

## RENTAL ASSISTANCE PROGRAM STATISTICS

ACTIVITY	1/2011	2/2011	3/2011	4/2011
Applications	39	39	51	57
Walk-in/Appointments	157	164	187	198

WAIT LIST	12/2010	1/2011	2/2011	3/2011	4/2011
Section 8 Vouchers (498)*	1,078/963	1,070/955	1,033/936	1,092/987	1,135/1,024
Parkview Knoll (28)	85	87	88	87	89
Blue Mountain Estates (28)	50	52	50	50	51
Scattered Sites (24)	79	80	78	75	74
Schoolhouse Manor (32)	38	37	38	42	45
Monterey House (24)	14	15	15	15	15
Francis Murphy Apartments (120)	68	66	60	63	67
Springfield Manor (36)	76	78	79	82	83

\* 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	1/2011	2/2011	3/2011	4/2011	5/2011	YTD Proj
Available	482	482	482	482	482	2,410
Utilized	492	491	486	484	481	2,437
Occupancy	102.07%	101.87%	100.83%	100.41%	99.79%	101.12%

PUBLIC HOUSING	2/2011	3/2011	4/2011	Vacancy	Occupancy	Move in	Move Out
PVK	28	28	28	0	100%	0	0
BME	28	26	28	0	100%	2	0
Scattered	22*	22	22	2	92%	0	0

RENTAL PARTNERSHIP	2/2011	3/2011	4/2011	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 - Baltimore Fair Housing and Equal Opportunity staff indicate that they gave our proposal a favorable review several weeks ago, so SAC staff are now looking for the missing certification. Our software vendor has provided a way to create an "application" to get the process of migrating 80 low-rent clients into the Section 8 rental assistance program, along with a step-by-step outline for our staff to follow. By the end of May our adaptation of this outline will be in place awaiting final word of HUD's approval.
- B. Marijuana use - When individuals have a recent felony or drug use record, they are not eligible for rental assistance. On May 2, 2011 there were 72 applicants in this status, of which 22, or 31%, were being barred solely because of a marijuana-related offence. We have very few persons with felony convictions. Marijuana was mentioned along with other drugs in about half of the remaining cases and marijuana was not found in the other half of the drug cases (in other words marijuana was found in about 66% of all drug-related charges with 31% of the cases being strictly marijuana).
- C. Marketing awareness - Following an advertizing seminar sponsored by VerStandig Broadcasting on May 2<sup>nd</sup>, staff drafted some changes to the web home-page which were subsequently approved by the Marketing Committee. To strengthen our media impact, you will notice that we have adopted the slogan, "HAWC Opens Doors," on our web page header, our letterhead footer and in our Facebook advertizing, for starters. HAWC's full name was moved to the address side-bar and the mission statement was moved to the top of the home-page. This revised look will be reflected on Welcome Packets and the table display we use at community meetings.
- D. Funding - Mr. O'Brien is enclosing a draft budget for the fiscal year that will run from July 1, 2011 to June 30, 2012 (our FY2012 budget). The biggest challenge this year is absorb the reduction in administrative funding for the Section 8 rental assistance program adopted by Congress for calendar year 2011. FY2012 falls half in calendar 2011 and half in calendar 2012. This being the case, the Section 8 funding between July and December this year will be at 68%. Although a federal fiscal year 2012 budget is still being debated, we will budget for the January-June 2012 period at the enacted 2011 level, or 78.5%. Without factoring in the positive impact of Conversion, Section 8 income would decline in FY2012 by over \$40,000. When we convert, and we are hoping for June approval and August implementation, Section 8 will gain 75-80 additional administrative fee increments, and even though we are being paid at reduced rates, the additional earnings greatly close the funding gap.
- In 2011 we charged the Section 8 program a management fee of \$11 per unit per month (PUM). While HUD allows a \$19 PUM fee, our program cannot afford to pay at that level and we have made the policy decision that our community needs the program. So the 2012 budget continues the practice of charging at the \$11 level. As an aside, the shortfall in Central Office could be eliminated with a 54¢ adjustment in the

Section 8 management fee. It would amount to moving dollars from one pocket to another, but it would more clearly identify “where” the shortfall is being created. Staff expect to be able to provide further details and analysis at the May 12<sup>th</sup> meeting, and will further refine the budget so that a final version can be adopted at the June meeting.

Other factors incorporated into this first-cut view of the FY2012 budget picture include:

1. 2.5% trending of most expense items to allow for inflation;
2. HAWC picking up the entire cost of a 10% increase in the medical insurance premiums; and
3. Use of a 1.2% wage factor in the performance management system.

- E. Rent-to-Own - Mrs. Schnebly has qualified RTO families in Clear Spring and Boonsboro, areas with very few homes on the market, and two homes ready to rent in the Hagerstown market with several families working their way through the qualifying process.
- F. Board vacancy - The Personnel Committee is arranging for a candidate interview in May in order to bring a recommendation to the June meeting.
- G. Positive Communication - Please add your own suggestions for positive words so we can continue to update our table at the meeting.

<b>PC (POSITIVE COMMUNICATION)</b>	<b>LANGUAGE TO AVOID (FORMERLY THE NO-NO WORDS AND PHRASES)</b>
Community	Development
Community	Project
Homes	Houses
Homes	Housing
Seniors	Elderly
Families	Households
Homes within reach of working families	Affordable housing
? Opportunity target ?	Income limits/guidelines
Persons with disabilities	Disabled persons
Mr./Mrs./Ms. Last name or Mam/Sir	“Hon” or “Honey” or “Dear”
(when someone is reporting that something needs to be repaired..) Did you call Mrs. Shipley?	Did you call Maintenance?

PC (POSITIVE COMMUNICATION)	LANGUAGE TO AVOID (FORMERLY THE NO-NO WORDS AND PHRASES)
Fully Accessible	Handicap

II. Action items

A. Flat Rents - When we sought to apply the flat rents adopted last month we realized that we had adopted a rent figure that included rent and all utilities. Typically this is called a “gross” rent in the trade. The flat rent we desired was to have been the rent a private landlord would have charged, so we went back to the drawing board and subtracted an engineer’s estimate of reasonable utility usage from the gross rent to obtain the proper flat rent figure. Accordingly staff recommend adoption of resolution 2011-14 as follows:

**WHEREAS** the Flat rents adopted by resolution 2011-13 were based on the market rents with all utilities included;

**WHEREAS** the flat rents to be charged by HAWC will not include tenant paid utilities; and

**WHEREAS** the Authority wishes to establish an appropriate market rent level for any unassisted units that are not otherwise regulated by state or federal funding sources;

**NOW THEREFORE BE IT RESOLVED** that the flat or contract rental rates for senior communities be revised as set forth in the following table:

Location	Built	BR	SF	Gross Rent	Utility Allowance	Contract /Flat Rent
Blue Mountain Estates	1982	1	690	\$695	\$95	\$600
Parkview Knoll	1984	1	690	\$695	\$82	\$613
Monterey	2001	1	600	\$605	\$44	\$561
Francis Murphy - 1	2005	1	606	\$610	\$106	\$504
Francis Murphy - 2	2005	2	817	\$825	\$148	\$677
Schoolhouse Manor	2002	1	700	\$705	\$78	\$627
Springfield Manor	2005	1	700	\$705	\$56	\$649

As if this was not confusing enough, these square footage-based rents give us an idea of what market rents would be, but are not the final rule for our State financed communities. We further cap rents in the interest of providing truly affordable units with a so called “ceiling rent.”

When we applied these revised flat or contract rents in our budget for the public housing conversion, we found that the market rent idea also did not work in conjunction with the payment standards (the payment standards are below our idea of what our units should command in the private market). So as long as we are renting to voucher holders, staff must apply a lower ceiling rent to our elderly units and to several of our family units. These ceiling rents have been incorporated into our budget projections.