

## Housing Authority of the County of Stanislaus

*...also serving Alpine ▪ Amador ▪ Calaveras ▪ Inyo ▪ Mariposa ▪ Mono ▪ Tuolumne Counties.*

TO: Board of Commissioners, Housing Authority County of Stanislaus

FROM: Michele Gonzales, Director, Regional Housing Programs Administration

DATE: May 2, 2018

SUBJECT: Information/Discussion Item: Unused Rental Assistance- Farm Labor Program

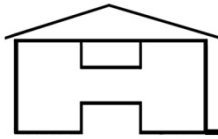
The United States Department of Agriculture (USDA) has an agreement with the Housing Authority County of Stanislaus (HACS) to provide rental subsidy for up to 185 of the 357 units of Farm Labor Housing. This subsidy is utilized by the HACS to offset the difference between 30% of a Farm Labor Resident's income and the "Base/Note Rent" of a Farm Labor rental unit.

On 4/25/18, the HACS received notification from USDA that there would be a reduction of 23 units of subsidy. This reduces the number of residents who could receive subsidy from 185 to 162.

After a review and analysis of tenant demographics and current base rents for the Farm Labor Program, it was determined that this reduction occurred due to the following factors which have occurred in the past year:

- Of the 185 Rental Assistance Subsidy (RAS) units available, a total of 133 residents required use of the RAS in order to pay the base rent.
- 15 clients have recently been determined no longer eligible to receive the RAS. As we continue to conduct annual reviews, this figure could increase or decrease. To ensure all RAS are utilized, there is a tracking system feature in YARDI that ensures when a resident is eligible for rental assistance. This tracking system alerts staff to assign rental assistance to the household.
- The Base/Note Rent for the Farm Labor rental units are very low and many of the residents have a sufficient income that does not require a RAS. Typically, those households who need a subsidy are retired Farm Labor residents on a fixed income such as Social Security or Supplemental Security Income.
- A review of the existing wait list identified 23 additional slots of RAS that will be utilized as the turnover of units occur in the next two months.
- After all remaining vacancies are filled with RAS eligible applicants and all annual recertifications are completed, it is estimated that there will be 18 units of RAS available for residents in the Farm Labor Program.

USDA is required to assess RAS usage and make appropriate adjustments as necessary. As a result, the 23 RAS units will be transferred to an area that can fully utilize the rental subsidy for other Farm Labor properties.



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This will not have any current financial impact on the Farm Labor program. However, as part of the strategic plan update, an assessment of current rents on all properties will be included in the plan in order to identify long term financial needs of the HACS properties and programs.