Streamlining Rental Assistance: Expanding Service
While Saving Money in the Voucher Program

Challenge
Federal regulations that cost time and money to implement but added little program value limited efforts to improve and expand the Housing Authority’s voucher program.

Solution
The Housing Authority obtained federal permission to transform the voucher program administration, redirecting $4 million since 2009 toward assisting more people and improving service quality.

After 40 years of providing rental assistance to very low-income households through the federal Housing Choice Voucher Program (also known as Section 8), the Housing Authority wanted to reduce costs and improve service in its largest program (currently serving over 16,000 households).

The main obstacle in this change strategy was the rigid, process-focused federal regulation of voucher program operations. Coupled with inadequate and declining funding for program administration, the Housing Authority faced costly process requirements that offered little value in preserving program integrity, improving the quality of housing, or in developing programs that might lead to family self-sufficiency. The process requirements contributed to heavy caseloads for staff, limited time for training or quality interaction with clients, and few options for creating cost-effective efficiencies that might enable the agency to stretch limited dollars to help more people.

To break out of this “Catch 22,” the Housing Authority in 2008 sought and obtained a special agreement with the U.S. Department of Housing and Urban Development (HUD) that allowed it to demonstrate how affordable housing programs could be run more efficiently.

Under this Moving to Work agreement (known as MTW*), the Housing Authority has designed and implemented an upgraded voucher program that features:

- Simplification of rent calculations
- More sensible schedules for inspecting properties and verifying and re-certifying client eligibility
- Fast-track community-partner process to get vouchers to the chronically homeless.

These major changes have resulted in:

- Savings in staff time valued at over $5 million (to date)
- Savings in direct expenses - such as office supplies and temporary help - of over $500,000
- The ability to assist an additional 1,247 households agency-wide since 2009, during a time of declining federal and state funding for affordable housing.

1,247 more very low-income households in Santa Clara County are receiving rental assistance as a direct result of efficiencies in voucher program administration begun in 2009.
Examples of Voucher Program Reforms
Re-certification of income/eligibility of disabled fixed-income participants every three years instead of annually.

Perform routine inspections of rental units every two years instead of annually, and have resources to inspect more frequently where needed.

Elimination of duplicative inspections (different funders required separate inspections for same rental unit).

Schedule inspections of rental units based on geography, saving time and money.

Provide group opportunities for participating property owners to gather, ask questions, and share experiences.

HCV Program Snapshot
as of 11.30.2012

- Average annual household income: $15,686
- # Elderly and/or Disabled households: 10,140
- # Disabled (including elderly) households: 7,525
- # Elderly (non-disabled) household: 2,615
- Average tenant rent to owner: $350
- Average subsidy from agency to owner: $1,202
- Average total rent: $1,552
- Current waiting list: > 20,000

Our Voucher Programs
Housing Choice Voucher (HCV) (16,626 households)
“Tenant-based vouchers” (15,343 households): Provides rental subsidies for very low-income households who locate and reside in privately owned rental units and pay about 30% of their income towards rent. The balance of the rent is paid by HACSC directly to the property owner.

“Project-based vouchers” (PBV) (1,283 households): Assigned to specific properties to ensure their ongoing affordability.

Family Self-Sufficiency (FSS) (271):
Not a standalone voucher program, FSS offers case management, savings incentives, and family goal-setting for voucher participants who opt in and who agree to pursue job training, education and/or employment.

Veterans Affairs Supportive Housing (VASH) (535 households): Collaboration between VA and HACSC; provides rental assistance and extensive case management services to formerly homeless veterans.

Shelter Plus Care (SPC) (174 households): Serves homeless/disabled; combines rental assistance subsidies with supportive case management services.

Family Unification Program (FUP) (100 households): Vouchers allocated based on referrals by child welfare agencies; provides temporary assistance to youth leaving foster care or to families for whom a lack of housing would result in placement of a child in out-of-home care.

Non-Elderly Disabled (NED) (10 households): Special vouchers for non-elderly households with disabilities transitioning from nursing homes and other health care institutions.

Moderate Rehab (79 households): Attaches vouchers to privately owned, rehabilitated rental units.


*M TW: Moving to Work is a federal demonstration program in which only 1% of housing authorities nationwide participate. Goals include cutting costs, increasing housing choice for low-income families, and promoting participants’ economic self-sufficiency. More about MTW is available in a separate HACSC flier, on our website, and on the HUD website (hud.gov).