

CITY OF MADISON
INTER-DEPARTMENTAL
CORRESPONDENCE

Date: January 14, 2016
To: CDA Housing Subcommittee and CDA Board
From: Agustin Olvera, Housing Operations
Subject: Director's Monthly Report

Low Rent Public Housing (LRPH) – Occupancy for 2015 was 94%. The goal established by HUD is 98%. The Truax project created a higher than normal number of vacancies at East. Vacated “obsolete” units were not filled and some residents whose units were demolished had to be temporarily relocated. In addition, under the Section 8 program a number of Vouchers issued in 2015 went to Public Housing residents which created a much higher than normal turnover in units (15 of 22 vacancies at Romnes). With the completion of Truax and a reduction in the issuance of vouchers in 2016, Public Housing occupancy will go up again.

Housing Choice Voucher/Section 8 – Total of 1668 Vouchers in use in December. There are over 100 households with vouchers looking for apartments. Staff has been monitoring the use of vouchers. The fear was that with the City's low vacancy rates that program participants would not be able to use their vouchers. The information to date indicates that persons with vouchers are able to find units to lease though the search and lease-up time is taking a little longer.

Homeownership Program – 36 homes have been purchased; 32 remain in the program.

Family Unification Program (FUP) Voucher – Placement is by referral from Dane County Human Services; 81 of 100 vouchers in use.

Veterans Assistance Supportive Housing (VASH) Vouchers – Placement is by referral from the VA. With this year's award 154 VASH vouchers are available; 106 are currently in use. 34 VASH vouchers have been issued (have a voucher but not yet leased up); four are in screening; two contracts pending and one inspection to be conducted accounting for 147 of the 154 vouchers available. The VA has told us they are working with a number of homeless veterans who should be taking the remaining seven vouchers.

The CDA submitted an application for vouchers to be used at the new Supportive Housing Project at Rethke Avenue. The CDA received an award of 25 vouchers. CDA, CDBG, Dane County Human Services, VA and Heartland staff have been meeting to plan and coordinate lease-up efforts. Tentative opening of the Rethke project is April of 2016.

Resolution 4162 and 4163 – These are revisions to the 2014 and 2015 grants related to a rule change by HUD which does not permit a direct-line item charge to the Capital Fund program for Security expense but does allow an indirect payment for Security expenses through an increase in the Operations line item.

Resolution 4158 – Two-year Renewal of Project Based Vouchers with several community agencies.

Informational – 2016 FEDERAL BUDGET – CDA affected Programs and Rules

Public Housing – There was a slight increase in the funding of Operating Subsidy for 2016, sufficient to fund Housing Authorities at an 83.8 % proration of formula funding. In 2015 the proration was 82.35%; this would be approximately \$22,000 in additional funding in 2016.

Capital Fund – Again a very slight increase in funding.

Green Physical Needs Assessment – HUD proposed a requirement for all Housing Authorities to perform a 20-year physical need assessment for the purpose of developing a national database of the physical needs of all Housing Authorities. No additional funding was allocated to Housing Authorities for this purpose. HUD is prohibited from requiring or enforcing in 2016.

Family Self Sufficiency – Funding was maintained at previous year's level.

Housing Choice Voucher (Section 8) Program – Housing Assistance Payment (HAP) Funding is sufficient for full funding of current vouchers in use. The Ongoing Administrative fees are funded at a 75% proration. In 2015 funding was prorated but increased several times during the year up to 81%. This may occur again. Administrative Fees do not cover CDA staff administrative expenses but increased proration and increased utilization could get the program to a break even position in the next few years. The CDA has unrestricted reserves which can cover an administrative expense shortfall.

Family Income Certification – for those on fixed incomes certifications will only need to be performed every three years instead of annually. This will provide some administrative relief, though HUD has not yet issued any guidance and is instructing housing authorities to hold off on implementation.