Housing Authority - County of Los Angeles

February 21, 2006

To: Each Supervisor

From: Carlos Jackson, Executive Director

SUBJECT: SECTION 8 HOUSING OVERSIGHT AND ENFORCEMENT BOARD REQUESTED REPORT – SYN. #52-B

The following is provided pursuant to the Motion by Supervisor Antonovich at the meeting of February 7, 2006, Supplemental Agenda, Item 52-A. The Motion directed the Housing Authority to report back to the Board on issues related to Section 8 Program oversight and enforcement.

1. *Identify Funding for Section 8 Enforcement Efforts and Work with the Cities of Lancaster and Palmdale to Secure Matching Funds.*

   A thorough search of State, Federal and foundation sources indicates that funding is not available for enforcement efforts. However, a Federal Fiscal Year 2007 earmark request is being made for $750,000 per year, for a total of two years, to support the Housing Authority's Community Crime Prevention Housing Program to prevent and eliminate criminal activity in housing units. The program operates in partnership with the County Sheriff's Department. The requested funds would cover half of the cost for contracts with the Sheriff's department for enforcement within public housing, and half of the salaries for five Investigators within the Housing Authority's Investigations Unit that focuses on the Section 8 Program. Funds are also being requested for one additional Fraud Analyst and increased closed circuit television capability at some public housing sites.

   In 2004 and 2005, the Fifth Supervisorial District allocated approximately $75,000 for enforcement and investigative services in the Antelope Valley. These funds were matched by a total of approximately $105,000 in funding from both the Cities of Lancaster and Palmdale. This year, County funds will be doubled for this area. Discussions are currently taking place with the Fifth District regarding the specific use of the additional funds.

   In addition, the Housing Authority has been in negotiations with the Cities of Bellflower and Paramount to provide city funds for Section 8 Program enforcement and investigative services for the respective areas. The required

agreements are being finalized and will be presented for Board approval within the next few months.

2. *Prepare a Five-Signature Letter to President Bush and Others Requesting Additional HUD Resources for Enforcement Programs.*

   A draft five-signature letter has been prepared requesting additional funding for enforcement efforts, and is provided as Attachment A. The Housing Authority will prepare a Motion to place this matter on the agenda for a vote of the Board, if requested.

3. *Provide Section 8 Landlords with "crime free" Lease Addendum for voluntary implementation, then seek HUD approval to <u>require</u> implementation.*

   The Housing Authority has submitted to HUD's Field Office, Region IX, a request to approve a "crime free" Lease Addendum for use by Section 8 Program Landlords, first on a voluntary basis and later as a program requirement. The Addendum between the Tenant and Landlord would require that the Tenant, members of the Tenant household, guests or other persons under the Tenant's control not engage in criminal activity on or near subsidized properties. Criminal activity includes criminal street gang activity, unlawful use and discharge of firearms, sexual offenses, and other offenses that jeopardize the health, safety and welfare of others on or about the premises. Violations would be considered cause for the immediate termination of tenancy.

   In addition, the Housing Authority's current sample lease and the HUD-mandated lease addendum authorizes the Landlord to terminate the Lease Agreement at any time for good cause and to evict the Tenant. This information is also reviewed in owner workshops that are part of the Housing Authority's ongoing education program, included in the orientation packet for new or interested owners and regularly discussed in <u>House Notes</u>, the owner newsletter. Regular workshops are held to stress the importance of conducting rental history screenings by speaking with former owners, performing credit checks and visiting the residences of prospective Tenants. Workshops also focus on preventing Landlord fraud. During 2006, six workshops will be held at various locations throughout the County. Future issues of the <u>House Notes</u> newsletter will emphasize actions that can be taken by Landlords to prevent fraud, along with the toll-free number to report criminal activity committed by both Landlords and Tenants. The Winter 2006

edition included an article regarding a Palmdale Tenant who was recently convicted of Section 8 Program fraud.

The Housing Authority also encourages owners to review the Landlord-Tenant Guidebook prepared by the State Department of Consumer Affairs and other related materials on effective property management.

4. *Support Introduction of State Legislation to Amend Health and Safety Code to include "crime free" Lease Amendment.*

State law currently mandates subsidized housing requirements. Amendment of the Health and Safety Code to impose a "crime free" Lease Amendment solely for the Section 8 Program could be viewed as discriminatory, and it is likely that the Amendment would have to apply to subsidized housing Statewide. Furthermore, applying the "crime free" requirement solely to one program could be met with opposition from interest groups working to protect the rights of low-income families.

Board approval would be required in order to proceed with the proposed amendment to the Health and Safety Code. If instructed, the Housing Authority will prepare a Motion for Board approval, after which an author could be identified to introduce legislation.

5. D*evelop Policy Mandating Section 8 Landlords to Initiate Eviction Proceedings Against Section 8 Tenants Immediately Upon Discovery of Specific Criminal Activities.*

The Housing Authority does not currently have the authority to mandate that a Landlord initiate eviction proceedings against a Tenant, and accordingly has not established a related policy. Such authority could only be obtained by amending the Health and Safety Code and would have to apply Statewide.

While the City of Long Beach has pursued such a change primarily as a criminal nuisance abatement tool, this is currently a pilot program with broad application and not limited to the Section 8 Program. If the Housing Authority were to pursue such a change, this could be viewed as selective enforcement that discriminates against Section 8 Tenants. The implementation of forced evictions could also impose an undue burden on the District Attorney's Office that would have the future responsibility of prosecuting these cases.

6. *Prepare and Implement a Public Outreach Program to publicize the Housing Authority's toll-free hotline for reporting illegal activity in Section 8 Units.*

   The Housing Authority will increase its efforts to publicize the toll-free hotline for reporting illegal activity in Section 8 Program units, including:

   - Continue regular anti-fraud announcements and articles in the *House Notes* and *Tenant Talk* newsletters.
   - Continue regular workshops for property owners to increase awareness about their rights to terminate tenancies and report fraud, and to also build awareness regarding Landlord-related fraud.
   - Distribute anti-fraud posters at Housing Authority administrative offices, lobbies and management offices.
   - Place regular display advertisements in various newspapers Countywide to publicize the fraud hotline.
   - Continue issuing fraud warnings on Housing Authority and Community Development Commission websites, including fraud@lacdc.org, and expand efforts to include County and Board Office websites.
   - List the toll free hotline with the County operator.
   - Include anti-fraud warnings in annual re-examination notices and related materials sent to Tenants and Landlords.

Should you have questions regarding the above, please contact me or Bobbette A. Glover, Assistant Executive Director, at (323) 890-7402.

CJ:GM:
Attachment

c: Executive Officer, Board of Supervisors

February 21, 2006

Alfonso Jackson, Secretary
U.S. Department of Housing and
Urban Development
751 Seventh Street, S.W.
Washington D.C.

Dear Secretary Jackson:

FRAUD ENFORCEMENT FUNDING IN PUBLICLY-ASSISTED HOUSING

As Congress begins debating the Federal Fiscal Year (FFY) 2007 Appropriations, we are writing to request consideration of additional resources within the U.S. Department of Housing and Urban Development's (HUD) budget for Public Housing Authorities (PHAs) for the prevention and intervention of fraud and other criminal activity in the Section 8 Housing Choice Voucher and Public Housing Programs.

In FFY 2002, the Public Housing Drug Elimination Program (PHDEP) was eliminated. This program, which was authorized in 1990, provided funding to PHAs for the prevention of crime and drug use in Public Housing. With this funding, the County's Housing Authority experienced a 67 percent reduction in criminal activity at our Public Housing developments.

Without a dedicated funding source, PHAs struggle to maintain program integrity. The County's Housing Authority conducts thorough screenings of its Public Housing and Section 8 applicants, however, it is difficult to monitor what happens once a family enters the program. Funding is needed to assist PHAs in their efforts to eliminate fraud and criminal activities once families enter publicly-assisted housing.

We are requesting that you consider the reinstatement of the PHDEP program in FFY 2007 and ensure that this funding can be used for the prevention and intervention of crime and drug-use in both the Public Housing and Section 8 programs. If the PHDEP program is not reinstated, we ask that another dedicated source of funding be appropriated or additional funding be provided to

PHAs through their existing funding sources so that they can adequately address fraud and crime in their programs.

Thank you for your consideration.

Sincerely,

MICHAEL D. ANTONOVICH
MAYOR, LOS ANGELES COUNTY
SUPERVISOR, 5TH DISTRICT

GLORIA MOLINA
SUPERVISOR, 1ST DISTRICT

YVONNE BRATHWAITE BURKE
SUPERVISOR, 2ND DISTRICT

ZEV YAROSLAVSKY
SUPERVISOR, 3RD DISTRICT

DON KNABE
SUPERVISOR, 4TH DISTRICT