



DATE: August 25, 2026

TO: Justin Hess, Executive Director

FROM: Patrick Prescott, Assistant Executive Director/Community Development Director
BY: Odet Ayvazyan, Housing Development Manager

SUBJECT: Adoption of a Resolution Approving an Amendment to the Burbank Public Housing Agency Fiscal Year 2026-2027 Annual Plan and Updates to the Section 8 Administrative Plan to Implement Housing Opportunities Through Modernization Act Requirements

RECOMMENDATION

Adopt A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF BURBANK APPROVING: 1) THE PUBLIC HOUSING AGENCY REVISED ANNUAL PLAN FOR FISCAL YEAR 2026-2027; 2) UPDATES TO THE SECTION 8 ADMINISTRATIVE PLAN TO IMPLEMENT HOUSING OPPORTUNITIES THROUGH MODERNIZATION ACT; AND 3) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE CERTIFICATIONS REQUIRED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Attachment 1).

BACKGROUND

The purpose of this report is to outline the required updates to the Burbank Housing Authority's Annual Plan and Administrative Plan to ensure compliance with the federal requirements established under the Housing Opportunities Through Modernization Act (HOTMA). These revisions will enable the Burbank Housing Authority (BHA) to maintain compliance with the U.S. Department of Housing and Urban Development's (HUD) current regulations, preserve eligibility for federal funding, and support the continued administration of the Housing Choice Voucher (HCV) Program.

The BHA administers the HCV Program, commonly known as the Section 8 Rental Assistance Program, which is funded by HUD and provides rental assistance to extremely low-income, very low-income, and low-income households. To receive federal funding, housing authorities must maintain a Public Housing Agency (PHA) Plan and an

Administrative Plan that governs program operations and compliance with federal regulations.

In April 2026, the BHA Board approved the Fiscal Year (FY) 2026–27 PHA Annual Plan and Administrative Plan updates, which ensured continued compliance with federal HCV requirements by the deadline of April 17, 2026.

Following that approval, Housing and Urban Development (HUD) issued updated federal guidance on May 15, 2026, requiring all PHAs to implement provisions of HOTMA by January 1, 2027. HOTMA was enacted by Congress to modernize federal housing programs, streamline administrative processes, improve program integrity, and create greater consistency in the administration of rental assistance programs nationwide. HUD has established implementation requirements and timelines that require all PHAs to adopt HOTMA related policy changes.

DISCUSSION

HUD's HOTMA regulations require PHAs to implement new policies and operational changes, including:

- Updated income definitions and exclusions
 - HOTMA revises how annual income is calculated by updating mandatory and permissive income exclusions and clarifying the treatment of certain income sources. The regulations also streamline income verification requirements to reduce administrative burden while maintaining program integrity.
- Revised asset limitations and asset calculations
 - HOTMA both establishes new requirements for determining eligibility based on net family assets and updates how income from assets is calculated. The regulations also clarify the treatment of retirement accounts, real property, trust funds, and other financial assets while simplifying review for households with minimal assets.
- Modified medical and disability assistance expense deductions
 - HOTMA increases the threshold households must exceed before medical and disability assistance expenses may be deducted from annual income. The revised methodology standardizes deduction calculations across HUD-assisted programs and phases in the new threshold to lessen the impact on affected households.
- Updated interim reexamination requirements and fixed-income adjustments
 - HOTMA establishes standardized requirements for conducting interim reexaminations when households experience changes in income or family composition. The regulations also allow PHAs to apply streamlined inflation-

based adjustments for households with fixed income sources, reducing the need for full income reexaminations in certain years.

- Enhanced documentation and administrative requirements
 - PHAs must update their Administrative Plan and revise forms and notices, modify operational procedures, and train staff to implement the new regulations.

To comply with federal HOTMA requirements, staff prepared updates to the Administrative Plan incorporating the necessary regulatory changes (Attachment 2). These revisions ensure alignment with federal regulation and maintain consistency with BHA's operational mission for providing rental assistance to extremely low- income very low- income, and low-income households. A summary of proposed changes is included as Attachment 3.

All updates are mandated by HUD, and PHAs have limited discretion in the implementation of HOTMA. The amendments have been prepared and will become effective upon the Housing Authority Board's approval and submittal to HUD by August 31, 2026, in preparation for the September 2026 HOTMA compliance start date.

Resident Advisory Board and Public Notices

Consistent with HUD requirements, a Resident Advisory Board (RAB) public meeting was held on July 9, 2026. The meeting was advertised on the City's website, published in the Burbank Leader, and 900 postcard invitations were mailed to Program participants. Forty-seven members of the public attended in-person. In addition, four of the 10 RAB members attended. RAB members reviewed the revised Annual Plan and Administrative Plan. Since HOTMA updates are federally mandated and nondiscretionary, staff provided the RAB with notice of the required revisions. There were no recommendations, comments, questions or feedback to the draft revised Annual Plan or Administrative Plan. However, meeting attendees had questions related to individual HCV program cases that were addressed by staff (Attachment 4).

As required by HUD, a public notice for this public hearing has been posted. The draft revised Annual Plan and proposed changes to the Administrative Plan were available for public review at the Housing Authority public counter and online on the City's website beginning June 27, 2026. As of the writing of this report, no public comments have been received.

ENVIRONMENTAL REVIEW

The proposed adoption of the Resolution is categorically exempt from environmental review under the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") pursuant to §§ 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable

indirect physical change in the environment, because there is no possibility that it may have a significant effect on the environment, and because it is not a “project” as that term is defined in § 15378 of the State CEQA Guidelines. Implementation of HOTMA is an administrative requirement that makes changes to policies and operational changes.

FISCAL IMPACT

There is no fiscal impact associated with this report.

CONCLUSION

HOTMA implementation is required for continued participation in HUD’s HCV Program and must be incorporated into the BHA’s Administrative Plan. The proposed updates ensure compliance with federal regulations and support continued delivery of rental assistance to qualifying households. Staff recommend the Housing Authority Board adopt the Resolution approving the revised draft Annual Plan and HOTMA related Administrative Plan updates so that staff may submit to HUD by August 31, 2026.

ATTACHMENTS

Attachment 1 – Resolution

Attachment 2 – Proposed 2026 Amended Administrative Plan (Redline)

Attachment 3 – Summary of Proposed Updates to the Administrative Plan

Attachment 4 – Resident Advisory Board Comments

Correspondences