to 19% of the equalized assessed value from your property taxes.

How Does the HCV Process Work?

The property owner does not become involved until Step 4, but there are nine (9) steps involved in the Housing Choice Voucher process before a family is provided with housing assistance:

- | | |
|---------|--|
| Step 1. | Application |
| Step 2. | Eligibility Determination/ Issuance of Voucher |
| Step 3. | Housing Search |
| Step 4. | Tenant Selection |
| Step 5. | Request for Tenancy Approval |
| Step 6. | Rent Determination |
| Step 7. | Housing Quality Standards Inspection |
| Step 8. | Contract/ Lease Execution |
| Step 9. | HAP Contract Payments |

Part II Program Action Steps

Step 1. Application

When the wait list is open and accepting applications, a household applies to DHA for assistance and is placed on the wait list if the household appears to meet basic eligibility qualifications. (**Note:** DHA's wait list is closed for new applications at this time and not expected to open again until 2019.)

Step 2. Eligibility Determination/ Issuance of Voucher

When DHA has vouchers available, it will select households in preference and date & time order from the wait list and determine if they are program eligible according to income requirements and a criminal background check. If eligible, the applicant household will be issued a voucher and “moving papers” and will begin their search for housing.

Step 3. Housing Search

FOR A TENANT, THIS IS THE MOST IMPORTANT STEP IN THE PROCESS! A family may decide to stay in its current unit if the housing meets program guidelines, or the family may look for new housing. The household is given 120 days (up to 180 days including qualifying extensions) to find a landlord willing to rent to them, in housing that is affordable and in decent, safe and sanitary condition, and which meets rent reasonableness criteria and maximum rent levels for same or similar, unassisted market units in the area – based on the adjusted household income.

Step 4. Tenant Selection

FOR A LANDLORD, THIS IS THE MOST IMPORTANT STEP IN THE PROCESS! Once a voucher holder decides to apply for a vacancy advertised by a property owner, they will complete any application documents required by the property owner. Property owners should then conduct their own tenant screening process and follow the same legal, non-discriminatory procedures they would use for any non-assisted applicant applying to rent their property. While DHA is required by program rules to conduct a criminal background check on all adult household members as a part of the application process, DHA does not screen voucher holders for their suitability as tenants for any property owner.

Step 5. Request for Tenancy Approval

If the applicant meets the property owner's screening criteria for suitability as a tenant, the property owner and prospective tenant will complete and sign the *Request for Tenancy Approval* (RFTA) form and attach a copy of the owner's lease. The owner will also be required to complete ownership, ACH banking and Federal tax documents included with the RFTA form. The property owner or their prospective tenant should deliver these forms to DHA for processing to schedule the unit inspection.

Step 6. Rent Determination

Once the RFTA is received, DHA will determine the contract rent with the property owner to insure the amount is reasonable for the area, and compute the amount the

tenant will pay in their rent portion to insure it is affordable, then what amount if any that DHA will pay in subsidy. The tenant will generally pay 30% of adjusted monthly income for rent and a utility allowance called the Total Tenant Payment (TTP); DHA will pay the remaining cost towards rent and utility allowance in a rental subsidy in the form of a Housing Assistance Payment (HAP).

Step 7. Housing Quality Standards Inspection

After the contract rent is approved as reasonable for the unit and the approved rent is determined to be affordable for the tenant, DHA will schedule a *Housing Quality Standards* (HQS) inspection (based on the unit ready date indicated by the property owner) to ensure the housing is in decent, safe and sanitary condition, as well as confirm the unit characteristics (facilities, amenities & appliances) as indicated on the RFTA by the property owner.

Step 8. Contract and Lease Execution

Following DHA unit approval and assistance payment calculation, the property owner will determine a lease effective date with the tenant, effective at any point from the day the unit passed inspection forward, then sign a lease with their tenant and a HAP contract with DHA with that effective date. DHA then executes the HAP contract with the property owner.

Step 9. HAP Contract Payments

After the HAP contracts are signed and the tenant gets possession of the unit, Housing Assistance Payments from DHA to the owner will begin retroactive to any lease effective date if necessary.

Part III Summary of Rights and Responsibilities

Property owner's rights

- Collect a security deposit.
- Terminate the tenancy for:
 - a. Serious or repeated violation of the terms and conditions of the lease.
 - b. Violation of federal, state or local law.
 - c. Criminal activity.
 - d. Other good cause.
- Evict the family from the unit through court action.
- Request a rent increase from DHA as of the anniversary end date of the lease, of an amount capped by rent reasonableness to the current market rate. Notify the tenant in writing of any requested increase after the first-year term of the lease with 60-day written notice to the tenant and DHA.

Property owner's responsibilities

- Screen applicants for suitability as tenants.
- Enforce the lease with their tenant.
- Comply with the Lease.
- Collect the tenant's share of the rent; and

- a. Make timely repairs and keep the unit in good condition.
- Comply with federal, state, and local regulations, fair housing laws, and owner-tenant laws.
- Permit inspections.
- Correct any deficiencies as soon as they are discovered. DHA may abate payments or terminate the HAP contract if deficiencies are not corrected.
- Comply with the Housing Assistance Payment contract.
- Renew the lease with the tenant and DHA prior to the lease expiration date;
- Contact the Specialist and provide DHA with written notice before initiating eviction proceedings; and
 - a. Inform the Specialist immediately of any move-outs or damages caused by program participants.

Tenant's rights

- Participate in the program if eligible under program rules and guidelines.
- Live in a decent, safe and sanitary unit.
- Not be discriminated against by the owner in the provision of services for any reason covered by federal, state or local fair housing laws.
- Terminate the lease with the owner after the first year of the lease with proper written notice.

Tenant's responsibilities

- Report changes in household income, assets and composition.
- Permit inspections.
- Comply with the lease.
- Notify DHA of intent to move.
- Make timely utility payments for utilities not included in the rent.

DHA's rights

- Be notified by the owner when the tenant has moved from the contract unit in violation of the lease.
- Inspect the unit annually, and at other times as determined necessary, after reasonable notice.
- Request any documentation and verification as determined necessary for the administration of the program.
- Receive repayment from the owner of amounts paid to an owner which are not due the owner.
- Terminate the Housing Assistance Payment contract for any breach of contract by the owner.
- Terminate the participant (tenant) from the program in accordance with the law, HUD regulations and program rules for any violation of family obligations.
- Require a participant to request a voucher prior to giving notice to move, and require a participant to give proper notice to vacate a unit.
- Require a participant to be recertified.
- Require the owner to maintain the unit in decent, safe and sanitary condition.

DHA's responsibilities

- Make timely Housing Assistance Payments.
- Reexamine program eligibility; review family income, assets, allowances, and household composition annually.
- Re-determine amounts of rent payable by the family and the amount of HAP to the owner, as a result of any adjustment.
- Conduct inspections, at least biennially.
- Receive notice of lease enforcement actions.

FAQ's

Q: What are the main benefits of the program to an owner?

Answer:

- Assurance of prompt payment of subsidy each month.
- Decreased vacancy rates and delinquencies.
- Reduced turnovers and related expenses.
- No-cost property inspections.
- Opportunity to upgrade property and rental structure.
- Ready pool of motivated applicants for vacancies.
- Full payment of HAP for the move out month no matter what day unit is vacated.
- Full payment of HAP during lease enforcement action, including evictions.
- Up to 19% deduction of EAV from property taxes

Q: How does the owner receive the full contract rent payment?

Answer:

The owner receives rent through the combination of Housing Assistance Payment subsidy from DHA and any rent paid directly by the tenant. Housing Assistance Payments make up the difference between the contract rent and what the tenant pays.

Q: Are an owner's rights and responsibilities changed by participation in the Housing Choice Voucher program?

Answer:

NO! The owner's rights and responsibilities are the same as those exercised in a normal tenant-owner relationship. The owner contacts the applicant's previous landlords, selects the tenant and is responsible for managing and maintaining the unit. Tenants violating their leases are subject to corrective action by the owner through normal management, lease enforcement actions and legal processes through the DuPage County Circuit Court.

Q: Can an owner's present tenant stay in place and still get assistance?

Answer:

Yes, current residents may receive assistance if the tenant has received a voucher from DHA at some point after signing the lease with their landlord in their current unit (assuming they were already on the general wait list and their position reached the top of that list) and the dwelling is in decent, safe and sanitary condition. The rent, plus any

utility paid directly by the tenant, must meet rent reasonableness and affordability requirements.

Q: What kind of housing is eligible?

Answer:

Almost any type of rental housing from single family homes & townhomes to co-ops, condos, high-rise apartments and mobile homes are eligible for Housing Choice Voucher assistance. Special Housing types may also be eligible under the program including Shared, Congregate, Group, SRO and Manufactured.

Q: What rent can the owner charge?

Answer:

The owner's monthly rent, plus an allowance for any utilities paid directly by the tenant, must be comparable to unassisted market unit rents for similar units in the neighborhood.

Q: If the owner's expenses increase, can the rent be adjusted?

Answer:

Yes, however, the owner must submit a written request to DHA to approve an increase. Just as it is in the private market, in the HCV program an owner may adjust the contract rent after the first year of the lease, effective at end of the lease term, with written notice – 60-days for the voucher program. The increase is limited by rent reasonableness, but could be affected by tenant affordability.

Q: Who Are the Tenants Participating in the Program?

Answer:

Program participants include low to moderate income families and individuals whose incomes do not exceed established limits. The program assists a broad range of tenants, including low and moderate income working families, as well as veterans, seniors, single mothers with children and persons with disabilities.

Q: How Much Rent Does the Tenant Pay?

Answer:

In the voucher program, the tenant's payment for rent and utilities may be above 30% of adjusted income depending upon whether the cost of the unit selected is above or below the voucher payment standard established by DHA. However, the tenant may never pay less than the greater of 10% of monthly gross income or \$50.

Q: How Much Paperwork is Involved?

Answer:

Very little paperwork is required of owners and most of it is completed by DHA. Once the lease, addendum and HAP contract are signed, the owner will have no regular paperwork. Annual rent adjustments, lease renewals and unit re-inspections require minimal paperwork.

Chapter 3 Program Performance Metrics

Part I Program Operations

AREA	FY2016	FY2017	NET CHANGE
Total # Staff	31	31	0
Total # PBV Sites	11	12	+1
Total # PBV Units	277	325	+48
Total # DHA ACC	2898	2940	+42
Total # Port-in	650	725	+75
Total # Port-out	105	170	+65

Grant Income

GRANT INCOME	CY2015	CY2016	CY2017	NET CHANGE
Congress Approved Appropriation Rate - HAP	101.25%	99.58%	97.27%	(3.98%)
HCV HAP	\$22,907,149	\$25,576,925	\$26,776,133	\$3,868,984
HCV Port-in HAP	\$7,730,099	\$6,413,617	\$7,024,927	(\$705,171)
Congress Approved Appropriation Rate - Admin	81.57%	83.86%	75.70%	(8.16%)
HCV Admin Fee	\$2,157,461	\$2,403,306	\$2,326,464	\$169,003
HCV Port-in Admin Fee	\$518,553	\$447,610	\$464,806	(\$53,748)
TOTAL GRANT INCOME	\$33,313,262	\$34,841,457	\$36,592,330	\$3,279,068

NOTE 1: Projected CY2017 budget authority includes Congressional approved final FY2017 HUD spending, DHA HUD-held reserves and HUD set-aside funds.

NOTE 2: Total leased units increased by 286 between June 2015 and April 2017.

Voucher and Program Grant Types

DHA administers the Housing Choice Voucher (HCV) Program which includes: *Regular HCV, Project-based (PBV), Enhanced Vouchers (EV), Tenant Protection Vouchers (TP), Veteran Affairs Supportive Housing (VASH), Homeownership Vouchers (HO), Witness Protection Vouchers (WP), Victim Assistance Vouchers (VA), Family Unification Program Vouchers (FUP)* and the *Rental Assistance Demonstration (RAD)*. DHA also administers the *Family Self-Sufficiency Program (FSS)* with DuPage County Dept. of Community Services, *Housing Support and Self-sufficiency* and the *Reginal Housing Initiative (RHI)* with other area PHA's. The *Rental Housing Support Program (RHSP)* administered by DHA is a State of Illinois housing program.

Part II Section Eight Management Assessment

Indicator #	CY2015	CY2016	Max Score	2016 Results	Program Area
1	15	15	15	40/40 = 100%	Wait list
2	20	20	20	36/36= 100%	Reasonable rent
3	20	15	20	82/92= 89%	Adj. income
4	5	5	5	Utility allowance	Schedule
5	5	5	5	37 Completed	QC Inspections
6	10	10	10	38/38= 100%	Enforce HQS
7	5	5	5	Expand Hsng. Opp.	Metro policy
8	5	5	5	Pmt. Standard	Schedule
9	10	10	10	3365/3376= 99.7%	Reexams
10	5	0	5	83/92= 90%	Rent calc.
11	5	5	5	542/544= 99%	Initial HQS
12	10	10	10	3096/3101= 99.8%	Annual HQS
13	0	20	20	87% /102% Bgt Auth.	Leasing
14	8	10	10	74: 55% w/\$\$	FSS
15	N/A	N/A	N/A	N/A	Deconcentration
Total Points	123	135	145	135	N/A
Total Percent	85%	93%	100%	93%	N/A

PHA's with SEMAP scores of 90 percent or higher are rated **High Performer**.
 PHAs with SEMAP scores of between 60 to 89 percent are rated **Standard Performer**.
 PHAs with SEMAP scores of less than 60 percent are rated **Troubled Performer**.

Part III Countywide Snapshot

As of 4/30/17

SUBSIDY TYPE	SUBSIDY CAP	# UTILIZED
Regular HCV	DHA ACC is 2940. This includes all voucher types except: Port-in admin and RHSP	2241
Homeownership		30
Enhanced Vouchers		18
Shared Housing		10
Tenant Protection Vouchers		1
Project-based Vouchers		251
RAD 2		51
Family Unification Program		79
Port-out billed		169
Total DHA ACC Leased		2850
Utilization Rate All DHA HCV ACC as of 4/30/17		96.93%
DHA ACC Vouchers Remaining	90	0
Port-in Administered	723	723
RHSP (State program)	56	56
Total DHA Subsidies Administered in DuPage		3629

Specifics to DuPage County Municipalities

LOCATION	# LL	#Fam	\$ paid by Tenant (monthly)	\$ paid by DHA (monthly)	\$ into City (monthly)
Addison	52	155	\$41,564	\$114,448	\$156,012
Bartlett**	26	28	\$10,121	\$26,231	\$36,352
Batavia	7	7	\$2,026	\$5,692	\$7,718
Bensenville	21	33	\$8,824	\$26,463	\$35,287
Bloomingtondale	27	34	\$19,942	\$29,356	\$40,298
Bolingbrook	12	12	\$3,046	\$11,310	\$14,356
Burr Ridge	2	2	\$1,383	\$1,565	\$2,948
Carol Stream	98	269	\$75,170	\$209,057	\$284,227
Clarendon Hills	10	12	\$3,699	\$10,127	\$13,826
Darien	20	116	\$10,500	\$20,553	\$31,053
Downers Grove	56	68	\$26,110	\$49,808	\$75,918
Elmhurst	22	48	\$14,051	\$39,562	\$53,613
Glen Ellyn	48	102	\$30,468	\$81,042	\$111,510
Glendale Hts.	179	267	\$80,376	\$220,718	\$301,094
Hanover Pk.**	150	196	\$70,407	\$186,362	\$256,769
Hinsdale	5	6	\$3,322	\$3,125	\$6,447
Itasca	6	8	\$2,649	\$4,989	\$7,638
Lemont	0	0	\$0	\$0	\$0
Lisle	62	120	\$29,616	\$81,877	\$111,493
Lombard	68	108	\$29,853	\$78,169	\$108,022
Naperville**	218	495	\$139,009	\$381,943	\$520,952
North Aurora	10	12	\$4,350	\$8,370	\$12,720
Oak Brook	5	80	\$15,721	\$11,396	\$27,117
Oakbrook Terr.	2	2	\$579	\$2,178	\$2,752
Roselle**	41	100	\$18,192	\$45,138	\$63,330
St. Charles	6	9	\$3,702	\$5,979	\$9,681
Villa Park	76	149	\$48,107	\$109,499	\$115,606
Warrenville	34	50	\$16,472	\$41,414	\$57,886
West Chicago	24	48	\$14,039	\$39,908	\$53,947
Westmont	39	101	\$25,114	\$82,250	\$107,364
Wheaton	85	218	\$57,083	\$133,645	\$190,728
Willowbrook	44	324	\$113,168	\$262,061	\$375,229
Winfield	8	12	\$2,683	\$8,435	\$11,118
Wood Dale	9	12	\$3,719	\$9,412	\$13,131
Woodridge	61	184	\$47,087	\$122,771	\$169,858
TOTALS			\$972,152.00	\$2,464,853.00	\$3,386,000.00
<p>**DuPage Side only as of 5/31/17 NOTE: DHA does NOT administer in: Aurora (Aurora Housing Authority); Batavia (Kendall Housing Authority); Geneva (Elgin Housing Authority); St. Charles (Elgin Housing Authority); Bolingbrook (Elgin Housing Authority).</p>					

Chapter 4 In Conclusion

Based on the information gleaned from sound bites and no real confirmed facts, published preliminary budget reductions to subsidized housing programs nationwide means we have challenges ahead. HUD's budget request includes \$40.68 billion in gross discretionary funding for the Department. The proposed reductions would be implemented primarily through, "rental assistance reforms and eliminating funding for programs". Additional savings are associated with, "streamlining HUD's own internal operations". The budget also seeks \$2.25 billion to help local communities house and serve persons and families who are experiencing homelessness.

Some stated highlights from the proposed budget that will have both a direct and indirect negative effect on clients of the DuPage Housing Authority:

- The \$40.68 billion funding level represents a \$7.38 billion or 15.36 percent *decrease* from final 2017 funding.
- The budget would provide \$19.3 billion for voucher renewals, \$1.6 billion *less* than the final 2017 funding level.
- It eliminates funding for the *Community Development Block Grant (CDBG)* program, citing that the program, "is not well-targeted to the poorest populations and has not demonstrated results".
- It eliminates funding for a number of "lower priority" programs such as the *HOME Investment Partnerships Program*, *Choice Neighborhoods*, and the *Self-Help Homeownership Opportunity Program (SHOP)*, on the basis that this "promotes fiscal responsibility" and that state and local governments are "better positioned to serve their communities based on local needs and priorities".
- It provides \$130 million to promote healthy and lead-safe homes, which is an *increase* of \$20 million over the 2017 CR level.
- The administration proposes to remove the cap on public housing conversions under the *Rental Assistance Demonstration (RAD)*.

In anticipation of these possibilities, DHA took several steps to reduce exposure for agency and minimize the likelihood of participant families losing their subsidy. To this point the plan in place has been successful, with no expectation of a different outcome. Those families being subsidized will continue being subsidized and participating property owners will continue to be paid.

This reality *does* affect applicants on DHA's wait list who must now wait longer than expected to be served. It could also affect clients wishing to move out of the county to another jurisdiction - if the number of clients moving is sharply increased and if related housing costs in those jurisdictions are significantly higher.

This all translates into the inevitability of assisting fewer DuPage County residents who

need affordable housing options, including veterans, seniors, persons with disabilities, single parent households with children, victims or domestic violence and homeless individuals and families.

A companion piece to the budget concerns continue to be the DuPage landlord dynamic. Of the approximate 1,533 active participating landlords in DuPage, 1,211 or roughly 79%, own only one (1) rental unit. Many of these owners are “accidental owners” who struggle, by circumstance or indifference, with understanding their day to day responsibilities of owning rental property – and this reality is unrelated to the few additional requirements when their tenant participates in the HCV program. That lack of understanding and engagement with the process often translates into decisions made by those property owners that may violate fair housing laws and other local ordinances, and negatively impact communities and renters...and voucher holders even more.

The easy answer is education, but DuPage landlords are chiefly a “ma and pa” operation, who historically have chosen not to take advantage of the various tools provided by DHA, or other resources available to educate them on owning rental property and renting to individuals seeking to rent a unit – again, including voucher holders.

For example, specific to the HCV program, every participating landlord has access to their individual, online portal dashboard with general and specific program information; inspection dates, times and results; housing assistance payments; pending payment abatements and holds; tenant reexamination dates and staff contact information. This dashboard is a comprehensive tool to help with managing their HCV program unit portfolios, including help managing federal, state and local taxes. Only about 50% of landlords have registered on the portal and most of those are in the 21% of landlords with more than 1 unit.

As a housing authority, we are obligated by statutes and regulations to enforce the rules of the program by determining eligibility, determining subsidy portions, inspecting units for program compliance and paying subsidy to landlords according to the contract. These responsibilities have little to do with the landlord/tenant relationship and very little to do with the day to day tenancy of a participating family and their suitability as a tenant or as a neighbor in a community. The bulk of the responsibility for making the program work was intentionally designed to be a “shadow” to the responsibility of the property owner. It is their property to manage, their tenant to screen, their lease to enforce.

We continue to try to educate current property owners and engage new property owners to participate... and look forward to discussions with DuPage County and the individual municipalities and townships within to identify program enhancements and partnerships.