

CITY OF MADISON
INTER-DEPARTMENTAL
CORRESPONDENCE

Date: August 28, 2014
To: CDA Housing Subcommittee and CDA Board
From: Agustin Olvera, Housing Operations
Subject: Director's Monthly Report

Low Rent Public Housing (LRPH) –The August 2014 occupancy rate was 97%, the goal is 98%. 7 units to be demolished are vacant. Vacancies will be a little higher than normal, until Demo/Dispo application approved and units can be taken off line.

Housing Choice Voucher/Section 8- Total of 1576 Vouchers in use in August.

Section 8 Homeownership Program – No change. 32 homes have been purchased.

Family Unification Program (FUP) Voucher – Placement is by referral from Dane County Human Services, 75 of 100 vouchers in use. Some approved referrals looking for places and some referrals in screening. Until their voucher is in use, those approved do not show up in the utilization count.

Veterans Assistance Supportive Housing (VASH) Vouchers – Placement is by referral from the VA. 109 of 110 previous vouchers allocation in use. The new allocation (23 vouchers) will require another outreach and lease up effort. CDA staff have already started working with VA staff on this new allocation. CDA arranged a meeting in August with the Apartment Association of South Central Wisconsin Director, and the VA, to discuss the VASH program and to solicit the Apt Association's help to recruit landlords. The Apt Association was very receptive. CDA and VA will make a presentation to the Apt Association general membership in September.

Veterans Assistance Supportive Housing (VASH) Project Based Vouchers –The CDA was informed it did not receive these due to our response regarding the “readiness” of our proposal. This was in reference to the Rethke project construction timeline, the vouchers would not be utilized in as timely a fashion as they would have liked.

Information/Discussion:

HUD published the proposed 2015 Fair Market Rents for Madison/Dane County. The Fair Market Rents (FMR's) are established by HUD based on the local rental market. HUD establishes FMR's at the 40th percentile of local rents. HUD feels this allows families to rent a decent but not luxurious unit. Housing Authorities are allowed to set their payment standards (maximums rents allowed) at either 10% above or below HUD

FMR's. Staff will conduct a review and make recommendations next month regarding the payment standards for CDA's Section 8 program.

Internet and TV services: The wiring for TV and Internet Services currently in CDA properties dates back to early cable TV. Since then, technology has changed and it is preferable, but not necessary, to have newer wiring. In January of 2013 a resolution was submitted by staff to the CDA Board. The resolution was to enter into a contract with Charter Cable to upgrade the wiring in several CDA projects. Charter would upgrade the wiring at no cost to the CDA. In addition, Charter would pay the CDA to exclusively market Charter TV/Internet services. This meant handing out a brochure as people moved into CDA units. The CDA Board set aside the resolution without prejudice.

The expense to upgrade the wiring at CDA properties is roughly estimated in the tens of thousands of dollars. At this point it is not a necessity to receive basic Internet or TV services. Residents have complained of the high price of Charter services and the desire to get services at a lower cost. This is a common complaint among the general public. CDA staff have spoke to several TV/Internet service providers, all of whom would want the CDA to pay for equipment installations to provide their services. CDA staff has also spoken to the City Information Technology (IT) department and they have been helping staff look at options. Staff will continue (with the help of IT staff) to look at lower cost technologies, options and opportunities as they may present themselves. The City has budgeted funds to provide low cost internet services to low income households (specifically households with school age children) but have not yet determined how to distribute. IT has suggested a CDA site to the committee, but no determination has been made.