

Community Development Authority (CDA) City of Madison

Resident Advisory Board

Tuesday, September 27, 2011 4:30 p.m.

East Madison Community Center

8 Straubel Court

Meeting Minutes

RAB Members: Present: Sariah Daine, Alice Fike, Jody Franks

CDA Staff Present: Lisa Daniels, Agustin Olvera

Members of the Resident Advisory Board (RAB) had previously been provided with a copy of the draft annual plan. The discussion was open to all portions of the plan. The following topics were discussed:

▪ **Capital Fund 5 Year Plan**

Capital Fund provides allocations for each year to replace systems such as boilers and new roofs. Most funding for Public Housing comes from HUD. The City of Madison provides a small amount of funding, but did help to finance the Truax redevelopment project. There are currently three (3) years worth of Capital fund allocations going on at the same time each year. The CDA has to obligate the money and then spend it. Adjustments have to be made as projects are shifted.

▪ **Homeownership**

The CDA continues to work on Section 8 homeownership, with 27 closings to date. The CDA will be looking into Public Housing homeownership, where the CDA would sell Public Housing property to Public Housing participants. The CDA will write up the program as a voluntary program and will see if some residents are ready to improve their situation and purchase a home. Single family homes could be sold, as well as duplexes. The housing market and home values would need to be considered.

▪ **Family Self-Sufficiency (FSS)**

The CDA started a FSS program with the Dane County Housing Authority to benefit some residents. As a FSS participant's income increases, their rent stays the same, so that the difference can be placed in escrow for future endeavors, such as tuition, down-payment on a home, an auto purchase.

▪ **Section 3 Program**

Section 3 allows Public Housing residents to participate in job training and employment opportunities in connection with projects that are taking place at the developments. For example, the contractor associated with the Truax redevelopment project held a job fair and the CDA paid for a number of residents to receive training. Some residents received their GED. Referrals were then made to the contractor. The contractor was not liable to hire the residents, but the CDA made a good effort to get people ready for a job opportunity. The same initiative was applied at the Allied Drive redevelopment project. The CDA's goal is to conduct more of these efforts through the Section 3 program.

Members of the RAB stated that they were aware of the job fair conducted at Truax.

- **HOPE VI Program**

Historically, larger communities received *HOPE VI* grants for Public Housing redevelopment and to improve entire communities with economic development. HOPE VI was considered for Truax redevelopment, but HUD said that the dwellings at Truax were not in bad enough condition to qualify and that Truax was located too far away to fit in a larger-community, economic development effort. HUD advised to include Webb Rethke, Darbo/Worthington and Union Corners. The military armories may become potential housing for the CDA, as military dwellings have to be offered for low-income housing once the military is done using them. HOPE VI may be changed to *Choice Neighborhoods*, which is not receiving much support.

- **Public Housing ACOP and Section 8 Administrative Plan**

The CDA has always tried to find a balance between helping low-income people get into its housing programs and holding program participants responsible and accountable. Receiving HUD rental assistance through Public Housing or Section 8 is considered a privilege. If the CDA determines program abuse, the housing authority is required to take the assistance away and some people believe that they should still receive the rental assistance after abusing their privileges. The CDA tries to give people a chance, but also realizes that there are other people waiting to receive HUD's rental assistance.

Advocates and social workers continue to ask the CDA to eliminate rules associated with the housing programs, so that applicants are not denied and program participants will not lose their privileges. For Public Housing, a good rental history is required and criminal history can affect eligibility. HUD requires that a housing authority keep its residents safe and that a housing authority provide surroundings that can be peacefully enjoyed by the other residents. The Public Housing Admissions Policies (ACOP) and the Section 8 Administrative Plan address the rules, are used by CDA staff to administer the programs, and are considered supporting documents to the Annual Plan.

Members of the RAB stated that they understand the privilege and that holding people accountable matters to the community.

- **CDA Housing Preferences**

The CDA maintains waiting lists for its housing programs. Applicants are ranked on the waiting list based on date/time of application and any verified preferences they qualify for. The CDA approved their current preferences in 2002. In 2000 and 2001, Madison saw an increase in homeless families who had fled from urban areas (i.e. Chicago, Milwaukee, etc.). Madison shelters became full. The CDA created a homeless preference and a preference for victims of domestic abuse to help people in those situations get to the top of the waiting list faster.

A year after examining the homeless preference, we found that applicants with the homeless preference got in at a higher rate than the non-homeless. Very few people claim the victim-of-domestic abuse preference.

Applicants who receive the homeless preference for Public Housing can keep the preference after they are no longer homeless. For the CDA's Section 8 program, the homeless preference is removed if the applicant is no longer homeless. Also, the CDA's homeless preference is much broader than HUD's definition of homeless, which allows almost all applicants to receive the preference. Therefore, a distinct priority does not take place.

A rent burden preference would allow those in need of housing to be served first and those who are already receiving subsidized housing would be served last, because they are already being taken care of. Dane County Housing Authority uses a rent burden preference. A few residents who had the homeless preferences have succeeded in CDA housing and some residents have not done well. Members of the RAB made the following comments regarding the CDA's preferences:

- Many people make bad decisions and make mistakes.
- Staying with friends or a relative is not the same as living on the street or in a shelter
- The idea of prioritizing is good when considering the elderly
- The homeless preference should not be given to applicants who are no longer homeless
- The need for housing outweighs the supply
- Change the homeless preference to match Section 8 and add the rent burden preference

▪ **Section 8 Project-Based Vouchers (PBV)**

The CDA would like to continue using project-based vouchers. HUD allows a housing authority to take their regular rental vouchers and attach them to apartment units at a project, as was done with two buildings at the Truax redevelopment site. The CDA will receive \$840 in subsidy for a PBV unit and the resident will pay only 30% of their income toward rent. The CDA receives \$240 from HUD on a Public Housing unit where the average rent is \$200. Many housing authorities are using PBVs to help support their Public Housing programs, because PBVs help to leverage tax credit money for redevelopment. However, once a housing authority assigns a PBV, they take that voucher away from their stock of vouchers and reduce the number of vouchers they can give out under the regular Section 8 rental voucher program. Utilizing Section 8 vouchers at Truax allowed for Truax to be redeveloped.

Members of the RAB stated that using PBVs at Truax was a good decision.

▪ **Truax Redevelopment**

The CDA will continue to work on Phase 2 of Truax redevelopment. The details of Phase 2 are still under review and may include the maintenance building, a four (4) story building, and the townhomes, but no final decisions have been made at this time. The townhomes are small in size and need updating.