

U.S. Department of Housing and Urban Development

Office of Inspector General

Pacific/Hawaii

**450 Golden Gate Avenue, P.O. Box 36003
San Francisco, California 94102-3448**

April 5, 1996

AUDIT RELATED MEMORANDUM
96-SF-201-1806

MEMO TO: Joyce Roberson, Director, Office of Public Housing, California State Office, 9APH

FROM: Gary E. Albright, District Inspector General for Audit, 9AGA

SUBJECT: San Francisco Housing Authority
Tenant Screening and Eviction
San Francisco, California

We recently gathered information on tenant screening and eviction practices of public housing agencies, particularly in regards to keeping criminals out of public housing. This work included visits to the San Francisco housing authority. Although this did not include a complete review of the housing authority's practices, we identified several ways it could keep criminals out of its housing projects. We recommend you share these ideas with the housing authority and consider whether other authorities might benefit from them, particularly in light of President Clinton's recently issued policy on crime in public housing.

BACKGROUND

On March 28, 1996 President Clinton signed an executive order to reduce crime in public housing. Under his "one strike and you're out" policy, residents may be evicted for involvement in violent or drug-related crimes, or for allowing their guests to commit such crimes.

On March 2, 1996, San Francisco Mayor Willie Brown announced that he was firing the San Francisco housing authority's commissioners, its chief executive officer, and her management staff. Officials from the Department of Housing and Urban Development have stepped in to run, temporarily, the housing authority to reorganize it, recruit new management, and establish new procedures to monitor its performance. This was the result of criticism of the housing authority's lack of competent leadership, physical decay of the housing, poor performance in collecting back rent, and the *high level of crime existing at its housing projects*.

The *United States Housing Act of 1937*, as amended by the *Cranston-Gonzales National Affordable Housing Act*, authorizes federal assistance to local public housing agencies to provide decent, safe, and sanitary housing for low-income residents. Also, the act requires the agencies to follow sound management practices such as:

- ✓ Tenant selection. Applicants for public housing should be screened to assure that eligibility requirements (such as income limits) are met and to decide whether applicants would be desirable as tenants. The desirability of tenants focuses on conduct affecting the enjoyment of other residents (such as nuisance or *criminal behavior*), physical environment (such as housekeeping habits), and the financial stability of the housing (paying rent when it is due).

- ✓ Tenant eviction. Tenants whose behavior is undesirable -- such as serious or repeated lease violations or *criminal activity* negatively affecting other tenants -- need to be identified and promptly evicted, while following due process. Due process includes elements such as giving adequate notice and providing a grievance process to give the tenant opportunity to refute agency claims.

LIMITED WORK PERFORMED

Intermittently from August to November 1995, we collected information on public housing agencies' practices and problems with tenant screening and eviction, especially as it concerned efforts to keep criminals out of public housing. This work was limited and was not intended to result in definitive conclusions. We reviewed applicable HUD regulations and interviewed officials from the San Francisco police department, two community legal services groups, and a criminal investigator from the HUD Office of Inspector General. We also visited three public housing agencies in the Bay Area, including the San Francisco housing authority. At the San Francisco housing authority, we interviewed various officials involved with tenant screening and eviction, such as the head of security, legal counsel, and project managers. We also reviewed several tenant-eviction files.

OPPORTUNITIES FOR IMPROVEMENT

The extent of our work was not intended to be sufficient to evaluate the overall adequacy or effectiveness of the San Francisco housing authority's policies and procedures for screening and evicting tenants. Still, from our observations of the authority's operations and discussions with various officials, we identified several opportunities to decrease criminal presence at its housing projects, and thus improve the safety and well-being of its tenants. Accordingly, we are providing suggestions for possible implementation at the housing authority.

THIRD-PARTY SOURCES FOR PREDICTING APPLICANT BEHAVIOR. Previous behavior is an indicator of how suitable an applicant's future behavior will be, and information on past behavior, especially criminal behavior, is best obtained from third-party sources. We suggest that the housing authority make greater use of these sources to screen all family members eighteen years or older. These procedures could also be used for new adults to existing tenant families. There are several good sources for information on criminal behavior:

- California law authorizes local law enforcement agencies to obtain criminal history information for public housing agencies to screen prospective tenants. The housing authority can obtain a "sanitized" version of the criminal record from local police. Information can also be obtained on the different aliases and addresses used by the person. The arrest report and any laboratory results on suspected controlled substances seized during the arrest can also be obtained.
- Courts can provide information on previous convictions.
- If the authority considers applications from reformed criminals; then parole officers, physicians, treatment clinics, and rehabilitation centers can be contacted.
- Former landlords can be contacted to determine if they are aware of or suspect criminal behavior by the applicants.

SPECIFIC SCREENING GUIDELINES. To provide uniformity in treating applicants and to assure implementation of management policies, specific criteria should be adopted as to what past criminal behavior will or will not rule out an applicant. For example, certain crimes may have little relevance, and

other crimes might be discounted because they occurred long ago or there is evidence of complete rehabilitation. Also, a series of minor crimes might disqualify the applicant while an individual instance may not.

DOCUMENTATION OF THE SCREENING PROCESS. Adequate documentation of the screening process is needed so that management can assure that its policies are carried out. Documentation can be especially improved in instances where a document is not obtained. For example, if a landlord is contacted by phone, a note to the file should be prepared to document the contact and show the results. Also, when negative information is obtained, the file should describe the basis for resolution.

PURSUING ARREST REPORTS. The San Francisco police department provides arrest reports to the housing authority for persons it suspects are public housing residents. The housing authority uses the report as a basis to begin eviction of the tenant when considered appropriate. The effectiveness of the process can be improved by obtaining information to confirm whether the person is in fact a resident and determine the culpability of other members of the family. This can be accomplished by the following:

- Have the police department provide, with the arrest report, a list of aliases and other addresses used by the suspect. The police can also provide laboratory results on seized substance to confirm whether the substances are controlled.
- Perform its own follow-up investigation. Investigative techniques such as interviews of family members and neighbors can identify the degree of culpability of family individuals. The investigation may also identify other serious lease violations (such as unreported income or unregistered occupants) which can support eviction or other actions. The housing authority should assess the capability of its staff to perform such investigations, and hire qualified investigators or provide training to existing staff as necessary.
- Share information with other agencies found to be affected. For example, undisclosed income not only affects the tenant's rent paid to the housing authority, it can also affect AFDC assistance received by the family. Thus, the results of investigation can be optimized by having all affected parties seeking remedy. Also, the housing authority, in addition to evicting the tenant, should file a criminal complaint when appropriate.

TENANT RELOCATION. Tenants who witness or file complaints against criminals are exposed to retaliation or intimidation by the criminals or their associates. As a result, many tenants are reluctant to file complaints or provide testimony or other evidence. The housing authority has a tenant relocation program, but there is criticism that it is not effective because the relocation panel usually rejects relocation requests by complainants despite recommendations by the police. Thus, the housing authority should evaluate its policies governing the panel and its composition and make appropriate changes. Also, the housing authority should consider giving vouchers instead of relocating the witnesses to other projects so that the witnesses can relocate farther away.

PROTECTION OF STAFF. Project managers are also subject to this retaliation and intimidation. Thus, they are subject to physical harm, and if they drive to the project, their personal cars are subject to vandalism. The managers' exposure could be reduced if the housing authority provides cellular phones so that emergency calls can be made readily and, where use of an automobile is necessary, the housing authority provides marked housing authority vehicles or covers the cost of the vandalism.

SUFFICIENCY OF LEGAL SERVICES. The housing authority's legal counsel responsible for tenant evictions said that there was insufficient legal staff to properly process all evictions. The housing authority should consider expanding its legal staff or contracting this function to outside attorneys.

TRACKING SYSTEM FOR COMPLAINTS . Project managers receive tenant complaints, and the security superintendent receives police reports. They are responsible for determining the merit of these matters. To assure that these matters are addressed and to permit management oversight, the property managers and security superintendent should maintain appropriate logs and provide reports to higher management that identify the individual cases, describe the nature of the complaints or referrals, provide the status of the housing authority's reviews, and disclose the final outcomes.

TRACKING LEGAL NOTICES AND FILINGS . The housing authority's information system only includes one data field for each tenant to log a legal notice or filing. Legal counsel, however, told us that multiple data fields are needed to track the eviction process because it involves many notices and filings. Thus, the system could be revised or supplemented to provide this information.

BLOCKING TENANT PAYMENTS . If action is being taken to evict a tenant, rent payments are not usually accepted because the courts may interpret the housing authority's acceptance of rent as a waiver of the eviction action. To block acceptance of rental payments, the housing authority's data system has a code to notify the accounting department that rent is not to be accepted from particular tenants. Presently, however, this block can be removed by housing management staff without the knowledge and concurrence of the legal staff working on the evictions. To address this problem, the housing authority could require management staff to provide advance notice to the legal staff on removal of such blocks, and the data system could provide daily reports identifying removed blocks.

TRESPASSERS. Trespassers, who may or may not be residents of public housing projects, are alleged to perpetrate a large part of the crime in public housing. While the police do cite trespassers, fines are minimal and the district attorney is unlikely to prosecute. To help address this problem, the housing authority could have the police provide copies of the trespass citations and:

- For residents of public housing projects, include in the lease a provision permitting eviction for repeated trespassing on housing projects. The citations or copies of bench warrants for unpaid trespassing fines would support eviction.
- For non-residents, obtain restraining orders for repeat trespassers. Violation of a court order subjects the trespasser to increased penalties.

RECOMMENDATION

We recommend you share these ideas with the San Francisco housing authority and consider whether other authorities might benefit from them. We are not controlling this recommendation.

Please call senior auditor Mark Pierce at 436-8101 if you have any questions.

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FROM: Gary E. Albright, District Inspector General for Audit, 9AGA

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