RENTAL ASSISTANCE PROGRAM STATISTICS

ACTIVITY	7/2010	8/2010	9/2010	10/2010
Applications	61	64	50	63
Walk-in/Appointments	291	274	269	205

WAIT LIST	6/2010	7/2010	8/2010	9/2010	10/2010
Section 8 Vouchers (498)*	1,025/909	1,064/946	983/878	1,019/911	1,021/913
Parkview Knoll (28)	79	78	80	80	81
Blue Mountain Estates (28)	53	56	54	54	50
Scattered Sites (24)	75	84	77	83	81
Schoolhouse Manor (32)	32	33	32	34	35
Monterey House (24)	8	7	11	13	13
Francis Murphy Apartments (120)	75	77	77	81	75
Springfield Manor (36)	65	67	70	71	73

* 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	7/2010	8/2010	9/2010	10/2010	11/2010	YTD Proj
Available	498	498	498	498	498	5,478
Utilized	494	494	493	493	498	5,432
Occupancy	99.20%	99.20%	99.00%	99.00%	100.00%	99.16%

PUBLIC HOUSING	8/2010	9/2010	10/2010	Vacancy	Occupancy	Move in	Move Out
PVK	28	28	28	0	100%	0	0
BME	28	28	27	1	96%	0	1
Scattered	24	24	22*	1	96%	0	1

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

RENTAL PARTNERSHIP	8/2010	9/2010	10/2010	Vacancy	Occupancy	Move In	Move Out
SHM	31	32	32	0	100%	0	0
Monterey	24	24	24	0	100%	0	0
Francis Murphy	120	119	119	1	99%	1	1
Springfield Manor	36	36	36	0	100%	0	0

I. Reports

A. Conversion - The materials necessary to gain HUD's approval of our conversion of the form of rental assistance we use in our 80 units of public housing to the Section 8 Voucher form of assistance were included in our 5-year Annual Plan submitted to the Baltimore office in April. While our attempts to receive updates on the conversion portion of the plan went unanswered, we remembered that we had been told that the process would take 100 days. So after 120 days of silence we went up the ladder to the Director's office, whereupon we learned that the area office staff had not known what to do with the 20+ extra pages in our plan and had not brought the matter to his attention. As we read his promise to forward our application to the Chicago office where property matters are handled we learned that our effort would be termed a "disposition." That term should have sounded a warning bell, but within days we learned that our application had missed a significant but poorly documents step: All HUD disposition requests must be filed electronically with the completion of online applications. Because our focus has remained on getting the job done, we have been working with the Special Application Center (SAC) to develop a "clean" application, for we then learned that the 100-day rule applies to 100%-complete applications received at the SAC via the web. (Please ignore any tear stains on this report!)

One of the first steps in the online application was to include all 80 of our units. Right, you pick them by double clicking each on a list - wait, there were 24 units missing. Our scattered site units were already "disposed of" when we gained permission to sell them one-by-one to residents. So the first application step was to have HUD cancel our homeownership plan so all 80 units would be "selectable" within their electronic application module!

The online application includes several steps and items of documentation that were not listed in the HUD notice that outlined the conversion steps or in the Code of Federal Regulations from which we took our initial guidance. For example, the online application requires evidence of approval of our plan by the local government. That step is being worked into the agenda of the Board of County Commissioners for their December 14th meeting by the County Attorney. A property disposition requires completion of an environmental review. We are hopeful that the ER completed by County staff for the 5-year plan will be acceptable in that all of the physical improvements with which an ER is concerned were in that March, 2010, document. Finally once we receive County approval, our board must adopt a resolution specifically approving the conversion application, which was part of the 5-year plan adopted by resolution 2010-11, but not specifically mentioned in the body of our previous action.

Please bring your calendars to the November meeting so we can consider moving the December meeting from the 9th to the 16th for the consideration of a final approving resolution. Our January meeting will not come until the 3rd Thursday, as Mr. O'Brien prepares the second quarter financial reports.

B. Audit - The firm of Malcolm Johnson and Associates completed the onsite financial portion of the audit the week of November 8th. As part of that process Mr. Johnson did a closeout interview with board member Tracy Salvagno, and she will bring that report to the board.

C. Section 8 funding - To respond to the less than adequate funding being provided by Congress to finance the issuance of Section 8 rental assistance, staff will be adjusting the annual target for occupancy by 16 units to 482. As noted in the discussion in October, this target will put us at a 96.8% occupancy level - just above the 95% necessary to retain our “high performer” designation. According to historical trends, 16 families will drop off the program in about four months. In addition staff are not recommending adoption of any change in the Payment Standards.

D. Shortage of Affordable Homes - At the Governor’s Housing Conference, Pat Sylvester gave us her copy of a chart prepared by the Department of Housing and Community Development (DHCD) Office of Research.

Families	Seniors	Disabled	Total
649	512	686	1,847
35.14%	27.72%	37.14%	

The chart is entitled “Net Shortage of Affordable and Available Rental Housing Units in Maryland 2010-2015.”

E. Median Income - We use a median income figure for Washington County of $69,400 to develop income guidelines for our various programs. (This is the number published by HUD on 5/14/2010.) Median income is always expressed as the income for a household with four members. HUD provides a factor to adjust the median income for other household sizes. For example, households with one member use 70% of median, a six-person household uses 116% of median. In many HUD programs then, the operative income limit will be 50% of the median income for the particular household size. Then there is the matter of which median income to start from. Washington County is a non-metropolitan area. There is a separate median income published for non-metro areas that is a median across all of the Maryland non-metro communities. Washington County uses the non-metro median to determine eligibility for HUD programs. The non-metro median ($69,400) is higher than the actual Washington County median. Fannie Mae income guidelines on the other hand are based on the actual Washington County median of $64,700. You can remember, “About $5,000.”

So where did the figure of $48,561 quoted in a recent Herald Mail article come from? Well first off it is a 2009 estimate. Secondly it is a household median income figure, and it turns out the HUD limits are based on family income, not on household medians. In 2009 the Median Family Income (MFI) figure published by the Census Bureau was $57,452. So now you bring the 2009 MFI number forward to 2010 (which is probably a two-year gap as the HUD numbers are to be used into 2011), and you get $64,700, and we get to use the non-metro number anyhow. Whew, this is work!

F. Preferred words - Please add your own "No-no" words so we can continue to update our table at the meeting.

NO-NO WORDS AND PHRASES	POSITIVE ALTERNATIVES
Development	Community
Project	Community
Houses	Homes
Housing	Homes
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

G. Follow-up on the August Planning meeting

1. Formation of a 501(c)(3) arm - On Friday, November 5, Richard Willson met with John Itell of Albright Crumbacker Itell to review the HAWC application for IRS recognition. We now need to prepare draft organizational documents based on Mr. Itell's counsel, and more importantly, begin defining how the non-profit might relate to the parent organization. A key part of the exemption application process is a 5-year budget - a challenge for a new-born like Washington County Housing Solutions. Our plan is to cast the WCHS budget following the proforma for our BME expansion, since thinking through budget with this undertaking will best help us examine the changes and choices we might face as a dual identity entity.
2. Partnerships - A new partnership with an old partner, the Washington County Community Action Agency, maybe coming our way: CAC may be able to use its Individual Development Account program to match escrow savings put aside by NCI families up to a $2,000 limit. Because of the income limitations on the NCI program (50% of median income), homeownership will probably be a longer-range effort. In addition the financial limitations on NCI rents do not allow HAWC to set aside cash matches. Accordingly HAWC is developing plans to match escrow savings deposits with corresponding offsets to the ultimate sales price (as allowed and encouraged by NCI rules).

H. Marketing

1. Web Design - We have retained Power Marketing to produce a home-page design for HAWC, investing $800-$1,000. To guide the redesign of our menu system, they will be measuring traffic to various parts of our present web site. In a recent meeting, Power Marketing president, Brian Flook, emphasized his firms emphasis first on the task of marketing and second on dazzling design features - a good match for HAWC's expectations.
2. We showed the Power Marketing team the Maryland Flag graphic during our design meeting. Feedback on the design idea has been very positive - 9 for 9 so far! According to your feedback it is modern, impressive, good looking, stands out very nicely, and either classy or very "classey" (depending on whether you have spell check enabled on your email program)! We are considering the new design "adopted" by acclaim, and will reflect on the places it needs to be used in existing signage at the next Marketing Committee meeting. As time permits, staff will begin placing the new design in form letters and on our current web site.
3. Lobby signage -needs to wait ½ a step to allow our web/letterhead design conversation to come to rest!
4. Schoolhouse Manor Sign - Final approval is expected momentarily, but we may choose to delay sign production until we have settled on a final graphics package.

II. Action items

A. Utility Allowances - Staff recommend adoption of resolution 2010-19 as follows:

WHEREAS*, the Housing Authority is required to annually revise the Section 8 Utility Allowances and the Public Housing Utility Allowances when there is a change of over 10%; and*

WHEREAS *staff have obtained updated utility rate information for all utility categories in October and November, 2010;*

WHEREAS *the cost of liquified petroleum and oil have gone up 28% in the past year, while the rates for other fuels have changed in the 2-6% range;*

NOW THEREFORE BE IT RESOLVED *that a new schedule be adopted for use in the rental assistance and the Public Housing programs for all re-certifications and new admissions on or after January 1, 2011, based on actual current utility rate information.*

If none of the allowances had changed by more than 10%, a new allowance would not be required. However since we have to collect data on all of the rates, it has been our practice to bring them all current at this time of the year. This year electric rates increased a modest 6% while oil and LP gas both jumped 28%. Interestingly, the cost of wood dropped 45%. Most jurisdictions did not change their water and sewer rates. Those that did (Washington County, Funkstown, Williamsport and Smithsburg) held their increases in the 6-9% range.

Unfortunately, increases in the allowances do result in the expenditure of additional subsidy dollars. The assistance formula is "Our payment to landlord" = "Contract Rent" - "Tenant portion of rent" ("Tenant payment" - "utility allowance"). If tenant income and landlord rents remain unchanged, when utility allowances go up, our portion of the rent goes up. While by regulation we only need to adjust utility allowances if they represent more than a 10% change, we find that keeping them all current annually helps to reduce fluxuations in program costs. The federal rules for all of these things must have been created in an era where utility costs were not the leading cost of living indicator that they have now become!