

### RENTAL ASSISTANCE PROGRAM STATISTICS

ACTIVITY	9/2010	10/2010	11/2010	12/2010
Applications	50	63	46	51
Walk-in/Appointments	269	205	198	176

WAIT LIST	8/2010	9/2010	10/2010	11/2010	12/2010
Section 8 Vouchers (498)*	983/878	1,019/911	1,021/913	1,038/929	1,078/963
Parkview Knoll (28)	80	80	81	82	85
Blue Mountain Estates (28)	54	54	50	50	50
Scattered Sites (24)	77	83	81	85	79
Schoolhouse Manor (32)	32	34	35	35	38
Monterey House (24)	11	13	13	13	14
Francis Murphy Apartments (120)	77	81	75	72	68
Springfield Manor (36)	70	71	73	75	76

\* Where two numbers are shown, the first is total applications and the second is persons free of debts or criminal records that would bar them from participation.

Vouchers	9/2010	10/2010	11/2010	12/2010	1/2011	YTD Proj
Available	498	498	498	498	482	482
Utilized	493	493	501	498	494	494
Occupancy	99.00%	99.00%	100.60%	100.00%	102.49%	102.49%

PUBLIC HOUSING	10/2010	11/2010	12/2010	Vacancy	Occupancy	Move in	Move Out
PVK	28	28	28	0	100%	0	0
BME	27	27	28	0	100%	1	0
Scattered	22*	22*	22*	1	96%	0	0

\* On 10/1/2010 one unit was taken off-line for capital program repairs.

RENTAL PARTNERSHIP	10/2010	11/2010	12/2010	Vacancy	Occupancy	Move In	Move Out
SHM	32	32	32	0	100%	0	0
Monterey	24	24	24	0	100%	0	0
Francis Murphy	119	120	120	0	100%	0	0
Springfield Manor	36	36	36	0	100%	0	0

## I. Reports

- A. Conversion - Shortly after the new year we received the letter from the Board of County Commissioners that will allow completion of the online Conversion application. In checking the application for completeness, we found a final section that requires compilation of an addendum that mirrors the entire process. A number of exhibits already part of the application have to be attached electronically to the addendum (again), and we need to write summaries of the program over and beyond the complete descriptions included in the application to which this addendum will be attached! We stopped work on this aspect of the application when we realized that the required Board resolution had to be dated **after** the date of the local government consultation. (See action item below.)
- B. Branding - On January 4<sup>th</sup> the Marketing Committee gave its blessing to the branding scheme proposed by staff. Final versions of letter head have been incorporated into the work of the agency and Power Marketing has been authorized to write the code that will incorporate the new appearance and menu system on our web site. We will be updating signage at the office and at our communities in the next few weeks.
- C. NSP3 - In the third round of the federal Neighborhood Stabilization Program the State of Maryland was awarded \$5 million. The State's deadline for applications is Friday, the 21<sup>st</sup> of January. In this round, the target areas, determined by a combination of factors such as poverty rates and foreclosure statistics, lie almost entirely within the City of Hagerstown. HAWC participated in preliminary discussions of how the money might be used, but determined it was too early to test the wings of the not-for-profit organization we plan to launch.
- D. Second Quarter Financials - The financial reports along with Mr. O'Brien's notes for July through December 31, 2010 are being distributed as attachments to this report.
- E. Housing First - The United Way is sponsoring a community-wide strategic planning process designed to develop creative solutions that a wide range of community partners can support. Subcommittees have been working on issues ranging from education and employment to hunger and homelessness. "Housing First" is a program being recommended for adoption in the final plan by one of the study groups.

Housing First is a national model for the provision of services to homeless families that places a family in suitable permanent housing first, and then provides the services the family needs to overcome the challenges that lead to their loss of housing. The experience of communities that have implemented a Housing First approach seems to be that families benefit and community resources go farther. Each community will have its own unique array of resources to bring to bear on their Housing First design.

One possible way to contribute resources to a Housing First initiative would be for both HAWC and the Hagerstown Housing Authority to set aside a number of vouchers dedicated to Housing First. In our agency that could be accomplished by awarding a very high priority point total to families accepted into a Housing First program. During periods where HAWC had vouchers to issue, Housing First participants would be able to immediately access rental assistance, pending criminal record screening and required verifications such as actual income and citizenship. In some communities the local government has provided funding for local rental assistance programs that may be easier to apply to an immediate crisis. HAWC vouchers would still have to be utilized within our jurisdiction.

- F. Cost of Housing - At the most recent Housing Subcommittee meeting, staff were asked if rents at the Section 8 Payment Standard level were not enough to support the cost of private financing. At a construction cost of \$105/square foot, 19,500 square feet of building, a 30-year interest rate of 4.5%, customary costs to manage, current utility rates and a modest developer's fee of 10%, the tenant housing cost of rent plus utilities would be \$1,150 per month. A single individual would need to be at 95% of the local median income (\$48,450 for one person) to be able to afford this rent. The one-bedroom Section 8 Payment Standard is \$681, so the answer is that Section 8 rents are not enough to build new construction. In point of fact, it takes a monthly rent of \$470 per unit to cover the cost of insurance, utilities, taxes and project management. That does not leave very much monthly income for debt service, and this is why building homes that a working family at 50% of local median income requires a complex combination of grants and low interest loans.
- G. BME Expansion - Staff have a meeting in Crownsville to do a pre-application review on February 4<sup>th</sup> at 1:00 p.m.
- H. Keedysville - Staff met with pastoral and lay leadership of Mt. Vernon UCC church in Keedysville on January 14, 2011. The concept of senior housing was welcomed and the two church officials we met indicated their willingness to support the donation of land to such an effort if needed.
- I. Preferred words - Please add your own "No-no" words so we can continue to update our table at the meeting.

<b>NO-NO WORDS AND PHRASES</b>	<b>POSITIVE ALTERNATIVES</b>
Development	Community
Project	Community
Houses	Homes
Housing	Homes

<b>NO-NO WORDS AND PHRASES</b>	<b>POSITIVE ALTERNATIVES</b>
Elderly	Seniors
Households	Families
Affordable housing	Homes within reach of working families
Income limits/guidelines	? Opportunity target ?
Disabled persons	Persons with disabilities
“Hon” or “Honey” or “Dear”	Mr./Mrs./Ms. Last name or Mam

II. Action items

A. Savings incentives - Maryland DHCD has clarified for the County Attorney the terms of repayment when NCI homes are sold. As we expected, if a home is sold to an ineligible household or if we have failed to administer the program properly, the full NCI investment would need to be repaid. By the same token, if program rules are followed the homes may be sold at or below the investment value. NCI homes may not be sold for an amount greater than the investment value - the original acquisition cost added to the cost to make repairs. Accordingly staff recommend adoption of resolution 2011-1 as follows:

*WHEREAS, the Neighborhood Conservation Initiative program of the State of Maryland has enabled HAWC to purchase four single family homes which will be sold to eligible renters once they qualify for private financing; and*

*WHEREAS, the Authority desires to promote homeownership for families who have shown that they are ready to take this important step as evidenced by their completion of homeownership counseling courses, their efforts to raise their credit scores and their demonstrated ability to make saving a regular part of their household budget; and*

*WHEREAS, the Authority must provide guidance to staff in setting the sale price of NCI homes;*

*NOW THEREFORE BE IT RESOLVED THAT the Board hereby adopts the following savings incentive program for the NCI program:*

1. *On the NCI books, the Authority will create a match of tenant deposits into a down-payment escrow account of up to \$100 per month during their tenancy.*
2. *For every deposit a tenant makes at the \$100/month level, the Authority will provide a bonus credit equal to 1.5% of the tenant's gross average monthly income in the previous tax year, not to exceed an additional \$100/month.*
3. *The total accrued value of the HAWC-provided matching credits, including the value of interest applied to the total credit balance on a monthly basis at current interest rates*

*earned on the tenant's own escrow savings deposits and then added to the escrowed savings balance in the tenant's account will be used as a reduction in the sales price of the NCI home at closing.*

4. *If a family drops out of the NCI program, their accumulated savings balance will be returned to them as part of the security deposit refund process, less any monies owned to HAWC, but the savings credits can only be used to purchase the home from HAWC.*

B. Conversion resolution - Staff recommend the approval of Resolution 2011-2 in the HUD provided format to enable final submission of the Conversion application as follows:

*Acting on behalf of the Board of Commissioners of the Housing Authority of Washington County (PHA), as its Chairman, I approve the submission of this Inventory Removal Application (HUD-52860) dated January 21, 2010 and known as DDA # DDA004136, hereinafter referred to as the "Application", of which this document is a part, and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD) in connection with the submission of this Application and the implementation thereof:*

1. *All information contained in the Application (including all attachments and Addendums) is true and correct as of the date of this Application;*
2. *The proposed removal action does not violate any remedial civil rights orders or agreements, compliance agreements, final judgments, consent decrees, settlement agreements, or other court orders or agreements to which this PHA is a party;*
3. *The PHA certifies that it will carry out the proposed removal action in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990 and will affirmatively further fair housing in carrying out the proposed removal action;*
4. *If applicable, the PHA has created a Relocation Plan in compliance with all applicable federal, state, and local laws, including, without limitation, Section 22 of the Act and 24 CFR 972.230, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and its implementing regulations at 49 CFR Part 24, and maintains a written copy of the Relocation Plan on file at the central office. The PHA specifically acknowledges that the URA applies to the extent that any residents are displaced as a direct result of the demolition, acquisition, or rehabilitation of the Development proposed for Voluntary Conversion;*
5. *The PHA described the proposed removal action in its PHA Annual Plan and timetable under 24 CFR Part 903, and the description in the PHA Annual Plan is identical to the removal action proposed in this Application and otherwise complies with the Act;*

6. *All attachments and supporting documentation referenced in the Application have been and will continue to be available at all times in the PHA's primary business office;*
7. *The PHA will comply with all reporting and record keeping requirements of HUD and shall make all required reports to the applicable HUD Field Office. The PHA acknowledges that reporting and record keeping requirements are ongoing and certifies that it will comply with all applicable reporting requirements after it receives approval to this action from the SAC;*
8. *Pursuant to Section 22(b)(2) of the Act and 24 CFR 972.206, this PHA has conducted a required initial assessment for each of its developments for all public housing units covered by this Application and retains documentation of its reasoning with respect to the initial assessment copy at its central office;*
9. *The PHA has conducted a Conversion Assessment in accordance with 24 CFR 972.218 - CFR 972.224 for all public housing units covered by this Application and has determined, based on objective evidence, that the Conversion Assessment demonstrates: (a) the conversion of the proposed public housing units would principally benefit the residents of those affected units, this PHA, and the community in which those units are located; (b) the conversion of the affected residents to Housing Choice Voucher assistance will not be more expensive than continuing to operate their units as public housing; and (c) the conversion of the proposed public housing units will not adversely affect the availability of affordable housing in the community. A written analysis evidencing (a), (b), and (c) of this Section 11 is on file at the central office of this PHA;*
10. *Pursuant to 24 CFR 972.218, this PHA has conducted an analysis of the likely success of the residents of the units proposed for conversion in using tenant-based assistance Housing Choice Vouchers and have found that there is a sufficient number of available decent, safe, and sanitary dwelling units being rented at or below Housing Choice Voucher standards in the jurisdiction in which the units proposed for conversion are located. A written analysis evidencing the sufficient number of units is on file at the central office of this PHA;*
11. *The PHA is aware of all resident and local government comments concerning this proposed inventory removal action.*
12. *Pursuant to 24 CFR 972.218, this PHA has conducted an impact analysis describing the likely impact of the conversion on the neighborhood in which the units proposed for conversion are located and in that analysis, has specifically addressed: (a) the impact of the conversion on the availability of affordable housing in the neighborhood; (b) the impact on the concentration of poverty in the neighborhood; and (3) other substantial impacts on the neighborhood. A written copy of this impact analysis is on file in the central office of this PHA;*
13. *The PHA has developed a Voluntary Conversion Plan for the removal of the affected public housing units in compliance with 24 CFR 972.230 and the Plan is consistent with the Conversion Assessment. A written copy of that Voluntary Conversion Plan and a written analysis*

*evidencing its consistency with the Conversion Assessment is on file at the central office of this PHA;*

*14. The Conversion Assessment was conducted or updated within one year of the date of this Application and the Voluntary Conversion Plan;*

*15. The PHA has consulted with the appropriate government officials and affected public housing residents, as required by 24 CFR 972.227, in developing its Voluntary Conversion Plan;*

*16. The PHA will not commence the demolition or complete disposition of any occupied building that may be disposed or demolished as a result of this Voluntary Conversion until all residents residing in the affected building are actually relocated;*

*17. The PHA will use any Net Proceeds that it receives from a disposition of PHA property as a result of this conversion subject to the limitations under section 22 of the Act;*

*18. The PHA has assured that all required appraisals/market values have been conducted in compliance with 24 CFR 972, the Appendix to 24 CFR 972, and all applicable HUD Notices. The PHA further certifies that all appraisals/market values were performed by a licensed independent appraiser and the PHA: (a) verified that the appraiser conducting these appraisals was licensed/certified in the state in which the affected Development is located and has evidence of the appraiser's license on file at its central office; and (b) received a certification from the appraiser that the appraisal was conducted using generally accepted appraisal methods and has a written copy of this certification on file at its central office;*

*19. The PHA will not take any action to commence the inventory removal action proposed in this Application, including without limitation the expenditure of HUD funds, until it receives written approval of this proposed action from HUD;*

*20. The PHA certifies that the proposed removal action complies with all applicable Federal statutory and regulatory requirements.*