SAHA
SAN ANTONIO
HOUSING AUTHORITY
Opportunity Lives Here

# SAHA AGENCY PLANS (FY2018-19)

# Moving to Work

# Annual MTW Plan- FY2019

San Antonio Housing Authority | 818 S. Flores | San Antonio, TX 78204 | www.saha.org

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# Section I. Introduction

The San Antonio Housing Authority (SAHA) provides housing to 65,000 children, adults, and seniors through three housing programs – Public Housing, Housing Choice Vouchers, and mixed-income housing programs. SAHA employs approximately 500 people and has an annual operating budget of $186 million. Existing real estate assets are valued at over $500 million.

SAHA's involvement with Moving to Work (MTW) dates back to May 2000, when SAHA implemented its initial MTW demonstration program in three Public Housing communities: Mission Park Apartments, Wheatley Courts, and Lincoln Heights Courts. In 2009, SAHA signed an amended and restated agreement with the U.S. Department of Housing and Urban Development (HUD) to make the MTW demonstration an agency-wide program.

The MTW designation provides SAHA with the flexibility to design and test innovative approaches to enhance the agency's programs. The MTW designation also provides funding flexibility by combining Public Housing operating subsidy, capital fund program (CFP) grants, and Housing Choice Voucher (HCV) program subsidies into a single fund block grant. The MTW program focuses on three goals:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient
- Increase housing choices for low-income families

## A. FY2018 Update Summary

This year's MTW Plan proposes two new activities and makes minor updates to existing activities to facilitate implementation, measurement, and/or reporting.

## B. Overview of Short and Long-term MTW goals and objectives

On June 25, 2012, the Board of Commissioners formally approved SAHA's new Strategic Plan. Three elements comprise the core of the plan: a new vision for the agency, a new mission statement, and a set of six strategic goals.

Vision: Create dynamic communities where people thrive.

Mission: Provide quality affordable housing that is well-integrated into the fabric of neighborhoods and serves as a foundation to improve lives and advance resident independence.

Strategic Goals

1. Empower and equip families to improve their quality of life and achieve economic stability.
2. Invest in our greatest resource – our employees – and establish a track record for integrity, accountability, collaboration and strong customer service.

3. Preserve and improve existing affordable housing resources and opportunities.
4. Strategically expand the supply of affordable housing.
5. Transform core operations to be a high performing and financially strong organization.
6. Develop a local and national reputation for being an effective leader, partner, and advocate for affordable housing and its residents.

The Agency's MTW Plan and Strategic Plan are closely integrated. Strategic Plan goals articulate and reinforce the three statutory MTW goals.

**Strategic Plan**

SAHA's Strategic Plan establishes six long-term strategic goals to be achieved by 2020. In order to ensure timely progress towards those goals, SAHA develops annual Strategic Implementation Plans that set out annual objectives for the fiscal year. Progress is measured by tracking key metrics for each strategic goal. The first of the following tables lists the key metrics assigned to each strategic goal. The second table shows the relationship between the long term strategic goals and annual objectives.

**Key Strategic Goal Metrics**
*Metrics in boldface are MTW Standard Metrics.*

| Strategic Goal | Metric | Definition |
|---|---|---|
| 1: Empower and equip families to improve their quality of life and achieve economic stability. | Education Attainment | % of 19 and older adults with an education level of 12 or more; Level 12 indicating GED/HS Diploma |
| | Employment rate of residents/ participants (FT equivalent) | % of work--able adults that are employed at or above minimum FTE work level |
| | Employment rate of residents/ participants (PTE and FTE) | % of work--able adults that are employed at or above minimum PTE work level |
| | Earned income | Median earned income of SAHA--assisted adults working at a full--time equivalent |
| | **SS #8: Self Sufficient** | **Number of households transitioned to self--sufficiency.** |
| | | |
| 2: Invest in our greatest resource – our employees – and establish a track record for integrity, accountability, collaboration and strong customer service. | Performance Evaluations Completed on time, % | Percentage of complete and correct evaluations submitted to HR within 30 days of anniversary date (hire date or promotion date) |
| | Client satisfaction, % | TBD |
| | Employee turnover rate | Number of employees that have left divided by the total number of employees (for the period) |
| | Training commitment | Ratio of dollar amount set aside for training in each department's budget (to include tuition reimbursement, professional certification activities) to dollar amount spent for training |
| | Value of benefits | $ in medical, life insurance, disability, and dental/vision benefits, per employee |
| | Wellness programs | $ invested in SAHA wellness programs |
| | | |
| 3: Preserve and improve existing affordable housing | **MTW HC #2: Units of Housing Preserved** | **Number of housing units preserved for households at or below 80% AMI that would otherwise not be available** |

| | | |
|---|---|---|
| resources and opportunities | Units of Housing Preserved (non--MTW) | Units of affordable housing preserved |
| | Funds obligated | Amount of dollars contractually obligated for asset preservation projects. |
| | Percentage of contract completed | Percentage of contract completed for asset preservation projects. |
| | Work order days closed within 2 days, % | Percentage of work orders closed out within 2 days |
| | Emergency Work Orders completed same day, % | Percentage of emergency work orders completed the same day of being ordered |
| | | |
| 4: Strategically expand the supply of affordable housing | Units acquired or built (completed) | Total sum of all units acquired or built |
| | Funds expended on units acquired or built (completed) | Federal dollars invested |
| | Funding leveraged | Dollar value of non--federal funds invested in expansion |
| | Post--partnership units | Number of units that come back to SAHA ownership after partnership compliance period expires |
| | Voucher value | Dollar value of new vouchers secured |
| | Additional vouchers secured | Number of new, competitive vouchers secured |
| | | |
| 5: Transform core operations to be a high performing and financially strong organization. | Occupancy (%) | (Total Standing Units minus Vacant Units) divided by Total Standing Units. This measure accounts for units such as agency, litigation, fire, etc. that are not occupied by a tenant but do not count against the occupancy rate. |
| | **Utilization -- MTW Baseline** | **Voucher utilization based on MTW baseline** |
| | Average HAP | Average HAP per unit |
| | HCV Scorecard | Scorecard score |
| | Non--Profit DSCR | Debt service coverage ratio |
| | **MTW Total # of Households Assisted** | **Number of MTW households assisted through MTW using the MTW baseline methodology set forth in PIH--2013--02. Includes all PH households, all MTW Voucher Households, and "Other" households defined as non--PH and Non--S8 households occupying a unit reserved for <80% AMI at any MTW funded development.** |
| | PH NOI | NOI per year per unit |
| | Deferred Maintenance, PH | $ millions (value of Categories 1, 2, and 3) |
| | Deferred Maintenance, NP | $ millions (value of Categories 1, 2, and 3) |
| | PHAS Score | overall PHAS score for SAHA |
| | Non Profits Score | Aggregate [scorecard] score for Non Profits |
| | Partnerships Score | Aggregate [scorecard] score for Partnerships |
| | | |
| 6: Develop a local and national reputation for being an effective leader, partner, and advocate for affordable housing and its residents. | Agency Awards/Recognition | Number of national, state, and local awards for agency programs |
| | State and National Representation | number of state or national trade group associations (partner industries), committees or boards on which at least one SAHA representative is serving, to include presentations at conferences |
| | Local Leadership and Representation | Staff participating in external leadership programs (LSA, Masters, etc.) plus non--profit board service |
| | Positive media coverage (%) | number of positive/neutral hits divided by total (all) hits, by media outlet |

| | | |
|---|---|---|
| | Policy wins (%) | Number of policies finalized in SAHA's favor divided by total number of policies engaged |

**Long-term MTW Plan**

In January 2017, SAHA staff began developing the concept for a Long-term MTW Plan. Staff recognized the need for a long-term (multi-year) perspective in order to accomplish some of the more complex and impactful agency goals. The group also recognized the challenge of maintaining focus and momentum over multiple budget cycles. A Long-term MTW Plan, then, should be designed to provide a multi-year framework (through 2022/23) to guide the coordinated implementation of agency priorities, and include the following elements:

- Objectives: List of accomplishments to complete by 2022/23
- Metrics: For each objective, measurements of progress
- Targets: For each metric, the value that indicates success
- Logic model: description of how Projects work together to accomplish long-term objectives
- Projects: description of individual work plans

As of February 2018, eight projects have been identified and are being piloted. The result of these early pilots will inform the structure and details of the Long-term MTW Plan, including metrics and targets. SAHA anticipates that the first draft of this Plan will be included in the FY2020 MTW Plan.

**MTW Advisory Committee and MTW Alliances**

SAHA is exploring significant changes to the direction and structure of the MTW Advisory Committee. For many years, the MTW Advisory Committee -- made up of external stakeholders and key SAHA staff -- was focused on providing feedback on the MTW Plan. Starting in January 2018, the Committee has convened to discuss alternative roles for the group. One of the alternatives that has broad support is to reconstitute the Advisory Committee as a number of Alliances. Each Alliance would be organized around one of the MTW Statutory Objectives (listed above in the Introduction to this section). A Housing Choice Alliance, for example, would reach out to other agencies and organizations who share the goal of increasing housing choices for low-income families. Alliance members could then identify specific objectives and promising strategies, develop short- and long-term plans, and coordinate communications and fundraising as a group. Some, but not all, Advisory Committee members have experience working in an Alliance or similar structure. SAHA anticipates that new MTW Alliances could be up and running by July 2018.

## C. Non-MTW Related Housing Authority Information

**I. Supportive Housing**

In addition to MTW housing programs, SAHA offers affordable housing linked to accessible supportive services, including mental health, substance addiction, unemployment, and other support services that provide assistance for families and individuals to live more stable, productive lives. Supportive housing works particularly well for those facing complex life challenges, such as homelessness, HIV/AIDS, prison or jail release, and/or mental illness.

SAHA is committed to reducing homelessness in San Antonio through programs that provide affordable quality housing for homeless individuals and families. In an effort to provide quality assistance, the agency works with non-profit organizations and Continuum of Care (CoC) partners that offer services to address issues that affect client quality of life.

Below is a brief description of the agency's non-MTW supportive housing programs:

**Moderate Rehabilitation (Mod-Rehab) Program**: provides rent subsidy payments to private property landlords for select rental units that have been rehabilitated under this program. Subsidies provide housing assistance to families and individuals as they transition into affordable housing. There are a total of 240 certificates for families.

**Continuum of Care (CoC) Program**: provides rental assistance and supportive services for homeless families and individuals with disabilities, primarily those with serious mental illnesses, chronic problems due to alcohol or drug dependencies, and acquired immune deficiency syndrome (AIDS) or related diseases. There are 101 certificates committed to CoC.

**Mainstream**: provides rental assistance for elderly and disabled households. Currently, there are 100 vouchers authorized for this program.

**HUD-VASH**: serves homeless veterans by combining the HCV rental assistance program with case management and clinical services provided by Veterans Affairs medical centers. There are presently 510 families authorized for assistance under this program.

**II. Section 32 Program / HOPE VI Mirasol - Westside Reinvestment Initiative**

In 2016, HUD approved an Addendum to the HOPE VI Mirasol Homeownership Neighborhoods Grant initially developed in the late 1990's. The Plan's most basic elements are:

1) The demolition of 67 vacant homes and remnants on 1 lot in the Blueridge and Villas de Fortuna neighborhoods;
2) Substantial rehabilitation of 19 vacant homes in the Palm Lake and Sunflower Neighborhoods;
3) New construction of 69 single-family homes in Blueridge (40), Villas De Fortuna (28) and Palm Lake (1) neighborhoods; and
4) Use of the Middle-Income Homeownership Program (MIHP) a "Nehemiah-like" homeownership program that was in effect at the time that SAHA received the HOPE VI Mirasol Grant. The MIH Program allows sale of homes to families earning up to 100% of

the area median income and 15% of the homes may be sold to families earning up to 115% of the area median income.

Newly constructed homes will range from $125,000 to $170,000 and from three bedroom/two bath to five bedroom/three baths. Substantially rehabilitated homes expect to sell for $80,000 - $130,000. The 39 boarded up, vacant homes in the Blueridge subdivision were demolished in 2016 and new home construction on the 40 total lots started in the summer of 2017. Homes in the Villas de Fortuna subdivision will be demolished in 2018. SAHA contracted with the Westside Development Corporation, a nonprofit of the City of San Antonio, to provide programs and services to residents during the HUD approval and pre-development process.

Local market conditions indicate that these homes are in demand. Fifteen homes in Blueridge are currently available and four (4) are currently sold and seven (7) are under contract. There is less than a three month inventory of homes available on the market. Working families do not have sufficient choices for home buying and rents remain high. SAHA created Home Buyer Readiness Education Workshops to build a ready pipeline of buyers for these homes. To date, SAHA has graduated over 300 interested home buyers from the Program.

**III. Section 32 Plan/ HOPE VI Spring View Homes**

SAHA owns seven (7) remaining properties, part of the HOPE VI Spring View project that remain under the Section 32 Program. The properties must be repaired to local code requirements and sold to eligible income, first time home buyers as per the Program guidelines. SAHA staff is working with HUD to find a solution for these properties due to the discontinuance of SAHA's Sect. 32 Program.

**IV. Post Auction/RTC/Former Lease-Purchase Portfolio**

SAHA has reduced its single family homes/lots portfolio to two (2) vacant homes and two (2) lots. These properties remain from previous auction sales or were former Lease-Purchase Program properties. Staff expects to dispose of these in 2018.

**V. Sale of Excess Assets**

SAHA, and related entities, are considering the sale of excess assets from its property inventory. SAHA is evaluating the benefit of potential sales from the property list upon staff recommendation and SAHA Board of Commissioner approval. Potential homes, lots and large parcels under consideration include those in the SAHA Large Parcel Property inventory and SAHA Springview Home Inventory (Non-Pic) detailed below

**SAHA Large Parcel Property inventory**

| Vacant Parcels for Development | Council District | Owner | Acreage | Area (sf) | Est. Value * | Comments |
|---|---|---|---|---|---|---|
| 550 Brooklyn | 1 | SAHA | 2.58 | 112,385 | $ 6,615,650 | 2017 BCAD |
| Sutton 909 Runnels | 2 | SAHA | 1.95 | 84,724 | $ 250,000 | Appraisal 11-2-16 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Springview 2730 E. Commerce | 2 | SAHFC | 1.30 | 56,628 | $ | Vacant Residential Lot |
| Springview 2830 E. Commerce | 2 | SAHFC | 0.16 | 6,970 | $ 34,530 | Vacant Residential Lot |
| Springview 2407 Ezell | 2 | SAHFC | 0.17 | 7,405 | $ 7,080 | Vacant Residential Lot |
| Springview 2411 Ezell | 2 | SAHFC | 0.16 | 6,970 | $ 7,080 | Vacant Residential Lot |
| Springview 2415 Ezell (PID 115584) | 2 | SAHFC | 0.16 | 6,970 | $ 7,080 | Vacant Residential Lot |
| Springview 2415 Ezell (PID 115585) | 2 | SAHFC | 0.16 | 6,970 | $ 7,080 | Vacant Residential Lot |
| Springview 2902 E. Commerce | 2 | SAHFC | 0.19 | 8,276 | $ 11,900 | Vacant Residential Lot |
| Springview 2906 E. Commerce | 2 | SAHFC | 0.21 | 9,148 | $ *13,000* | Vacant Residential Lot |
| Springview 2910 E. Commerce | 2 | SAHFC | 0.18 | 7,841 | *$ 7,080* | Vacant Residential Lot |
| Springview 2603 Ezell (PIDI 115595) | 2 | SAHFC | 0.06 | 2,614 | *$ 3,000* | Vacant Residential Lot |
| Springview 2603 Ezell (PID 115597) | 2 | SAHFC | 0.18 | 7,841 | *$ 7,080* | Vacant Residential Lot |
| Springview 2607 Ezell | 2 | SAHFC | 0.54 | 23,522 | $ 19,160 | Vacant Residential Lot |
| Springview 2944 E. Commerce | 2 | SAHFC | 0.18 | 7,841 | $ 7,080 | Vacant Residential Lot |
| Springview 202 Garcia St. | 2 | SAHFC | 0.94 | 40,946 | $ *41,765* | Vacant Residential Lot |
| Springview 700 Garcia St. | 2 | SAHA | 2.31 | 100,624 | $ 300,000 | Vacant Admin. Bldg. |
| Springview Rosary St. | 2 | SAHA | 3.13 | 136,342 | $ 215,000 | Vacant Residential Lot |
| Springview 903-937 Hedges St. | 2 | SAHA | 1.90 | 82,764 | $ 140,000 | Vacant Residential Lot |
| Springview 651 S. Rio Grande | 2 | SAHA | 5.0 | 217,800 | $ *457,380* | Vacant land |
| Springview 200 S. Rio Grande | 2 | SAHA | 2.4 | 104,544 | $ *219,542* | Vacant Land |
| 1310 S. Brazos | 5 | SAHFC | 5.0 | 218,255 | $ 2,940,080 | 2017 BCAD; Warehouse |
| 3940 San Fernando | 5 | SAHA | 9.68 | 421,660 | $ 843,322 | VCP w/TCEQ Environmental |
| 5700 Culebra Rd. | 7 | SAHDC | 12.56 | 547,113 | $ 1,094,227 | 2008 Appraisal $1.4M |
| 1706 Cincinnati | 7 | SAHDC | 0.54 | 23,522 | $ 43,250 | 2008 Appraisal; LURA? |

* The estimated values noted are based on recent appraisals, the comparable value from a similar tract in the area or based on BCAD assessed values.

## SAHA Springview Home Inventory

| SCATTERED SITES VACANT-LOTS | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **PROPERTY ADDRESS** | **OWNER** | **COUNCIL DISTRICT** | **STATUS** | **ACREAGE** | **SQ. FT** | **Property ID #** | **C A N #** | **COMMENT** |
| 7250 GLEN MIST | SAN ANTONIO HOMEOWNERSHIP OPP CORP | | RTC VAC-LOT | 0.056 | 1,069.00 | 314106 | 05703-102-0540 | AUCTION LOT NO SELL |
| 1011 YUCCA | SAHA | 2 | SPRINGVIEW VAC-LOT | 0.1779 | 7,750.00 | 462704 | 10710-029-0160 | AUCTION LOT NO SELL |
| **SCATTERED SITES VACANT-HOUSES (3)** | | | | | | | | |
| **PROPERTY ADDRESS** | **OWNER** | **COUNCIL DISTRICT** | **STATUS** | **ACREAGE** | **SQ. FT** | **Property ID #** | **C A N #** | **COMMENT** |
| 6211 BROWNLEAF | SAN ANTONIO HOMEOWNE | 6 | SOLD | 0.1263 | 5,500.00 | 577377 | 15405-001-0270 | PROPERTY SOLD |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | RSHIP OPP CORP | | | | | | | |
| 1071 POINSETTIA ST | SAHA | 2 | VACANT HM | 0.1607 | 7,000.00 | 441311 | 09545-004-0040 | AUCTION PROP NEED TO CLEAR TITLE |
| 1411 MONTANA | SAHA | 2 | VACANT HM | 0.1522 | 6,630.00 | 115411 | 01437-013-0160 | |

| SPRINGVIEW-SCATTERED SITES | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| PROPERTY ADDRESS | OWNER | COUNCIL DISTRICT | STATUS | ACREAGE | SQ. FT | BCAD VALUE | Property ID # | C A N # | STATUS | COMMENT |
| 2622 E COMMERCE | SAHA | 2 | VACANT HM | | 6,500 | | 115521 | 01443-016-0060 | SOLD | SPRINGVIEW HOPE VI |
| 238 CORLISS | SAHA | 2 | VACANT HM | 0.1435 | 6,250 | $53,950 | 452504 | 10246-008-0100 | | SPRINGVIEW HOPE VI |
| 518 CORLISS | SAHA | 2 | VACANT HM | 0.1435 | 6,250 | $54,450 | 462032 | 10681-004-0050 | | SPRINGVIEW HOPE VI |
| 2806 DEL RIO | SAHA | 2 | VACANT HM | 0.1475 | 6,423 | $62,830 | 115632 | 01450-016-0020 | Repairing | SPRINGVIEW HOPE VI |
| 126 FERRIS | SAHA | 2 | VACANT HM | 0.1435 | 6,250 | $46,930 | 452413 | 10244-005-0070 | | LINCOLNSHIRE-WILLOW PARK |
| 526 J ST | SAHA | 2 | VACANT HM | 0.1722 | 7,500 | $55,500 | 453698 | 10295-020-0100 | | SPRINGVIEW HOPE VI |
| 614 J ST | SAHA | 2 | VACANT HM | 0.1722 | 7,500 | $57,130 | 453718 | 10296-021-0040 | | SPRINGVIEW HOPE VI |
| 2858 WYOMING | SAHA | 2 | VACANT HM | 0.1389 | 6,050 | $73,870 | 115673 | 01450-017-0150 | | SPRINGVIEW HOPE VI |

| CHOICE - Infill Development (Strategy 1) | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| PROPERTY ADDRESS | OWNER | Target Area | STATUS | ACREAGE | SQ. FT | Date closed | Purchase Price | Property ID | C A N # | COMMENT |
| Target Area 1 | | | | | | | | | | |
| 611 ARTHUR | SAHA | 1 | Vacant Lot | 0.1826 | 7,956 | 5/9/2015 | $9,000 | 113946 | | |
| 1533 HAYS | SAHA | 1 | Vacant Lot | 10998 | 4,346 | 01/16/2015 | $8,000 | | | |
| 1535 HAYS | SAHA | 1 | Vacant Home | 0.1046 | 994 | 01/16/2015 | $18,000 | | | Back structure requires demo |
| 1439 LAMAR | SAHA | 1 | Vacant Lot | 0.0998 | 4,346 | 5/8/2015 | $10,000 | 113770 | 01313-017-0100 | |
| 209 Gabriel | SAHA | 1 | Vacant Lot | 0.112 | 4,879 | 10/17/2016 | $1,638.50 | 113754 | 01313-014-0030 | (purchased from CoSA) |
| 519 Arthur | SAHA | 1 | Vacant Lot | 0.1708 | 7,440 | 10/17/2016 | $1,475 | 113919 | 01324-023-0060 | (purchased from CoSA) |
| Target Area 2 | | | | | | | | | | |
| 1714 BURNET | SA Housing Finance Corp | 2 | Vacant Home | 0.1224 | 5332 | SAHA Owned | Donation | 114316 | 01358-003-0040 | House - needs demo |
| 1718 BURNET | SAHA | 2 | Lot | 0.1244 | 5418 | 10/14/2017 | $9116.38 | 114317 | 01358-003-0050 | |

## VI. Tampico Re-Development

The Tampico Warehouse, located at 200 Tampico Street, is a non-dwelling building included as part of the Alazan/Apache courts public housing development. The site area is 3.763 acres or 163,934 square feet. A portion of the property is located in a 100 year floodplain, leaving a remaining usable area of approximately 3.624 acres or 157,853 square feet. The site is improved with a 9,568 square foot office/warehouse. Due to severe deterioration, the warehouse was given little to no value in the appraisal reported dated October 30, 2017. The final opinion of value of the site is estimated at $1,210,000.

SAHA intends to redevelop the vacant land for the development and construction of a new multi-family apartment complex that is sustainable and located in close proximity to employment, education, health and economic development opportunities. SAHA selected Mission DG, LTD to co-develop the site. The development possibilities range from 130 multi-family units: 85 (65%) affordable workforce units and 45 (35%) market rate units to putting in a larger development with 232 multi-family units with a similar income mix. In addition, SAHA is in the process of authorizing the financing and construction of the new development and approving the San Antonio Housing Finance Corporation application for an allocation of private activity bonds.

**VII. Public Housing Scattered Sites**

SAHA currently operates 163 single family housing units throughout the city of San Antonio. SAHA evaluated the scattered sites portfolio due to the high cost of managing and maintaining these units. An application for the disposition of 94 scattered sites was submitted to HUD in January 2017. The disposition is still being considered. If the disposition request is approved by HUD, net sale proceeds will be invested in capital repair/replacement projects of other public housing assets.

**VIII. Former Springview Administration Building and adjacent land parcels**

The subject assemblage consists of three distinct sections. Together, the total acreage of the subject property is approximately 4.61 acres or 200,812 square feet of land.

Property 1 is located on the northern boundary of the larger parent tract and is bounded by East Commerce Street to the North, Ezell St. to the South, the railroad right-of-way to the East, and S. Garcia to the West. This property consists of approximately 1.357 acres or 59,111 square feet of vacant land.

Property 2 is vacant land located adjacent to the former Springview Administration building and is bounded by Ezell St. to the North, S. Garcia Street to the West and the railroad right-of-way East. This parcel of land consists of approximately .9397 acres or 40,946 square feet.

Property 3 is a 2.3124 acre or 100,728 square feet tract of land improved with a freestanding office building of 9,309 square feet, bounded to the west by Garcia Street and by Property 2 to the North.

**IX. The Monastery of Our Lady of Charity property and surrounding land**

Preliminary discussions have taken place with a tax credit development firm concerning potential redevelopment of the historic convent property, two multifamily buildings, an abandoned former school building and 2.4 acres of vacant land. The property is located at 210 S Grimes and is bordered by Montana, Rio Grande, and the Springview Senior Public Housing Development.

**X. 440 Labor Street**

The property contains a 12,100 sf single story building located on 1.3 acres of land. The property is currently occupied by a day care facility.

**XI. Choice Implementation Grant Application**

The San Antonio Housing Authority (SAHA) and the City of San Antonio (COSA) have submitted a Choice Neighborhood Grant Implementation Application after working with neighborhood stakeholders to create a plan for over $186 million of investment in the near Westside of San Antonio. Partners include the NRP Group as developer for the Housing Plan; the San Antonio River Authority, Westside Development Corporation, Avenida Guadalupe Association, Guadalupe Cultural Arts Center, Center for Health Care Services, among others for the Neighborhood Plan; and the San Antonio Independent School District (SAISD), and anchor institution University Health Systems, among others.

Plan strategies build from the successes of SAHA, the City and their partners. These are driven by the residents' desires to recreate a neighborhood of choice that is both rooted in a rich Mexican-American heritage and looks to new opportunities afforded to San Antonians by this century's growing economy.

**Housing**

The target site is Alazan Courts in the near Westside of San Antonio and close to downtown. Residents and stakeholders identified the need to increase quality, accessible affordable housing choices by demolishing and redeveloping the Alazan Courts public housing site through a three-pronged approach, which creates 1,294 new mixed-use, sustainable, broadband connected housing both on and off site.

1. Maximize opportunities for residents to either remain in or return to the neighborhood by building off site first, allowing as many residents as possible to move only once, and providing neighborhood re-housing opportunities for the existing Alazan residents.
2. Minimize disruption to families by providing Relocation Vouchers and building Off-Site housing first in the greater Westside's "Neighborhoods of Choice" during the first two years, with 31% of residents will have the opportunities for new housing in new neighborhoods.
3. Expand workforce housing options for residents who achieve success in the FSS programs and increase household incomes, by providing a range of income tiers with 24% of households greater than 60% of AMI.

**Neighborhood**

Neighborhood assets include a strong sense of community and a dedication to family. That community includes social and heritage assets such as a community theater and Avenida Guadalupe Association, which develops community assets and has developed retail, meeting, and office spaces at the center of the target neighborhood adjacent to the target site. The city has committed and continues to commit CDBG and other funds to the neighborhood, and the schools have invested heavily in the neighborhood schools through a recently completed bond and a 2017 bond for multi-million dollar educational improvements. Working closely with the U.S. Army Corps of Engineers and City Parks and Recreation, the San Antonio River Authority is stabilizing the rivers to the east and south of the target neighborhood and adding parks and bike trails.

The Neighborhood and Critical Community Improvement strategy will focus on improving the built environment, supporting economic development, improving pedestrian and bike transportation, infrastructure improvements, augmenting existing security, promoting homeownership and reinvestment and upgrading open spaces and trails. These efforts are closely aligned in geography and in purpose with the housing and people/education strategies in the Transformation Plan.

**People**

The Transformation People Plan addresses the critical resident needs of healthcare, wellness, behavioral care, education, job training and kindergarten readiness with a combination of intensive care management, programs, services, partnerships with local organizations that are both proven and targeted to Alazan Courts and neighborhood residents. The People and Education Strategy will use best practices and evidence based approaches. The Transformation Plan augments existing activities at the three neighborhood Schools, creates new programming at Westside service centers and satellite activities in the off-site housing, so that no matter where a public housing resident lives, they will receive top notch case management and supportive services.

The neighborhood boundaries were established guided primarily by Alazan Creek and North San Marcos to the east and the two major east west thoroughfares of Commerce on the north and South Laredo on the south. On the north Commerce Street includes development opportunities adjacent to downtown bridge access and beyond which is the Prospect Hill Neighborhood. As the southern boundary South Laredo provides a third bridge access to Downtown and includes opportunities for a job training center on SAHA property. On the west the boundary is South Trinity, past which the community identifies more with the Zarzamora commercial corridor.

The grant request is for $30 million dollars which represents 11.27% of the total project funding.

The voucher request is for 469 families which represent the occupied units on the date of CNI application submission. The Vouchers are intended to be relocation Vouchers for residents wishing to move off site or out of Public Housing. They are a key element of the SAHA Relocation Plan.

# Section II. General Housing Authority Operating Information

## A. Housing Stock Information

### i. Planned New Public Housing Units

At the beginning of FY2018, the agency had a total of 6,097 units in inventory. Based on planned new units and dispositions, the Agency is projecting to have 6,045 units in the Low Income Public Housing Program (LIPH, also referred to as public housing) at the beginning of FY2019.

By the end of FY2019, the Agency anticipates adding 42 public housing units as part of phase two of the mixed-finance redevelopment project, East Meadows Phase II, formerly part of Wheatley Courts public housing development. These units are expected to be fully occupied by March 2020.

The Agency is also looking into the possibility of bringing online additional ACC units (PH) that are authorized and have not been assigned. It is the Agency's understanding that if and when these ACC units are assigned to a property owned or being developed by SAHA, the Agency's PH unit inventory would increase.

**Planned New Public Housing Units**
New public housing units that the MTW PHA anticipates will be added during the Plan Year.

| ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER | BEDROOM SIZE | | | | | | TOTAL UNITS | POPULATION TYPE* | # of Uniform Federal Accessibility Standards (UFAS) Units | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 0/1 | 2 | 3 | 4 | 5 | 6+ | | | Fully Accessible | Adaptable |
| East Meadows II | 6 | 20 | 12 | 4 | 0 | 0 | 42 | General | 3 | 0 |

| | |
|---|---|
| Total Public Housing Units to be Added in the Plan Year | 42 |

* Select "Population Type" from: General, Elderly, Disabled, Elderly/Disabled, Other

**If "Population Type" is "Other" please describe:**

N/A

### ii. Planned Public Housing Units to be Removed

Pending HUD approval, the Agency plans to remove 94 single-family scattered sites from the public housing inventory. The Agency completed an evaluation of all 163 scattered sites in the portfolio and ninety-four units were selected for disposition due to the high cost of managing and maintaining these units. If HUD approves the disposition application, the net sale proceeds will be invested in capital repair/replacement projects for other public housing assets. It is anticipated that the total projected number of public housing units will be reduced by 94 during FY2019.

**Planned Public Housing Units to be Removed**
*Public housing units that the MTW PHA anticipates will be removed during the Plan Year.*

| AMP NAME AND NUMBER | NUMBER OF UNITS TO BE REMOVED | EXPLANATION FOR REMOVAL |
|---|---|---|
| NA | NA | NA |

| | |
|---|---|
| Total Public Housing Units to be Removed in the Plan Year | NA |

### iii. Planned New Project Based Vouchers (PBV)

As detailed in the tables below, SAHA anticipates project-basing 40 housing choice vouchers in FY2019 as part of a new proposed Choice Neighborhood redevelopment of Alazan Courts. If SAHA does not receive the Choice Neighborhood grant, those 95 vouchers may be project-based over multiple fiscal years.

If opportunities to project-base housing choice vouchers at additional properties arise during FY2019, SAHA will report on any actions taken in a subsequent MTW Report.

**Planned New Project Based Vouchers**
*Tenant-based vouchers that the MTW PHA anticipates project-basing for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (HAP) will be in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).*

| PROPERTY NAME | NUMBER OF VOUCHERS TO BE PROJECT-BASED | RAD? | DESCRIPTION OF PROJECT |
|---|---|---|---|
| **Alazan** | 95 | **No** | **Proposed Choice Neighborhood Redevelopment** |

| | |
|---|---|
| Planned Total Vouchers to be Newly Project-Based | 95 |

### iv. Planned Existing Project Based Vouchers

*Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP is already in place at the beginning of the Plan Year. Indicate whether the unit is included in RAD.*

| PROPERTY NAME | NUMBER OF PROJECT-BASED VOUCHERS | PLANNED STATUS AT END OF PLAN YEAR* | RAD? | DESCRIPTION OF PROJECT |
|---|---|---|---|---|
| Gardens at San Juan | 31 | Leased / Issued | No | Mixed-income Community |
| East Meadows | 8 | Leased / Issued | No | Initial phase of Choice Neighborhood |
| Wheatley Park Senior | 36 | Leased / Issued | No | Final phase of Choice Neighborhood |

| | |
|---|---|
| **Planned Total Existing Project-Based Vouchers** | **75** |

* Select "Planned Status at the End of Plan Year" from: Committed, Leased/Issued

### v. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year

*Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.*

| PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED IN THE PLAN YEAR |
|---|
| Victoria Plaza - total 185 units are currently offline due to a planned comprehensive modernization. It is anticipated that construction will be completed and units re-occupied by the end of FY19. |

### vi. General Description of All Planned Capital Expenditures During the Plan Year

*Narrative general description of all planned capital expenditures of MTW funds during the Plan Year.*

**GENERAL DESCRIPTION OF ALL PLANNED CAPITAL EXPENDITURES DURING THE PLAN YEAR**

The San Antonio Housing Authority's capital expenditures during the plan year will be dedicated to capital improvement projects, A/E related costs, construction management fees, and operating-administration costs throughout the public housing portfolio. The capital plans will address Life-Safety repairs, comprehensive modernization and substantial renovations at several public housing developments.

**Planned Capital Improvements**

| Property | Budget | Description |
|---|---|---|
| Blanco | $ 282,500 | Basement-Structural Repairs |
| Cassiano | $ 300,000 | 7 Offline Unit Restoration |
| Charles Andrews (1) | $ 2,900,000 | Comprehensive Modernization |
| Cross Creek (1) | $ 110,000 | Burn Unit Restoration |
| Escondida (1) | $ 125,000 | Hail Damage Roof Replacement |
| Fair Avenue | $ 1,500,000 | Fire Sprinkler System, Fire Alarm Upgrades. |
| Francis Furey | $ 870,000 | Hail Damage Roof Replacement |

| | | |
|---|---|---|
| Frank Hornsby (1) | $ 560,000 | Hail Damage Roof Replacement |
| Le Chalet | $ 1,300,000 | Substantial Renovation |
| Lila Cockrell | $ 120,000 | Boiler Replacement |
| Lincoln Heights (1) | $ 6,200,000 | Hail Damage Roof Replacement |
| Madonna (1) | $ 845,000 | Hail Damage Roof Replacement; window/gas lines |
| Morris Beldon (1) | $ 200,000 | Hail Damage Roof Replacement |
| Scattered Site 9354 Valley Gate | $ 100,000 | Substantial Renovation |
| Tarry Towne | $ 957,000 | Hail Damage Roof Replacement |
| T.L. Shaley | $ 150,000 | Fire Restoration |
| Victoria Plaza | $12,000,000 | Comprehensive Modernization |
| Villa Tranchese | $ 1,950,000 | Fire Sprinkler System, Fire Alarm, Chiller Upgrades. |
| Wheatley Choice Neighborhood Initiative DDTF | $ 854,061 | CNI Development |
| (1) Partial Expenditure may carryover to FY19. | | |

## B. Leasing Information

### i. Planned Number of Households Served

As detailed in the tables below, SAHA plans to serve **18,142 MTW households** in fiscal year 2018-19, through both public housing, MTW Housing Choice Vouchers, and other families served as part of activity FY2011-1e.

**Planned Number of Households Served**
*Snapshot and unit month information on the number of households the MTW PHA plans to serve at the end of the Plan Year.*

| PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH: | PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED* | PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED** |
|---|---|---|
| MTW Public Housing Units Leased | 68,4369 | 5,825 |
| MTW Housing Choice Vouchers (HCV) Utilized | 145,752 | 12,146 |
| Local, Non-Traditional: Tenant-Based^ | N/A | N/A |
| Local, Non-Traditional: Property-Based^ | 2,052 | 171 |
| Local, Non-Traditional: Homeownership^ | N/A | N/A |

| Planned Total Households Served | 18,142 |
|---|---|

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA plans to have leased/occupied in each category throughout the full Plan Year.

** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year.

^ In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the MTW PHA should estimate the number of households to be served.

| LOCAL, NON-TRADITIONAL CATEGORY | MTW ACTIVITY NAME/NUMBER | PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED* | PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED* |
|---|---|---|---|
| Tenant-Based | N/A | N/A | N/A |
| Property-Based | FY2011-1e: Preservation & Expansion | 2,052 | 171 |
| Homeownership | N/A | N/A | N/A |

* The sum of the figures provided should match the totals provided for each local, non-traditional categories in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

### ii. Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing

*Discussions of any anticipated issues and solutions in the MTW housing programs listed.*

| HOUSING PROGRAM | DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS |
|---|---|
| MTW Public Housing | The Agency is currently undergoing waitlist maintenance and adjusting the ACOP to increase success rate from selection to move in. This is expected to increase lease-up activity. |
| MTW Housing Choice Voucher | The Agency continues to select applicants from the waitlist to ensure MTW baseline is met. In addition, the Agency is currently undergoing wait list maintenance to increase success rate from selection to lease-up. |
| Local, Non-Traditional | None. |

## C. Waiting List Information

As detailed in the table below, SAHA expects to have 5 wait lists open during the plan year.

### i. Waiting List Information Anticipated

*Snapshot information of waiting list data as anticipated at the beginning of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.*

| WAITING LIST NAME | DESCRIPTION | NUMBER OF HOUSEHOLDS ON WAITING LIST | WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED | PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR |
|---|---|---|---|---|
| Section 8 Tenant | Voucher | 25,173 | Closed | No |

| | | | | |
|---|---|---|---|---|
| Voucher | | | | |
| Mod Rehab | Community Wide | 16,097 | Open | n/a |
| Public Housing | Site-Based* | 26,937 | Open | n/a |
| East Meadows Project Based Vouchers | Project Based Voucher Site Based | 9,329 | Open | n/a |
| Gardens at San Juan Project Based Vouchers | Project Based Voucher Site Based | 26,515 | Open | n/a |
| Wheatley Park Senior Project Based Vouchers | Project Based Voucher Site Based | 31 | Open | n/a |

**Please describe any duplication of applicants across waiting lists:**

Total number of unique applicants is 53,473 with each applicant averaging around 2 waiting list applications each.

## ii. Planned Changes to Waiting List in the Plan Year

*Please describe any anticipated changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.*

| WAITING LIST NAME | DESCRIPTION OF PLANNED CHANGES TO WAITING LIST |
|---|---|
| Public Housing | Application system will be updated to restrict preferred development selection to 5 or less to assist clients in selecting their properties and reduce error in applications received. |

# Section III. Proposed MTW Activities

## 1. FY2019-1: Local Small Area Fair Market Rent (SAFMR) Implementation

## A. ACTIVITY DESCRIPTION

*i. Describe the proposed activity.*

This activity is designed to achieve the MTW statutory objective to increase housing choices for low-income families, by creating payment standards that better reflect market conditions in different parts of San Antonio, and so making a larger number of San Antonio neighborhoods affordable for voucher households. This activity is a local implementation of HUD's Small Area Fair Market Rents (SAFMR).

Because of the potential impact (positive and negative) on a large number of voucher households, SAHA proposes to phase-in SAFMR over multiple fiscal years in order to control for negative and unanticipated consequences, to make use of the latest research and market data, and to maintain a constant number of households served.

Below are the principles and parameters the Agency used in developing this activity:

(1) Maintain Number of Households Served
- No decrease in capacity to serve the same number of households

(2) Minimize Negative Impact
- Minimize negative impact for existing households in low-cost neighborhoods
- No disparate impact on protected classes, including locally recognized classes (sexual orientation, gender identity, veteran status, and age)

(3) Make the SAFMR as easy to use as possible
- Households and landlords have limited time and resources; program design should facilitate program implementation

(4) Leverage the Value of the Voucher
- Maximize value of vouchers in targeted growth areas and rapidly changing neighborhoods

This activity makes use of one waiver: establish local submarket payment standards.

**(1) Local Submarket Payment Standards**

Currently, the Department of Housing and Urban Development (HUD) publishes fair market rents (MAFMRs) annually for each metropolitan statistical area in the United States and requires each housing authority to adopt a payment standard schedule for each MAFMR area in its jurisdiction. HUD allows housing authorities to establish the payment standard amounts at any level between 90% and 110% of the published FMR. Payment Standards are used to calculate the maximum subsidy that the PHA will pay each month toward rent and utilities for families with Housing Choice Vouchers.

The current process for establishing payment standards includes analyzing the published MAFMRs when published, presenting the recommended schedule to the Board of Commissioners for approval, and implementing the new schedule over a twelve month phase-in for clients that have a reexaminations and all new admission contracts effective on or after the effective date. Due to biennial and triennial recertifications under the agencies MTW status, the impact to HAP expenditures are typically phased-in over a period of three years. In FY2018, HUD published MAFMRs in September 2018 and SAHA implemented the new payment standards effective January 1, 2019.

Under the new Small Area Fair Market (SAFMR) regulation, the San Antonio Housing Authority is required to implement this process using SAFMRs which are based on ZIP codes as opposed to the San Antonio-New Braunfels Metropolitan Statistical Area; however, because the Agency is designated as a Moving to Work (MTW) Program, it is authorized to adopt and implement any reasonable policy to establish payment standards for tenant-based assistance that differ from the currently mandated program requirements.

The Agency is requesting this waiver in Year 1 (FY2018-2019) for the following:

(1) Subject to funding availability: Increase Payment Standards in higher cost areas subject to a maximum available subsidy expenditure during the first year (currently estimated at $1.5M).
(2) 2-Tier Policy Map: Establish a temporary two-tier Policy Map composed of grouped ZIP codes for Year 1 implementation.
(3) Exception Overlay: Establish an exception overlay as a mechanism that provides greater flexibility to adjust payment standard schedules to mitigate involuntary displacement in rapidly changing markets and/or coordinate support for place-based redevelopment or revitalization initiatives (such as Choice Neighborhood). The overlay could include entire ZIP codes or smaller geographies such as census blocks, tracts, and locally defined neighborhoods. Areas would be selected based on timely market information and other local information that would support the need for a higher payment standard.
(4) Exception payment standards: The Agency is requesting to set payment standards outside the 90-110% of the MAFMR and SAFMRs.

The Agency is proposing a two-phase (two -year) approach to implementation (outlined in more detail in section E.vi. TRANSITION PERIOD)

- Phase I (Year 1: July 2018 - June 2019): Implement 2-Tiered Policy Map, Exception Overlay, and Three Payment Standard Schedules.
- Phase II (Year 2: July 2019 - June 2020): Expand 2-Tier Policy Map to include more tiers, refine exception overlay, and expand the range of payment standard schedules.

*ii. Describe how the proposed activity will achieve one or more of the three statutory objectives and the specific impacts on that statutory objective(s).*

This activity is designed to increase housing choices by expanding the geographic scope of options and preserving affordability in neighborhoods experiencing market squeezes. By setting payment standards that better match submarket rents, the Agency will be increasing affordability across all neighborhoods while ensuring the best use of limited financial resources. The Agency's subsidy will now be sufficient for households to not only enter into neighborhoods previously unaffordable to them but also to stay in neighborhoods that may be experiencing rapidly rising rents.

*iii. Provide the anticipated schedule for implementing the proposed activity.*

The Agency anticipates implementing this activity July 1, 2018 through a multi-phase, multi-year transition. (see section E.iv. TRANSITION PERIOD for more details)

## B. ACTIVITY METRICS INFORMATION

**HUD Standard Metrics**: According to HUD guidance, this activity requires 3 standard HUD metrics: CE#1, CE#2, and HC#5

The Agency does not anticipate any cost savings as a result of this activity. Staff workloads related to the application of the new payment standards is expected to remain the same. There will be other cost implications which are outlined below in section c.

| ***CE #1: Agency Cost Savings*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Total cost of task in dollars (decrease). | Performance level prior to implementation<br>$0 | Projected Outcome (long-term target)<br>Annual Benchmarks<br>$0 |

Data Source: Fiscal year end financial reporting on staff costs.

| ***CE #2: Staff Time Savings*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Total time to complete the task in staff hours (decrease). | Performance level prior to implementation<br>0 hours | Projected Outcome (long-term target)<br>Annual Benchmarks<br>0 hours |

Data Source: Fiscal year end financial reporting on staff costs.

| ***HC #5: Increase in Resident Mobility*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase). | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |

| | | |
|---|---|---|
| Phase I: Number of Existing voucher clients who moved to a new unit located in Tier 2 | 343 existing voucher clients moving to a unit in Tier 2<br>[25% of annual movers in FY2017] | At least 400 existing voucher clients moving to a new unit in Tier 2<br>[More than 25% of annual movers in FY2019] |

Data Source: This will be tracked by integrating the Agency's Geographic Information System with the Housing Information System to track addresses from the MTW-50058 for new admissions and voucher clients moving to a new unit.

**SAHA Metrics**: The Agency plans to track additional metrics in order to determine the impact of this alternative payment standard activity. These metrics include lease-up success rate, average shopping days, average HAP by Tier, percent of households self-reporting that they were able to move to a preferred neighborhood on post-move customer service surveys, and voucher concentration by tier. While the Agency does not anticipate to see an impact on these metrics in year 1, the long term goal is that we will see these indicators increase over time. Specific long-term targets will be set as part of Phase II.

| ***Lease-up Success Rate by Post-Move Tier*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Percent of vouchers issued that were leased-up within 120 days | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| | County-wide: 37.7% | No change in Year 1:<br>Tier 1: 37.7%<br>Tier 2: 37.7% |

Data Source: This will be tracked in the Agency's Elite database and reported on using standard leasing reports with a breakdown by Tier.

| ***Average # of days searching by Post-Move Tier*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Average number days between the date the voucher is issued and the date the request for tenancy (RTA) is approved. | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| | County-wide: 58 days | No change in Year 1:<br>Tier 1: 58 days<br>Tier 2: 58 days |

Data Source: This will be tracked in the Agency's Elite database and reported on using a standard leasing reports with a breakdown by Tier currently being developed by staff.

| ***Average HAP by Tier*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Average Housing Assistance Payment by Tier | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| | CY 2017 avg: $590 | TBD after Phase I |

Data Source: Fiscal year end financial reporting on HAP costs.

| ***Households moving to preferred neighborhood by Post-Move Tier*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Percentage of households self-reporting that they were able to move to a preferred neighborhood on post-move surveys (increase). | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| | TBD by surveying movers in FY2017 | TBD after baseline set |

Note: This metric is different from HC#5 in that it is self-reported by household, meaning opportunity neighborhood is defined by the household.
Data Source: This metric will be tracked through a new “Post-Move Customer Service Survey” the agency plans to develop.

| ***HCV Concentration by Tier*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| HCV households living in each Tier as a percentage of total renter households | TBD recognizing that In 2018, there are disproportional concentrations of HCV households to total renter households across both Phase I Tiers<br>Tier 1: 9.4%<br>Tier 2: 2.0% | TBD with the intent that by 2028, there will be proportional concentrations of HCV households to total renter households across all Tiers |

Data Source: This will be tracked by integrating the Agency’s Geographic Information System with the Housing Information System to track addresses from the MTW-50058 for new admissions and voucher clients moving to a new unit.

## C. COST IMPLICATIONS

*i. State whether the proposed activity will result in any cost implications (positive and/or negative) for the MTW PHA.*

Following the phased transition period outlined in Section E.vi. TRANSITION PERIOD, below are the anticipated cost implications.

**PHASE I: 2-Tiered Map with three payment standard schedules:** Based on prior year leasing activity, the Agency anticipates 1,300 current households to execute new HAP contracts during FY2018-2019. If all of these households executed new HAP contracts in Tier 2, this would result in an increase in HAP expenditures of $1.6 M during this first phase. The $1.6M HAP expenditure is estimated by comparing current HAP cost for 1,300 households to what the estimated HAP cost would be if they all move to Tier 2 with the higher payment standard.

**PHASE II: Finalize local submarket payment standards:** To be determined based on research and leasing activity in Phase I.

In addition to increases in HAP expenditures, the agency will also incur costs related to the development of multiple payment standards for both phases. This expected cost is on par with other administrative costs incurred by changing normal business processes and implementing new, innovative strategies under MTW. As with other MTW activities, this cost is offset by other cost savings initiatives.

*ii. If the proposed activity does result in cost implications, provide an estimate of the amount and discuss how the MTW PHA will manage the surplus or deficit anticipated.*

Due to its MTW status, the Agency faces a unique challenge in terms of balancing its MTW statutory requirement to maintain a baseline number of households served and to comply with the new SAFMR regulation without being eligible for additional administrative fees and HAP subsidy.

To ensure the Agency is able to meet its financial obligations, a one-year cap of $1.5 million on new HAP contracts executed by existing residents in Tier 2 is being proposed. The Agency is confident it can cover this financial impact while meeting all other financial obligations and maintaining substantially the same number of households. The cap may be lifted at any time if the agency determines it is financially feasible while still serving substantially the same number of households.

The cap of $1.5M is based on 75% of new clients leasing up in Tier 1 at 80% MAFMR and 100% of existing clients moving into Tier 2 at 110% MAFMR. The cap value accounts for many unknown factors, including contract rents, families' incomes, and HAP subsidy. The $1.5M cap was calculated by factoring in the two assumptions, projected HAP expense and subsidy, and MTW funds committed to agency goals listed in MTW Sources and Uses.

If the cost savings experienced by new residents moving into Tier 1 at 80% is greater and the per unit cost in Tier 2 is less than projected, SAHA may consider increasing the cap. It is also important to note the Agency's need to balance this initiative with the actual funding received from HUD while continuing to serve the same number of households.

Any household moving into Tier 2 after the cap has been reached, will execute their contract under payment standard schedule set to 90% of MAFMR.

## D. NEED/JUSTIFICATION FOR MTW FLEXIBILITY

*i. Cite the authorization(s) detailed in Attachment C and/or D of the Standard MTW Agreement (or applicable successor section in future iterations of the MTW Agreement) that gives the MTW PHA flexibility to conduct the proposed activity.*

Attachment C, Section D.2.a: The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan;*

*ii. Explain why the cited authorization(s) is needed to engage in the proposed activity.*

The Agency is requesting this waiver in order to increase housing choices by waiving the standard payment schedule and cap on affordability.

Under HUD's current SAFMR guidelines, the Agency would have to implement the increases in payment standards for higher cost ZIP codes immediately while holding harmless households living in lower cost ZIP codes. The hold harmless policy applies in year 1 due to two tenant protections built into HUD's rule which state:

> (1) Households must receive at least 12 months written notice before any payment standard reduction during current HAP contract and
> (2) In the year that a metropolitan area first transitions to a designated SAFMR area, the SAFMR for a ZIP code area may be no less than 90 percent of the area's MAFMR in the previous fiscal year.

The Agency's current payment standard is set at 90% of MAFMR. If the Agency implemented HUD's version of SAFMR, the result would be an estimated loss of 178 vouchers per year that could be leased. It is important to note that no active voucher household would be removed from the program; rather, as households leave the voucher program, the Agency would not be able to lease an estimated 178 vouchers per year.

This activity will only apply to tenant-based housing choice vouchers. All non-MTW special program vouchers such as VASH will have payment standards set using HUD's published small area fair market rents without any flexibility. All project-based vouchers will continue to have payment standards set using the HUD-published metropolitan fair market rents. Tenant-based housing choice vouchers associated with place-based initiatives (such as Choice Neighborhood) may also be set using HUD-published metropolitan fair market rents.

## E. RENT REFORM INFORMATION

*HUD defines "rent reform" as any change to how rent/tenant share is calculated for a household that would not be allowable absent the MTW activity. Any MTW activity that an MTW PHA enacts that alters the rent calculation (the amount a household contributes towards their housing costs) would be considered a type of rent reform. The following information must be provided for all rent reform activities. In addition, any MTW activity that seeks to adopt a term limit in the public housing program must include information on items (ii)-(iv).*

### (i) IMPACT ANALYSIS

*The MTW PHA may provide an impact analysis for each component of the rent reform activity or a comprehensive impact analysis of the rent reform activity. To assess the impacts of the rent reform activity, the following steps are suggested:*

*(1) A description of how the proposed MTW activity will impact household rent/tenant share.*

Alternate Payment Standard: This activity establishes three different payment standard schedules. Below is a summary of each, who they apply to, and what the impact to the household rent/tenant share is compared to the current policy.

| Payment Standard (PS) | Applies to | Impact on household rent/tenant share compared to current PS |
|---|---|---|
| Current PS: 90% MAFMR | • Existing households as of July 1, 2018 while in current contract and new contracts (regardless of Tier) and<br>• New Admissions after July 1, 2018 executing contracts in Tier 2 | • No impact<br>• No impact - new admissions |
| 80% of MAFMR | • New admissions after July 1, 2018 executing HAP contracts in Tier 1 only. | • No impact - new admissions |
| 110% of MAFMR | • Existing households as of July 1, 2018 executing new contract for a new unit in Tier 2 (regardless of previous Tier residence and up to established cap). Note: Once cap is met, Payment Standard Schedule 1 will apply. | • No impact - higher PS will cover increases in rent |

Existing households will not experience an increase to their rent/tenant share as a result of the payment standard change. The difference will be covered by an increase in HAP subsidy. New admissions will enter the program under the new tiered payment schedule, thus, will not experience an increase to their rent/tenant share either.

As detailed in the table in E.i.3 IMPACT ANALYSIS, this activity is designed to minimize the negative impact to current client's share of rent. Two scenarios are presented::

> (1) Scenario 1: If SAHA implemented the current regulations at the lowest allowable variances of 90% of SAFMR with the required hold harmless policy in year 1, then the Agency would be negatively impacted by an estimated $3.7M to $6.1M in additional HAP expenditures. This increase in HAP would force the agency to serve fewer households, making it non-compliant to it's MTW baseline statutory requirement.
>
> (2) Scenario 2: If SAHA implemented this proposed MTW Activity in Phase I, no clients would be negatively impacted and the Agency would be able to cover the increase in HAP expenditures while also meeting it's MTW baseline statutory requirements.

*(2) A description of how the MTW PHA will implement and track the rent reform activity and how that process will enable the identification of any unintended consequences/impacts.*

Phase I of this activity was designed to transition the Agency from MAFMRs to SAFMRs in a way that would (1) minimize negative impact to current clients, (2) increase access to higher cost areas that also have higher opportunity and lower voucher concentrations, and (3) allow the Agency to continue to meet it MTW baseline statutory requirement.

As described below, the Agency will be able to identify and mitigate unintended consequences and impacts by implementing the proposed transition. The Agency currently does not have a way to model how many households will choose to move to higher cost neighborhoods nor does it have a mechanism to effectively respond to rapidly changing markets. As a result, the Agency is pursuing ways to better understand this by developing new customer service surveys and continuing its work with research partners.

By working with research partners to analyze the local market and model various cost scenarios, the Agency will be able to identify a reasonable balance between the cost implications to household's share of rent and to the Agency's HAP expenditures.

In addition, the Agency will be tracking this activity in the context of an Agency-wide policy initiative related to neighborhoods of opportunity and understanding the neighborhood trade-offs residents are making.  This effort also includes exploring other strategies to strengthen landlord relationships, assess the need for down payment assistance, and partner with the City of San Antonio and VIA Metropolitan Transit on identifying other barriers and solutions to accessing neighborhoods of opportunity.

The Agency is also working with its research partners to roll out a new tool that will allow voucher clients  to search for available housing within their shopping estimates based on their locational preferences and priorities such as proximity to work, school, and medical facilities.

*(3) A numerical analysis detailing the intended/possible impacts of the rent reform activity (including changes to the amount of rent/tenant share, rent burden increases/decreases, households affected, etc.)*

| | | **Scenario 1**<br><br>**Payment Standard Set at 90% of SAFMR as required by 24 CFR + Safe Harbor** | **Scenario 2**<br><br>**FY2019-1 Proposal Phase I** |
|---|---|---|---|
| **HAP Impact** | Change to Annual HAP expenditures | ($3.7)-( $6.1 M)[1]<br>[LOSS] | $1.5 Million allocated to Tier 2 at 110% MAFMR |
| **Rent Burden: Households** | #/% of current clients who would see increase in their | 0 | 0 |

| | | | |
|---|---|---|---|
| **Negatively Affected** | portion of rent | | |
| | Average annual rent increase | $0 | $0 |
| | Average annual rent Increase as % of Income | 0% | 0% |

[1] Range: if geographic distribution stays the same to if all movers (projected at 1,300) move to higher cost areas

*(4) A plan for how the MTW PHA will weigh the consequences/benefits of the rent reform activity to determine whether it should be adjusted/terminated/reduced/continued/expanded.*

The San Antonio Housing Authority envisions a future in which our community celebrates affordable housing that is well integrated into the fabric of **all** neighborhoods. To that end, as part of the Agency's new policy initiative focused on neighborhoods of opportunity, the Agency has drafted guiding principles and key policy assumptions to help guide the agency in balancing its internal performance goals, community impact goals, and financial realities.

- *SAHA recognizes that San Antonio is economically segregated*: In the last 5 years, three different studies have concluded that San Antonio is one of the most economically segregated cities in the country[1].
- *SAHA recognizes that neighborhood characteristics impact life outcomes* and that physical amenities and challenges are inequitably distributed throughout San Antonio and that this inequitable distribution results in disparate resident health, employment, and education outcomes.
- *SAHA recognizes that voucher holders are concentrated in certain areas of San Antonio* and that these same areas correspond with neighborhoods experiencing inequitable distribution of physical amenities and face more challenges.[2]
- *SAHA commits to improve resident health, employment, and education outcomes, by* increasing number and proportion of SAHA households in high opportunity neighborhoods in order to ensure all San Antonio neighborhoods are economically integrated. This commitment encompasses the agency's place-based and mobility-based initiatives.

To this end, as part of Phase II, the Agency will be striving to strike a reasonable balance between HAP expenditures, tenant share of rent, and long-term policy goals.

**(ii.) HARDSHIP CASE CRITERIA**

*The MTW PHA must establish a hardship policy that clearly defines the circumstances under which households may be exempted or provided temporary relief from the activity. The MTW*

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[1] Rise of Residential Segregation by Income (Pew Center), Distressed Communities Index (Economic Innovation Group), Ranking of income segregation (RIchard Florida, CityLab)

[2] Walter, R. (2018). Consolidating ZIP Codes for Small Area Fair Market Rents: A Method for Implementing the New Rule. *Housing Policy Debate*. DOI: 10.1080/10511482.2017.1404481

*PHA must describe how such households could access the hardship policy and the associated process.*

Phase I of this activity is not expected to impact existing clients tenant share; however, the Agency recognizes the need for a hardship policy in concert with the proposed policy changes to ensure that households with documented urgent needs or extenuating circumstances are not unduly burdened by the policy changes. SAHA's current policy on financial hardships regarding minimum rent and zero income declaration will continue to apply to participants under this activity in accordance with §6.3.A(3) and §6.3.B of the Administrative Plan. In addition, the Agency has two MTW activities with special hardship policies: FY2014-6: Rent Simplification and FY2015-1: MDRC/HUD Rent Reform Study. Hardships outlined in those activities will apply under this activity. Please refer to the MTW activities listed above in Section 4 of this plan for specific hardship criteria. Unless otherwise noted, all elements are applicable for all three activities.

Hardship Policy: The policy below outlines the process for clients to request a hardship, the criteria that would warrant a hardship, the review process, and possible remedies available to clients under the local SAFMR activity.

(A) Hardship Waiver Request Process.

The process for requesting a waiver will be as follows:

(1) Household must initiate a request for a hardship waiver, by completing and submitting a written hardship request to Housing Assistant Specialist.
(2) The household must supply information and documentation that supports a hardship claim with their written request. For example, a household must provide proof of the following: loss of eligibility for a federal state, or local assistance program; loss of employment or reduction in work hours; or the incapacitation or death of an income-earning household member and amount of lost income.
(3) To request hardship based on the risk of eviction for non-payment of rent or utilities, a household must provide a copy of written 10-day notice from the landlord of non-payment of rent and the landlord's intent to terminate the household's tenancy, or a notice from a utilities company warning of a utilities shut-off. Tenant must promptly deliver the 10-day notice from the Landlord well in advance of a scheduled court date for eviction proceedings.

(B) Hardship Review Process

- The administrative review of the household circumstances will be conducted by SAHA according to current review processes.
- For hardship claims related to imminent risk of eviction, SAHA will conduct an expedited hearing process.
- Where a hardship request is denied, the household may request an independent review or hearing of its case through the housing agency's normal grievance procedures.
- SAHA will complete all information regarding the request for Hardship and the outcome in the system of record for tracking Hardship requests.

(C) Hardship Waiver Criteria

- Affordability Cap: Households will be considered for a hardship waiver, as discussed below, if:
    - The household's total monthly TTP exceeds 40 percent of its current monthly gross income at move-in and the household realizes it's unable to afford their rent portion.
    - The household faces risk of eviction for non-payment of rent – including utility shut-offs for non-payment of utility bills that could lead to eviction.
    - Other circumstances as determined by the housing agency.

(D) Hardship Remedies

The Hardship remedies may include any of the following:

- For households who requested a hardship because their total monthly TTP exceeds 40 percent of their monthly gross income at move-in, SAHA will reduce the household's TTP to 40 percent of their monthly gross income for the remaining months in their initial lease term.
- Participant may request an exception payment standard as a reasonable accommodation in accordance with 16.2.B(7) of the Administrative Plan.
- Opting out of the small area fair market rent policy is not a remedy option.

(E) End of Hardship Waiver Period

- Hardships will remain effective up until the end of their initial lease term.

**(iii.) DESCRIPTION OF ANNUAL REEVALUATION**

*The MTW PHA must provide an overview as to how the activity will be reevaluated on an annual basis in the Annual MTW Report, mitigating negative impacts and unintended consequences.*

The Agency will conduct a quarterly review of available data on local submarket conditions, trends and projections to ensure local payment standards are reflective of the local market and subsidies are sufficient for voucher clients . Modifications to payment standards would be allowed with Board approval where appropriate/necessary. The Agency anticipates reviewing the payment standards as early as August/September 2018 when new FMRs are published by HUD and the Agency receives rental analysis from its research partners.

If the Agency determines that the HUD published small area fair market rents are not sufficiently accurate for the local market, the Agency may explore the procurement of a third-party to conduct this analysis on a regular basis. At which time, it would request to waive the use of HUD's published SAFMRs as the basis for calculating payment standards.

In addition, the Agency will monitor overall rent burdens to ensure the cap on affordability is sufficient for households while still providing cost burden protections.

**(iv.) TRANSITION PERIOD**

*The MTW PHA must develop a plan and timeline for transitioning households into the activity. If a* *rent reform activity, the MTW PHA should show how the impact analysis informed this transition period.*

This activity is planned to be implemented July 1, 2018. The transition from MAFMRs to SAFMRs is described below.

**Background:** Recent analysis reveals which ZIP codes generally meet the overall **policy goals** of SAFMR, increasing access to opportunity and decreasing voucher concentration. In addition, this analysis not only provides a framework for applying SAFMRs while considering the rule's objectives it also highlights the over- and underestimation of HUD's SAFMRs and the "substantial rent disparity not only among some groups, but in certain ZIP codes."[3]


On the map[4] to the right, the green zip codes represent that score mixed or high in opportunity and score below the county average in terms of HCV concentration; meeting the goals of the SAFMR regulation. Additional research is currently underway that will allow the Agency to overlay this policy map with more accurate fair market rents-- the expectation is that the Agency will be able to better address the documented over- and underestimation of HUD's SAFMRs with this new information.

**Proposal:** During the first year of transition, The Agency is proposing to establish two geographic areas (tiers) that reflect the overall policy goals of HUD's SAFMR. The intent is to only use these tiers during phase I to allow the Agency time to work with researchers to establish a tiered system that not only reflects the sub-market conditions but also aligns with policy goals. To address the mismatch between local market conditions and the policy map being adopted, the Agency is proposing an exception overlay that will act as a mechanism for responding to rapidly changing markets. The overlay will designate certain areas as rapidly changing and would warrant the application of a higher payment standard.

Based on other MTW agencies' experiences implementing sub-market payment standards, the Agency believes using two tiers with an exception overlay in the first year will facilitate a smoother transition while establishing and prioritizing the policy goals of SAFMR. As a reminder, the Agency intends to expand the number of tiers to 5-10 in Year 2. It is also important to note that the two-tiers on the map above only reflect the SAFMR rule objectives and do not take into account the individual ZIP code markets.

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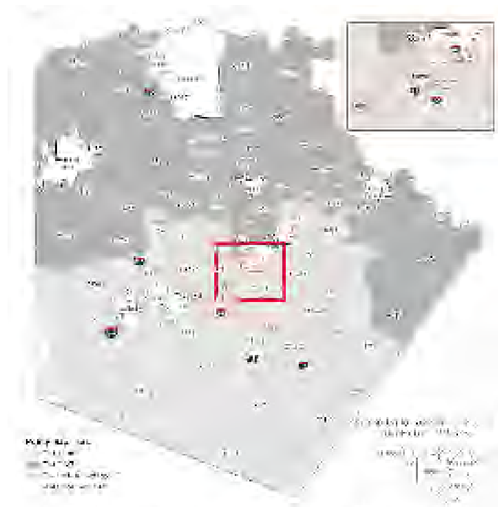
[3] Walter, R. (2018). Consolidating ZIP Codes for Small Area Fair Market Rents: A Method for Implementing the New Rule. *Housing Policy Debate*. DOI: 10.1080/10511482.2017.1404481

[4] ibid.

**PHASE I: 2-Tiered payment standard schedule**

This first phase establishes two tiers, an exception overlay, and respective payment standard schedules to be implemented July 1, 2018. The proposed map to the right is based on the policy map above and adds an exception overlay in order to account for rapidly-changing areas where rents are increasing and expected to continue to increase.

**Payment Standard Schedules and Applications**



The dark grey area (Tier 2) will have a payment standard set at 110% of the MAFMR for existing clients as of July 1, 2018 executing new contracts (up to first-year cap) and 90% of MAFMR for new admissions. Existing clients executing new contracts in Tier 2 after the cap has been met will also assume the 90% of MAFMR payment standard.

The light grey area (Tier 1) will have a payment standard set at 90% of the MAFMR for existing clients in current contracts and 80% of MAFMR for new admissions. When an existing client executes a new contract in Tier 1, they will maintain 90% of MAFMR.

Exception Overlay: Currently, the Agency has identified seven (7) ZIP codes (all in Tier 1) that are believed to be experiencing major market changes according to analysis of data from the local appraisal district[5]-- signifying that both the available small area fair market rents and opportunity indicators may not be accurately reflecting the neighborhood conditions. The areas identified in the exception overlay will initially have a payment standard set according to Tier 2's payment schedules; however, once new market data becomes available in August/September 2018, the Agency may adjust the payment standards for these areas. Any modifications would be subject to board approval.

These payment standard schedules will apply to any new HAP contract executed on or after from July 1, 2018. Existing contracts will not be impacted.

Below is the current and proposed payment standard schedules for FY2019. *(see appendix 5 for supplemental map and tables)*

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[5] National Association for Latino Community Asset Builders (2018), *An Analysis of Housing Vulnerability in San Antonio*. Prepared for City of San Antonio Neighborhood and Housing Services Department. Table: "Top Twenty-Five Block Groups with the Greatest Increase in Property Appraisal in Bexar County, 2011-2016",

**Summary of proposed payment standards for Phase I (Year 1)**

| **Current (2018)** | | **0 BR** | **1 BR** | **2 BR** | **3 BR** | **4 BR** | **5 BR** | **6 BR** |
|---|---|---|---|---|---|---|---|---|
| *HUD Fair Market Rents (MAFMRs)* | | *$649* | *$801* | *$1,001* | *$1,321* | *$1,604* | *$1,845* | *$2,085* |
| SAHA Payment Standards | | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| Percentage of FMR | | 90% | 90% | 90% | 90% | 90% | 90% | 90% |
| **Proposed** | | **0 BR** | **1 BR** | **2 BR** | **3 BR** | **4 BR** | **5 BR** | **6 BR** |
| Tier 1 (Shown on map in Light Grey) | Existing Clients | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| | | 90% | 90% | 90% | 90% | 90% | 90% | 90% |
| | New Clients | $519 | $641 | $801 | $1,057 | $1,283 | $1,476 | $1,668 |
| | | 80% | 80% | 80% | 80% | 80% | 80% | 80% |
| Tier 2 (Shown on map in Dark Grey) and Exception Overlay | Existing Clients* | $714 | $881 | $1,101 | $1,453 | $1,764 | $2,030 | $2,294 |
| | | 110% | 110% | 110% | 110% | 110% | 110% | 110% |
| | New Clients | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| | | 90% | 90% | 90% | 90% | 90% | 90% | 90% |

* Subject to funding availability. Once allocated funding has been met, Existing Clients in Tier 2 will be eligible for 90% of MAFMR.

**PHASE II: Finalize local submarket payment standards**

The research part of this phase is currently underway. The details of this phase will be updated in the FY2020 MTW Plan. The key milestones are outlined below.

**Present to July 2018**

- Continue working with research partners to complete comprehensive market analysis and cost feasibility models
    - Research Scope of Work
      Feb-Apr 18 - Data Collection
      May-Jun 18 - Analyses + Draft Paper
      June-July 18 - Prelim Results presented to PHAs
- Board adoption of Neighborhoods of Opportunity Policy and Agency Maps

**July 2018 to December 2018**

- September: Begin finalizing Phase 2- Finalize local sub-markets and set new payment standards
    - Consideration of new policy goals suggested during public workshops, including:
        - Improve resident health, employment, and education outcomes
        - Ensure all San Antonio neighborhoods are economically (and racially) integrated [community impact goal]
        - Ensure households live in neighborhood of their choice

        - Ensure no disparate impact for any protected class (including sexual orientation, gender identity, veteran status, and age)
    - Depending on the leasing activity of Phase I, the Agency may need to continue a temporary cap on new HAP contracts executed in the highest cost submarkets in order to meet its MTW baseline requirements which measure compliance with the MTW statutory goal to serve substantially the same number of households.
    - Software modifications including a review of rent reasonableness system
    - Staff Training, resident roll-out, landlord outreach, and other communications
- February 2019: Public comment period starts
- April 2019: Board Consideration, submission of Phase 2 to HUD
- July 2019: Phase 2 starts

## 2. FY2019-2: Alternate Recertification Process (PH and HCV)

## A. ACTIVITY DESCRIPTION

*i. Describe the proposed activity.*

This activity has three main components that are designed to streamline and simplify the recertification process: (1) alternate schedule, (2) alternate public housing review procedures, and (3) alternate income verification methods. It consolidates and updates three previously approved activities related to the first two elements (FY2014-4 Biennial Reexaminations, FY2014-5 Triennial Reexaminations, and FY2016-2 Biennial and Triennial Notification of Rent Type Option) and adds a new waiver for the third element.

### (1) Alternate Recertification Schedule (PH and HCV)

This proposed activity establishes biennial and triennial schedules for reexaminations for the low income public housing and housing choice voucher programs. The Agency has been using alternative schedules since 2011; this new activity streamlines the schedules across both programs. The effective change will move approximately half of public housing households from biennials to triennials; the other half of public housing households will remain on the biennial schedule. The housing choice voucher program will maintain current reexamination schedules as established in FY2014 under FY2014-4/FY2014-5.

Every household will have the option of interim reexaminations if there is a change in household composition or income according to HCV and PH policy.

Beginning FY2016, SAHA created a local form with an expiration date of 39 months to replace the HUD-9886 Form with its 15 month expiration date. In the future, SAHA may create its own local forms with different expiration dates or other elements to accommodate this activity.

**Definitions:** For purposes of assigning a recertification schedule to each household, the Agency will utilize the following to apply the two schedules:

**Triennial:** A household is eligible for a triennial schedule if the household has at least one elderly or disabled household member and the household receives 100% of their income from fixed sources. SAHA defines fixed income as Social Security (SS), Supplemental Security Income (SSI), and/or pension.

**Biennial:** Households not eligible for a triennial schedule are eligible for a biennial schedule.

### (2) Alternate PH Review Procedures (PH only)

Typically in the low income public housing program, PHAs are required to inform public housing residents of the option of paying income-based rent or a flat rent on an annual cycle. Additionally, PHAs are obligated to conduct annual updates of family composition for these public housing families who have chosen to pay flat rent regardless of HUD-allowed triennial recertifications for those families.

As residents move to biennial and triennial recertification schedules, it becomes more efficient to coordinate notification and update requirements in accordance with their new recertification schedules. Therefore, SAHA proposes to conduct review procedures related to flat rent notice and family composition updates for PH individuals at the time of reexamination.

**(3) Alternate Income Verification Methods (PH and HCV)**

Currently, SAHA accepts self-certification for assets valued below $5,000. In order to further streamline administrative processes, SAHA will accept the family's self-certification of the value of family assets and anticipated asset income for net assets totaling $25,000 or less. Third-party verification of assets will still required for assets totaling a value more than $25,000.

According to HUD's Verification Hierarchy, SAHA must send a form to third-party sources for verification of income if the tenant-provided documents are not acceptable or are disputed. In order to increase the rate of files completed in a timely manner, SAHA will skip the third-party verification form and instead use oral third party verification when tenant-provided documents are unacceptable.

In addition to streamlining methods of document verification, SAHA wanted to reduce the number of applicants resubmitting documents for approved extensions of voucher (if in HCV Program) and/or reasonable accommodations. SAHA has revised its policy to extend the length of time that applicant-provided documents would be valid for verification purposes. Applicant-provided documents dated within 90 calendar days from the eligibility appointment would be valid. This does not apply to permanent documents such as social security cards, birth certificates, and identification cards.

Both methods will apply to the low income public housing and housing choice voucher programs.

*ii. Describe how the proposed activity will achieve one or more of the three statutory objectives and the specific impacts on that statutory objective(s).*

This activity is designed to achieve the MTW statutory objective to reduce cost and achieve greater cost effectiveness in Federal expenditures, by providing an alternate schedule for the annual reexamination process, specific PH review procedures, and certification methods of income and assets. The use of oral verifications reduces SAHA's administrative costs for postage, paper and envelopes when mailing written third party verification to the client's employer.

*iii. Provide the anticipated schedule for implementing the proposed activity.*

The Agency anticipates implementing this activity July 1, 2018.

## B. ACTIVITY METRICS INFORMATION

**HUD Standard Metrics**: According to HUD guidance, this activity requires 4 standard HUD metrics: CE#1, CE#2, CE#3, and CE#5.

| ***CE #1: Agency Cost Savings*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Total cost of task in dollars (decrease). | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| Definition: Cost of staff time | HCV: $375,399.47<br>PH: $201,964.50<br>Total: $577,363.97 | HCV: $149,253.93<br>PH: $108,806.10<br>Total: $258,060.03<br>Expected savings: $319,303.94 |

Data Sources: Average salary + benefits from fiscal year end reporting in JDE multiplied by CE#2.

| ***CE #2: Staff Time Savings*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Total time to complete the task in staff hours (decrease). | Performance level prior to implementation<br>Annual Recertifications: Total recertifications processed under annual schedule X average time to process a recertification | Projected Outcome (long-term target)<br>Annual Benchmarks<br>Bi/Tri Recertification Schedule: Total recertifications processed under the new schedule X average time to process recertification |
| Definitions: Total time to complete recertifications during the fiscal year. | HCV: 15,914 hours<br>PH: 8,325 hours<br>Total: 24,239 hours | HCV: 6,327 hours<br>PH:4,485 hours<br>Total: 10,812 hours<br>Expected savings: 13,427 hours |

Data Source: File processing reporting in Elite. Annual time study to determine average processing time -- currently set at 1.5 hours per recertification.

| ***CE #3: Decrease in Error Rate of Task Execution*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| .Average error rate in completing a task as a percentage (decrease). | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| Definitions: Average error rate | HCV: 31%<br>PH: 45% | HCV: 25%<br>PH:40% |

Data Source: Internal Audit Reporting

| ***CE #5: Increase in Agency Rental Revenue*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmarks** |
| Rental revenue in dollars (increase). | Performance level prior to implementation | Projected Outcome (long-term target)<br>Annual Benchmarks |
| Definition: Total HAP + UAP Costs plus Total Rental Revenue from public housing residents | HCV: $2,524,901<br>PH: $761,707<br>Total: $3,286,608 | No change expected |

Data Source: Fiscal year end financial reporting in JDE.

## C. COST IMPLICATIONS

*i. State whether the proposed activity will result in any cost implications (positive and/or negative) for the MTW PHA.*

This activity is expected to result in cost savings to the Agency.

*ii. If the proposed activity does result in cost implications, provide an estimate of the amount and discuss how the MTW PHA will manage the surplus or deficit anticipated.*

The cost savings from the activity as anticipated in metric CE#1 will help continue to offset the reduction in federal funding for the low income public housing and housing choice voucher programs as well as the increase in administrative costs of other MTW activities -- allowing the Agency to continue to meet its statutory objective to serve substantially the same number of households as prior to the MTW designation.

## D. NEED/JUSTIFICATION FOR MTW FLEXIBILITY

*i. Cite the authorization(s) detailed in Attachment C and/or D of the Standard MTW Agreement (or applicable successor section in future iterations of the MTW Agreement) that gives the MTW PHA flexibility to conduct the proposed activity.*

**Housing Choice Voucher**

Attachment C, Section D.1.c., Operational Policies and Procedures: The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the* Agency's Annual MTW Plan.

Attachment C, Section D.3.b. Eligibility of Participants: The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of 24 C.F.R. 982.516 and 982 Subpart E, as necessary to implement the Agency's Annual MTW Plan.*

**Low Income Public Housing**

Attachment C, Section C.4., Initial, Annual, and Interim Income Review Process: The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. *This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.*

*ii. Explain why the cited authorization(s) is needed to engage in the proposed activity.*

These waivers are needed in order to move forward the Agency's effort to streamline processes and policies across both programs -- where possible -- as well as achieve cost efficiencies in order to continue serving substantially the same number of households.

Alternate recertifications schedules have already been approved by HUD in previous plans. In addition, third-party verification of assets and income is time-consuming and costly to the Agency and adds little value to the accuracy of the verification process.

## E. RENT REFORM INFORMATION

*HUD defines "rent reform" as any change to how rent/tenant share is calculated for a household that would not be allowable absent the MTW activity. Any MTW activity that an MTW PHA enacts that alters the rent calculation (the amount a household contributes towards their housing costs) would be considered a type of rent reform. The following information must be provided for all rent reform activities. In addition, any MTW activity that seeks to adopt a term limit in the public housing program must include information on items (ii)-(iv).*

Because this activity does not change rent calculation, this section is not required.

# Section IV. Approved MTW Activities

## A. Implemented Activities

## 1. FY2011-1e: Preservation and Expansion of Affordable Housing

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to increase housing choices, and was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year.

#### ii. Description/Update

Description: Under SAHA's broader uses of funds authority, Attachment D, the agency can use MTW funding for local, non-traditional units providing that the activities meet the requirement of the MTW statue. While SAHA has had the authority to utilize this flexibility since 2011, the Agency has not utilized it for the construction of new units; all past development reported under this activity in past years occurred outside the scope of MTW as it used other funding sources including tax-credits, HOME funding, CDBG, and other local and state funding.

SAHA began utilizing this ability to fund local, non-traditional units in combination with a new flexibility to combine replacement housing factor (RHF) funds with the MTW block grant; the Agency executed an RHF amendment and approved RHF Plan that was approved by HUD in FY2014.

This activity is designed to increase housing choices. It operationalizes the expansion policies adopted in FY2011 by utilizing the local, non-traditional unit authorization under SAHA's broader uses of funds authority and securing the approval to combine RHF funds into the MTW block grant; which requires the Agency to construct new affordable units (defined as units reserved for households with income at or below 80% AMI).

While SAHA may develop new communities with market-rate units in addition to affordable units; this activity does not authorize the use of MTW funds (including RHF funds) for the development of those market-rate units.

It is also important to note that SAHA's flexibility to construct new Section 8 or 9 units is authorized under MTW single-fund flexibility and those outcomes are reported in the sources and uses section of this report (Section V). The only units authorized under this activity FY2011-1e are units reserved for households with income at or below 80% AMI that receive no Section 8 or 9 funding.

This activity was revised for FY2016. Language describing Preservation and Expansion Policy context, background, and process was moved to Appendix 3. While the Preservation and Expansion Policy language can provide a helpful backdrop to the goals of FY2011-1e, it can also distract from the specific use of MTW flexibility. The language in FY2011-1e is now focused on the use of MTW funds to preserve or expand affordable housing units without any Section 8 or Section 9 subsidy. Since no preservation of non-Section 8/9 units is planned for FY2016, the metric “HC #2: Units of Housing Preserved” has been set to a benchmark of 0 (zero).

Update: This activity is ongoing and continues to facilitate the expansion and preservation of affordable housing. As described in Section 1, the Agency has submitted an application for the Choice Neighborhood Implementation Grant. The target site is a 501 unit Public Housing Development. As outlined in the application, the Agency plans to invest $10 million of Moving to Work funds to help fund the construction of 1,294 new mixed-use, sustainable, broadband connecting units both on and off site.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 2. FY2011-9: Allocate tenant-based voucher set-asides for households referred by non-profit sponsors who provide supportive services

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to increase housing choices, and was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year.

#### ii. Description/Update

Description: SAHA allocates set-aside of tenant-based vouchers for households referred by non-profit sponsors who commit to provide supportive services. The set-aside would be for households with specific priority needs, such as those who are homeless. Current partners are The Center for Health Care Services (CHCS) and San Antonio Metropolitan Ministries (SAMM).

CHCS and SAMM provide a needs assessment of the household in order to qualify and certify them as homeless as defined by HUD. Once the household is determined eligible by CHCS and SAMMs, the household is referred by CHCS/SAMMs to SAHA and placed on the waiting list. When the household is selected from the SAHA waiting list, SAHA processes all referrals in accordance with HUD guidelines and the SAHA Voucher Program Administrative Plan. The household is scheduled for an appointment with SAHA staff to determine eligibility. Once the household is determined eligible they complete documents necessary for processing. One requirement of the program is that CHCS and SAMM provide intensive case management for one year to every household participating in the program. CHCS and SAMM provide reports to SAHA on a quarterly basis.

Update: This activity is ongoing and continues to assist the agency in its efforts to reduce homelessness in San Antonio. As of December 2017, the agency has 158 of the 200 set-aside vouchers leased.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 3. FY2013-2: Simplified Earned Income Disregard (EID) (Public Housing)

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to promote self-sufficiency, and increase cost effectiveness, and was originally approved as part of the FY2012-2013 MTW Plan.

#### ii. Description/Update

Description: This activity expands the number of months for which EID (referred to as earned-income disregard or earned-income disallowance) is available to participants to 60 months, and makes the benefit available continuously during the 60 months, without start/stop. Income is disregarded on a sliding scale based on year of participation:

- During year 1, 100% of earned income is disregarded
- Year 2: 80%
- Year 3: 60%
- Year 4: 40%
- Year 5: 20%

Head, spouse, or co-head of household qualifies entire household (formerly only Head of Household could participate). SAHA has completed research on the ability to reconcile various program requirements around escrows and EID for Family Self-Sufficiency (FSS) households. Because the program requirements cannot be reconciled, FSS households are no longer eligible for the S-EID. Participation in the Jobs-Plus program remains a requirement for S-EID participants.

Starting in FY2016, SAHA required participating households to attend quarterly financial counseling sessions, in order to ensure that families are given all the tools and knowledge necessary to succeed. At the time of the referral, staff schedule an appointment with financial counseling providers such as Family Service Association or the Financial Empowerment Center. Participating households need to attend the counseling sessions within the time to process the change, or within one month of processing. Staff has access to the appointment log, and sign in sheets for financial counseling, and a very good relationship with counseling partners to obtain information on attendance.

Jobs-Plus Staff monitor attendance, and follow up with members to ensure they are on track. Should they fail to attend, staff report back to management when a member lapses. A hardship provision allows a grace period for unforeseen circumstances.

The Agency was able to successfully complete all necessary software changes during FY2016. Any new households receiving the S-EID will be tracked in the new programmed system. The current S-EID households will be manually entered into the new programmed system over a 6 month period. This will eliminate errors associated with manual tracking. As a direct result of this software change, the Agency is positioned to be able to better understand how the S-EID is impacting household income stability and respond when residents experience loss of income and employment.

Starting in FY2017, a new Jobs-Plus program will be underway at Cassiano Homes. Cassiano residents will not be eligible for the Simplified EID described in this activity, they will utilize the HUD authorized Jobs-Plus Earned Income Disregard (JP-EID).

Update: This activity is ongoing and continues to provide an incentive to households who are engaged in a path to self-sufficiency.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 4. FY2013-4: HQS Inspection of SAHA-owned non-profits by SAHA inspectors

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to reduce cost and increase cost effectiveness, and was originally approved as part of the FY2012-2013 MTW Plan. Implementation began on January 1, 2013.

#### ii. Description/Update

Description: This activity allows SAHA inspectors (instead of third- party contractors) to inspect and perform rent reasonableness assessments for units at properties that are either owned by

SAHA under the Agency's non-profit portfolio or owned by a SAHA affiliate under the Agency's partnerships portfolio. At the time of implementation, SAHA's inspections department was equipped to absorb the additional inspections without the need to add additional full-time or part-time equivalent positions.

SAHA estimated that the impact to the agency would be a cost savings of $55.46 per inspection. This figure was the projected result of replacing 3rd-party contractors with in-house inspectors. At the time of adoption of this activity, the cost of contracting with a 3rd-party to conduct 2,391 inspections annually was $182,478 per fiscal year. That translated into a cost per inspection of $76.32. The cost per inspection using SAHA staff was estimated at $20.86. The net savings per inspection was projected to be $55.46.

As required by HUD, "CE #2: Staff Time Savings" has been added to this activity. While SAHA recognizes HUD's efforts to standardize metrics across MTW agencies, this metric is not in alignment with the nature of this activity. Agency cost savings in this activity is not the result of staff time savings, but instead of increased efficiency.

Update: This activity is ongoing and continues to facilitate the expansion and preservation of affordable housing. The Agency continues to experience cost efficiencies by conducting inspections of SAHA-owned non-profits by SAHA inspectors.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

In the FY2018 MTW Report, the Agency plans to update metrics with new cost estimates.

#### v. Planned Significant Changes

None

### 5: FY2014-2: Early Engagement

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to increase housing choices by providing training to support successful participation in SAHA's assisted housing programs, and was originally approved as part of the FY2013-2014 MTW Plan and implemented in that fiscal year. After an on-hold period of several months during FY2015, this activity resumed in FY2016. The pause in the activity was due to prioritizing lease-up over other considerations.

#### ii. Description/Update

Description: This activity establishes a requirement that applicants complete a defined set of courses upon admission to PH or HCV. Failure to attend a required EEP briefing may be cause for denial. The courses are designed to provide incoming households with the skills to become successful residents, while establishing clear expectations and minimizing the number of crisis situations over the long term. The curriculum is the product of formal partnerships with other agencies who participate as instructors or advisors in the design and implementation of the courses. Topics include finding the right home/neighborhood, working with landlords, financial literacy, fair housing, safety, upkeep, and sustainability.

Elderly and disabled heads of households are exempt from the requirement, but encouraged to take the courses. Those who successfully complete the courses will receive a certificate. SAHA will communicate to landlords the value of a certified applicant as someone who is better prepared for a successful tenancy.

Update: This activity is ongoing and continues to provide applicants valuable training to be successful residents as they begin their path toward self-sufficiency.

#### iii. Planned Non-Significant Changes

Additional language was added: Failure to attend a required EEP briefing may be cause for denial. Clients will be informed at the eligibility appointment of the mandatory nature of attending EEP. SAHA may approve exemptions due to a disability, language barriers, and to expedite occupancy and utilization of units/vouchers.

#### iv. Planned Changes to Metrics/Data Collection

SAHA anticipates converting SAHA-defined metrics into negative exit rates. New baselines and benchmarks will be reported on in the upcoming FY2018 MTW Report.

#### v. Planned Significant Changes

None

### 6. FY2014-3: Faster Implementation of Payment Standard Decreases (HCV)

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to reduce cost and increase cost effectiveness, and was originally approved as part of the FY2013-2014 MTW Plan.

#### ii. Description/Update

Description: Typically, when Fair Market Rent (FMR) is reduced and the payment standard is adjusted accordingly, the reduced payment standard is applied at each participant’s second regular reexamination. This activity will allow SAHA to apply the lower payment standards at each participant’s next reexamination (Move, Interim and/or Annual reexaminations), or as predicated on business need. If the participant’s rent portion increases as a result of applying the new payment standard, SAHA will provide the participant a 30-day notice of rental increase.

Update: This activity has been implemented; however, since implementation FMRs have not decreased.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 7. FY2014-6: Rent Simplification (HCV)

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to reduce cost and increase cost effectiveness, and was originally approved as part of the FY2013-2014 MTW Plan. Originally scheduled for implementation in July 2014, final implementation was delayed until January 2015.

#### ii. Description/Update

Description: Note that this activity applies only to HCV participants that are **not** part of FY2015-1 MDRC/HUD Rent Study. If a household is selected to participate in the control or treatment group of the Rent Study, they will be subject only to FY2015-1, and not this activity FY2014-6.

Previously, rent calculation was based on 30% of the participant's adjusted monthly income. This activity lowers the percentage used to calculate rent to 27.5% of monthly gross income for all MTW HCV participants and new admissions, and eliminates deductions (i.e., medical and child care) with minimal impact to the participants' rent portion. Additionally, SAHA will not disregard the participant's income using the traditional Earned Income Disallowance calculation.

The per unit cost will be calculated by the total housing assistance payments divided by the total number of units leased each month. The housing assistance payments expense will be obtained from the monthly financial statements and the total units will be obtained from the Unit Month Report. SAHA will conduct time studies to verify the number of hours that staff spends calculating tenant rent portion. The quality control score will be obtained from an Access database.

Hardship Policy: Households who experience a rent increase of $26 or more due to the rent simplification calculation will be granted a hardship exemption and have the household's TTP calculated in accordance with 24 CFR 5.628 (i.e., non-MTW TTP calculation). Participants who are granted a hardship exemption will remain exempt until their rent portion falls below the $26 threshold. Hardship exemptions under this provision will be verified at each annual and interim recertification.

Update: This activity is ongoing and continues to minimize administrative costs minimal to no impact to residents.

#### iii. Planned Non-Significant Changes

Additional language has been added: Additionally, SAHA will not disregard the participant's income using the traditional Earned Income Disallowance calculation.

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 8. FY2015-1: MDRC / HUD Rent Study

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to promote self-sufficiency, increase cost-effectiveness, and increase housing choices. It was originally approved as part of the FY2014-2015 MTW Plan.

#### ii. Description/Update

Description: San Antonio Housing Authority (SAHA) has been selected to participate in a study commissioned by the U.S. Department of Housing and Urban Development (HUD) to evaluate a Housing Choice Voucher (HCV) alternative rent reform policy (the “Study”). MDRC, a nonprofit and nonpartisan education and social policy research organization, is conducting the Study on behalf of HUD. The Study sets forth alternative rent calculation and recertification strategies that will be implemented at several public housing authorities across the country in order to fully test the policies nationally.

The goals of this alternative rent policy are to:

- Create a stronger financial incentive for tenants to work and advance toward self-sufficiency
- Simplify the administration of the HCV Program
- Reduce housing agency administrative burden and costs
- Improve accuracy and compliance of program administration
- Remain cost neutral or generate savings in HAP expenditures relative to expenditures under traditional rules
- Improve transparency of the program requirements

A computer-generated program will randomly select the participants for the Study from the pool of eligible vouchers. The Study Group vouchers will be managed using the proposed policies. The Control Group vouchers will be managed using the existing policies. Eligible participants in both the Study and Control Groups will include only those with vouchers that are administered under the Moving To Work (MTW) Program and not currently utilizing a biennial certification. Non-MTW Vouchers (i.e., Veterans Affairs Supportive Housing, Moderate Rehabilitation, and Shelter Plus Care), Enhanced Vouchers, and HUD Project Based Vouchers are excluded from the Study. Additionally, the Study is focused on work-able populations and will not include Elderly Households; Disabled Households, and households headed by people older than 56 years of age (who will become seniors during the course of the long-term study). Households currently participating in Family Self-sufficiency and Homeownership programs will not be included in the Study. Households that contain a mix of members with an immigration status that is eligible for housing assistance and immigration status that is non-eligible for housing assistance would not be included in the Study.

## I. Description of Rent Reform Components

The Study is designed to test an alternative strategy to standard HUD operating rules for the HCV program. The proposed alternative rent policies will include the following five key features:

1) Simplify income determination and rent calculation of the household's Total Tenant Payment (TTP) and subsidy amount by:
   a) Eliminating deductions and allowances,
   b) Changing the percent of income from 30% of adjusted income to a maximum of 28% of gross income,
   c) Ignoring income from assets when the asset value is less than $25,000, and
   d) Using retrospective gross income, i.e., 12-month "look-back" period and, in some cases, current/anticipated income in estimating a household's TTP and subsidy.
   e) Capping the maximum initial rent burden at 40% of current gross monthly income.
2) Conduct triennial income recertification rather than annual recertification with provisions for interim recertification and hardship remedies if income decreases.
3) Streamline interim certifications to eliminate income review for <u>most</u> household composition changes and moves to new units.
4) Require the TTP is the greater of 28% gross monthly income (see #1 above) or the minimum rent of $100. A portion of the TTP will be paid directly to the landlord.
5) Simplify the policy for determining utility allowances.

Additionally, the Study will offer appropriate hardship protections to prevent any Study Group member from being unduly impacted as discussed in Section V below.

### A. Description of the Rent Reform Activity

#### 1) <u>Simplified Income Determination and Rent Calculation</u>

Under the current HUD regulations, the total tenant payment (TTP) is a calculation derived from the voucher household's 30% adjusted monthly income (gross income less HUD prescribed deductions and allowances). SAHA follows a process of interviewing the household to identify all sources of income and assets, then proceeds to verify the information and perform the final calculation. The process is complex and cumbersome, which increases the risk of errors. According to HUD's Occupancy Handbook, Chapter 5 "Determining Income and Calculating Rent," the most frequent errors found across PHA's are: Voucher holders failing to fully disclose income information; errors in identifying required income exclusions; and incorrect calculations of deductions often resulting from failure to obtain third-party verification. The complexity makes the HCV program less transparent and understandable by the public, landlords, and voucher holders.

2) **Elimination of Deductions**

SAHA proposes a new method of calculation, which eliminates the calculation of deductions and allowances in the determination of annual income.

a) Percent Annual Gross Income.

The Total Tenant Payment (TTP) rent calculation will be determined by establishing gross annual income and then determining the greater of 28% of the gross monthly income or the minimum rent of $100.

b) Elimination of Income from Assets valued less than $25,000

SAHA will eliminate the verification and calculation of income earned from household assets valued less than $25,000. Households would not be required to document assets worth less than that amount. This will reduce administrative costs and simplify the program for greater transparency and program compliance.

c) Review of Retrospective Income.

To establish annual gross income for the three year certification period, SAHA will review the total household income without deductions for the twelve-month period prior to recertification, i.e., the "Retrospective Gross Income." A household's annual gross income will depend on its *Retrospective Gross Income* during a 12-month "look back" period.

At the certification, if a household's current/anticipated income is less than its retrospective gross income by more than 10%, a "temporary" TTP based on current income alone will be set for six-month grace period. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined average retrospective gross income. No interim recertification interview would be required to reset this TTP.

d) Capping the Initial Maximum Rent Burden

HUD places a rent maximum for households moving into a new unit under the housing choice voucher subsidy. This maximum rent burden is determined to be 40% of the household's adjusted annual income. However, under the Rent Reform Study the PHA will no longer be adjusting household income using deductions and allowances. The household must not pay more than 40 percent of gross current monthly income for the family share when the family first receives voucher assistance in a particular unit. (This maximum rent burden requirement is not applicable at reexamination if the family stays in place).

3) **<u>Triennial Certifications</u>**

SAHA currently performs re-certification of HCV households on an annual basis. The annual certification will review program eligibility, household composition, income and other household circumstances. Additional re-examinations ("interim certifications") may be required for changes in the household situation such as: composition, income, and change in unit.

SAHA proposes performing re-certification of the Study Group every third year (triennial). The triennial certification will review program eligibility, household composition, current income and income over the past twelve months ("retrospective income"), unit information and shall set the Total Tenant Portion (TTP) and the household share of the rent. The TTP for the Study Group will remain in effect during the three year certification period, with some exceptions related to decreases in income and changes in household.

Under the alternative rent policy, a household's annual gross income will be determined using its reported (and verified) *retrospective gross income* during a 12-month "look-back" period. (In this calculation, gross income will exclude any prior income from sources that have expired for the household during that period, such as TANF or Unemployment Insurance benefits, since the household can no longer count on them. It will include imputed welfare income – i.e., any sanctioned portion of a household's TANF grant). SAHA will create a local form to supplement the HUD form 9886 to provide tenant consent for SAHA to collect information relevant to the triennial recertification period.

If the household has an increase in income between certifications, the household's TTP will not be re-determined and increased to reflect the higher income. However, if the household has a decrease in income, the household may request and SAHA may provide an interim re-certification or other remedies under the hardship process (see Section V). The interim re-certification will be conducted when a household has a reduction of income of more than 10% from the retrospective gross income.

a) SAHA interim certification will re-calculate the household TTP based on a new retrospective gross income review to determine the greater of 28% of the retrospective gross income or the minimum rent of $100. This retrospective gross income will establish the TTP that will remain in effect until the sooner of the next triennial certification; or a tenant requested interim certification. The tenant may only request one interim certification per year. The year period during which only one interim is permitted begins on the effective date of the triennial recertification and ends 12 months later.

b) At the triennial certification at the beginning of the three-year period (and at subsequent triennials) if a household's current/anticipated gross income is less than its retrospective gross income by more than 10%, the current income alone will be used to create a “temporary” TTP for a six-month grace period. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined retrospective gross income. No interim recertification interview would be required to reset this TTP.

c) At the initial triennial certification only, if a household’s childcare expense exceeds $200 per month, the gross income will be reduced by a deduction of reasonable childcare cost above the $200 per month, to create a “temporary” TTP for a six-month grace period. SAHA defines reasonable childcare costs as less than $3,000 per year for one child and $6,000 per year for two children. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined retrospective gross income. No interim recertification interview would be required to reset this TTP.

d) The Study Group will be allowed one request per year for an interim certification to reset their TTP. The year period during which only one interim is permitted begins on the effective date of the triennial recertification and ends 12 months later. The TTP will only be reset if a household’s new retrospective monthly income (at the time of the request) is more than 10% lower than its most recent prior retrospective gross monthly income. If the limit on interim certification presents a hardship, the household will need to apply for a Hardship Exemption (See Section V below).

4) **Streamline Interim Certifications**

SAHA will institute a streamlined interim certification process for the Study Group to report change of circumstance that does not require adjustment in subsidy. For these events, SAHA will not request income information. These events include:

a) Changes to household composition. The Study Group must report both additions and removal of members to the household to SAHA to determine program eligibility and other HUD required reporting (e.g. deceased tenant reporting). However, unless the addition of an adult member changes the voucher bedroom size appropriate for the household composition to prevent overcrowding or over-housing, SAHA will not request income information for the new household member until the next scheduled triennial certification.

If the loss of a household member results in a reduction of more than 10% of the most recent retrospective gross income, the household will be allowed to reset their TTP.

In the event that the new or removed member requires a change to the voucher bedroom size, SAHA will review the retrospective gross income of the newly added or removed household members, apply a new utility allowance, and will reset the household TTP. A reduction in subsidy for new voucher bedroom size will be implemented when the current lease ends and new lease begins.

Changes to household composition will not be counted towards the limit of one requested interim certification per year.

b) Change of unit. Households seeking to move to a new unit will submit a request for move pursuant to current procedures. For households that move to more expensive units during three-year period, SAHA will absorb the higher contract rent costs up to the lesser of the gross rent or the payment standard, which is consistent with traditional rent rules. However, unless the request for move is due to a change in household composition, SAHA will not request income information or reset the household TTP until the sooner of the next scheduled triennial certification or tenant requested interim certification to reset TTP. SAHA will apply new utility allowance schedule, if any, to the household at the new lease effective date.

c) Changes in Utility Allowances. When utility schedules are updated to reflect rate changes, utility allowances, and utility allowance payments (UAPs) will be adjusted only when HAP subsidies or TTPs are recalculated for other reasons. More specifically, updated utility schedules will be applied when households:

- Change their contract rent,
- Recertify and the TTP is recalculated during interim or triennial,
- Move to new units, or
- Change their household composition requiring a change in voucher size.

5) **Minimum Rent to Owner**

Currently, HUD does not require minimum rents to be paid by the voucher holder to the landlord. SAHA is proposing that Study Group members will be required to make a minimum payment of at least $100 direct to the HCV landlord in addition to SAHA's portion of rent (Housing Assistance Payment "HAP"). The total amount of rent will equal the contract rent established in the lease. This policy mirrors the market system of tenants paying owners directly and creates a closer relationship and sense of responsibility for both the leaseholder HCV household and the property owner.

The amount of rent to owner the Study Group will pay is equal to their TTP less the Utility Allowance plus any amount over the payment standard for which the tenant may be responsible to pay. The Study Group rent to owner will not be less than the minimum rent. In the event that the Study Group household TTP less the Utility Allowance is less than the minimum rent, the household will pay the Owner the minimum rent and SAHA will reimburse the household the balance of the Utility Allowance. However, if the minimum rent to owner exceeds 40% of the household current/anticipated gross income, the household may request a Hardship Exemption as detailed in Section V below.

6) **Simplified Utility Allowance Schedule.**

Currently, SAHA annually reviews and periodically re-establishes a Utility Allowance Schedule which represents the reasonable expectation of costs for utilities as part of the tenant's lease.

The utility allowance is based on utility surveys and analysis of the type of structure, bedroom size, appliances provided by tenant, and type of appliances (gas/electric). The simplified schedule is based on the analysis of data collected from SAHA's existing HCV portfolio including the most common structure and utility types. This new utility allowance schedule will be implemented upon the triennial certification or change of unit.

SAHA proposes a simplified schedule to reduce administrative costs and reduce errors associated with the traditional method of applying Utility Allowance Schedule. The simplified utility allowance schedule is also anticipated to benefit property owners who will have a more accurate understanding of the total gross rent to be applied to their properties and to the Study Group members who will be able to use this new schedule to clarify gross rent in their selection of housing units.

This schedule will be applied to the lesser of: the actual size of the unit or the size of the voucher rather than the larger of the actual unit size or the voucher size. SAHA will continue to use current market consumption data to determine when adjustments to the simplified schedule are needed (upon change of more than 10% in rates).

**Proposed Flat Utility Allowance**

| Bedroom Size | Flat Rate |
|---|---|
| 0 | $ 75 |
| 1 | $ 94 |
| 2 | $124 |
| 3 | $174 |
| 4 | $214 |
| 5 | $277 |
| 6 | $290 |
| 7 | $333 |

## II. Hardship Policy

SAHA is participating in the Study in order to further the national discussion regarding the future of the Housing Choice Voucher Program. The alternative rent strategies are not intended to create an undue burden on the Study Group members. SAHA has established the following

Hardship Policy for Study Group members. Households participating in the Study as part of the Control Group will be subject to the current SAHA policies.

A. **Hardship Waiver Request Process.**

The process for requesting a waiver will be as follows:

1) A household must initiate a request for a hardship waiver, by completing and submitting a written hardship request to Housing Assistant Specialist.

2) The household must supply information and documentation that supports a hardship claim with their written request. For example, a household must provide proof of the following: loss of eligibility for a federal state, or local assistance program; loss of employment or reduction in work hours; or the incapacitation or death of an income-earning household member and amount of lost income.

3) If a household claims zero income as part of its hardship request, it must provide a detailed accounting of funds used to cover basic costs of living (food, personal/family care necessities, etc.). This information must be provided every 90 days.

4) To request hardship based on the risk of eviction for non-payment of rent or utilities, a household must provide a copy of written 10 day notice from the landlord of non-payment of rent and the landlord's intent to terminate the household's tenancy, or a notice from a utilities company warning of a utilities shut-off. Tenant must promptly deliver the 10 day notice from the Landlord well in advance of a scheduled court date for eviction proceedings.

B. **Hardship Waiver Criteria**

SAHA may determine a financial hardship exists when the household cannot pay the minimum rent or has an excessive rent burden. Households will be considered for a hardship waiver, as discussed below, if:

1) The hardship cannot be remedied by the one interim recertification permitted each year (which cannot reduce a household's TTP below the minimum level).

5) The household is at an income level or experiences a loss of income and/or a TTP increase such that its total monthly TTP exceeds 40 percent of its current monthly gross income. The gross income will include imputed income in the same manner as current calculations.

6) The household faces risk of eviction for non-payment of rent – including utility shut-offs for non-payment of utility bills that could lead to eviction.

7) Other circumstances as determined by the housing agency.

C. **Hardship Review Process**

1) The administrative review of the household circumstances will be conducted by SAHA according to current review processes.

8) For hardship claims related to imminent risk of eviction, SAHA will conduct an expedited hearing process.

9) Where a hardship request is denied, the household may request an independent review or hearing of its case through the housing agency's normal grievance procedures.

10) SAHA will complete all information regarding the request for Hardship and the outcome in the system of record for tracking Hardship requests.

D. **Hardship Remedies**

1) The Hardship remedies may include any of the following:

   a) Allowing an additional interim recertification beyond the normal one-per-year option. This could lower household's TTP (but only as low at the $100 minimum TTP) until the next triennial recertification.

   b) Setting the household's TTP at the minimum level for up to 90 days.

   c) Setting the household's TTP at 28 percent of current income, for up to 180 days.

   d) Offering a "transfer voucher" to support a move to a more affordable unit (including a unit with lower utility expenses).

   e) A specific time frame for the temporary TTP or minimum rent may be established for longer than 180 days based on specific circumstances. However, the time frame will never go pass the triennial recertification date.

   f) Any combination of the above remedies.

11) During the period when the TTP is reduced, the housing agency will increase its payment to the landlord to cover the portion of the rent previously paid by the tenant directly to the landlord, and it will notify the landlord of the change and the time period of the increased payments.

12) In addition to the remedy or remedies offered, the household may be referred to federal, state or local assistance programs to apply for assistance, or to obtain verification that they are ineligible to receive benefits.

13) The Hardship remedies are subject to the following limitations:

   a) The tenant portion of the rent payments will not be suspended prior to a hardship designation.

   b) Remedies will not affect any rent attributable to a gross rent that exceeds the applicable payment standard.

   c) Opting out of the alternative rent policy is not a remedy option.

E. **End of Hardship Waiver Period**

1) If the hardship continues, the household may submit a request for an extension of the hardship remedy. However, the time frame will never go past the triennial recertification date.

14) At the end of the hardship waiver period, the household's regular TTP will be reinstated.

## III. Transition Period

A. **Selection of Participants**

Study Participants will be randomly selected from the eligible vouchers through a computer generated random selection program. Eligible vouchers will specifically exclude the following:

1) Vouchers not currently administered under the Moving to Work Program:

  a) Veterans Affairs Supportive Housing (VASH)

  b) Moderate Rehabilitation

  c) Shelter Plus Care

15) Enhanced Vouchers

16) HUD Project Based Vouchers

17) Vouchers administered under portability

18) Elderly households: Head of Household, co-head, spouse or single member households 62 years or older pursuant to the Administrative Plan

19) Households headed by people older than 56 years of age (who will become seniors during the course of the long-term study).

20) Disabled households: Head of Household, co-head, spouse or single member households with disability as defined in the Administrative Plan

21) Households currently participating in the Family Self-sufficiency Program

22) Households participating in the Homeownership Program

23) Households that contain a mix of eligible and non-eligible household members would not be included in the Study

B. **Enrollment of Study Group members**

1) Prior to Certification Meeting

Selected Study Group members will receive special information with their recertification package to introduce them to the rent reform policies and to answer household questions. SAHA will conduct the triennial certification at the time otherwise scheduled for the household annual certification.

2) During Certification Meeting

At the initial triennial certification, the household will have the changes in rent reform policies explained to them. They will be provided with a gift card as a nominal thank you for providing filling out a base information form.

Changes in the household share, TTP, utility schedule allowance will be provided to the household with no less than 30 days' notice.

3) Mitigation of impact at initial triennial certification

A "grace period" of six months will be provided to mitigate the impact of the transition for the following two cases:

a) At the triennial certification at the beginning of the three-year period (and at subsequent triennials), if a household's current/anticipated income is less than its retrospective income by more than 10%, the current income alone will be used to create a "temporary" TTP for a six-month grace period.

b) At the initial triennial certification only, if a household's childcare expense is above $200 per month, the gross income will be reduced by a deduction of reasonable childcare cost above the $200 to create a "temporary" TTP for a six-month grace period.

After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined average prior income. No interim recertification interview would be required to reset this TTP.

Update: This activity is ongoing and continues to work closely with MDRC.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

## 9. FY2015-2: Elderly Admissions Preference at Select Public Housing Sites

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to meet the statutory objective of increasing housing choices for low-income families and was originally approved as part of the FY2014-2015 MTW Plan and implemented November 1, 2014.

### ii. Description/Update

Description: This activity establishes a 4-to-1 elderly admissions preference at specific communities in order to increase housing choices for elderly households.

The goal of the activity is to address continuing concerns of elderly residents at specific communities regarding lifestyle conflicts between elderly and non-elderly residents. Property Management's ability to address these conflicts is reduced significantly when the ratio of non-elderly to elderly residents rises above a certain proportion. The 4-to-1 admissions preference is proposed in order to create and maintain an optimal mix of elderly and non-elderly residents in each community.

The idea of an optimal mix is based on research of the reaction to a 1995 Massachusetts law that attempted to limit the percentage of non-elderly disabled tenants living in state-funded elderly housing. In 2002, the Massachusetts Office of Legislative Research provided an update on the success of the 1995 law, which had established optimal proportions of 86.5% elderly and 13.5% non-elderly residents. Housing officials reported that the law had been largely successful in:

1. reducing the number of problems that arise from these mixed populations sharing the same housing;
2. slowing what had been a sharply increasing rate of non-elderly disabled households moving in, and
3. reducing the relatively high percentage of non-elderly disabled tenants in certain projects.

Housing advocates, however, suggested that the optimal proportion should be 80% elderly and 20% non-elderly residents. This MTW activity, FY2015-2, adopts that suggested 80/20 ratio both for its admissions preference as well as for its ultimate unit mix

In practical terms, this activity allows the selection of four elderly applicants from the waiting list before selecting a non-elderly applicant from the waiting list, until such time as an optimal mix of elderly and non-elderly disabled residents is reached for the community. SAHA will use a waiting list preference for elderly families to ensure properties are able to reach the target 80/20 ratio. No residents will be required to relocate in order to meet these targets. The agency is not establishing a date by which to achieve the 80/20 target, and will rely solely on the normal resident turnover process to gradually transition the population balance.

When a property reaches its target 4-to-1 ratio of elderly to non-elderly residents, SAHA will start to draw applicants using a 1-to-1 ratio of elderly to non-elderly applicants in order to maintain the overall 4-to-1 balance. Should the mix ever tip in the other direction and start to house elderly residents at a higher ratio than 4-to-1, then SAHA will draw non-elderly disabled residents at a higher rate than elderly residents in order to maintain the overall 4-to-1 balance.

Update: This activity is ongoing and continues to allow the Agency to increase housing choices for elderly residents at Fair Avenue and WC White.

#### iii. Planned Non-Significant Changes

The total number of units at Lewis Chatham is 119, making 95 the 80% target for the elderly households. Currently, Lewis Chatham is home to 60 elderly (62 and over) households. Lewis Chatham will need to add 35 elderly households to meet the 80% target.

Assuming that turnover (21 units per year) remains the same and is proportionally distributed between elderly and non-elderly units, SAHA expects the number of elderly households at Lewis Chatham to increase by 4 elderly households per each 3 month cycle. over the span of 27 months or 2.25 years.

| Admissions Cycle (3 months per cycle) | E | E | E | E | NE |
|---|---|---|---|---|---|
| 1 Jul - Sep | 1 | 2 | 3 | 4 | 5 |
| 2 Oct - Dec | 6 | 7 | 8 | 9 | 10 |
| 3 Jan - Mar | 11 | 12 | 13 | 14 | 15 |
| 4 Apr - Jun | 16 | 17 | 18 | 19 | 20 |
| 5 Jull - Sep | 21 | 22 | 23 | 24 | 25 |
| 6 Oct - Dec | 26 | 27 | 28 | 29 | 30 |
| 7 Jan - Mar | 31 | 32 | 33 | 34 | 35 |
| 8 Apr - Jun | 36 | 37 | 38 | 39 | 40 |
| 9 Jul - Sep | 41 | 42 | 43 | | |
| Total admissions to reach the 80% goal | 35 | | | | 8 |

#### iv. Planned Changes to Metrics/Data Collection

As a result of adding an additional property, metrics will be updated as part of the FY2019 MTW Report.

#### v. Planned Significant Changes

None

### 10. FY2015-3: Modified Project Based Vouchers

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to meet the statutory objectives of increasing housing choices for low-income families and increasing cost effectiveness, and was originally approved as part of the FY2014-2015 MTW Plan.

#### ii. Description/Update

Description: This activity modifies the standard Project Based Voucher program in two ways.

First, this activity allows SAHA to commit vouchers to developments in SAHA's new and existing properties. The vouchers increase the number of units that are affordable to households based on their actual ability to pay. For example, a tax credit rent affordable to a 30% AMI household will be affordable to a 4-person household earning $17,640 or more. However, many households earn much less than that, and a 4-person household earning $10,000 (typical for SAHA-assisted households) is not able to afford a tax credit rent affordable to a 30% AMI household.

SAHA may commit vouchers to San Juan Homes III, Wheatley Courts, Victoria Commons, or any other SAHA-owned or SAHA–controlled development. This activity applies only to commitment of vouchers to SAHA-owned or controlled units. Any commitment of vouchers to privately-owned developments will be made through a competitive process outside the scope of this activity.

Secondly, this activity also increases cost effectiveness by removing the automatic provision of a tenant-based voucher to a household who wishes to relocate from a unit associated with local project based set aside voucher. The removal of the automatic provision reduces HAP costs, and also stabilizes overall occupancy at the communities where vouchers are committed. Previously, activity FY2011-8 provided a tenant-based voucher to a household after two years in the local project based set aside unit.

Update: This activity is ongoing and continues to facilitate the expansion and preservation of affordable housing.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

### 11. FY2015-4: Simplified Utility Allowance Schedule

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to meet the statutory objective of increasing cost effectiveness, and was originally approved as part of the FY2014-2015 MTW Plan.

#### ii. Description/Update

Description: Prior to this activity, the Agency conducted annual reviews and periodically re-established a Utility Allowance Schedule to represents reasonable utility cost expectations as part of a tenant's lease. The Utility Allowance Schedule is based on utility surveys and analysis of the type of structure, bedroom size, appliances provided by tenant, and type of appliances (gas/electric).

This activity establishes a new, simplified schedule that is based on the analysis of data collected from SAHA's existing HCV portfolio including the most common structure and utility types. The simplified schedule reduces administrative costs associated with the traditional method of applying a Utility Allowance Schedule. Specifically, the activity will allow the HCV department to be more cost effective by reducing staff time spent on calculating multiple utility schedules for 6 different structure types plus various utility types such as gas, electric or propane.

Note that this activity applies only to HCV participants that are **not** part of FY2015-1 MDRC/HUD Rent Study. If a household is selected to participate in the control or treatment group of the Rent Study, they will be subject only to FY2015-1, and not this activity FY2015-4.

The simplified utility allowance schedule is also anticipated to benefit property owners, who will have a more accurate understanding of the total gross rent to be applied to their properties, and to benefit participants, who will be able to use this new schedule to clarify gross rent in their selection of housing units.

The new utility allowance schedule is implemented at the time of recertification, interim or change of unit. The schedule will be applied to the lesser of these two options:

- the actual size of the unit, or
- the size of the voucher.

The flat utility allowance will not be granted in the case of tenant-provided appliances, which are not considered tenant-supplied or -paid utilities.

SAHA will continue to use current market consumption data to determine when adjustments to the simplified schedule are needed (upon change of more than 10% in rates).

Hardship Policy: Households will have recourse to the same hardship policy described in FY2014-6 Rent Simplification activity. Households who experience a rent increase of $26 or more due to the rent simplification calculation will be granted a hardship exemption and have the household's TTP calculated in accordance with 24 CFR 5.628 (i.e., non-MTW TTP calculation). If the rent increase is not directly related to utility allowance increase, the TTP calculation will include the simplified utility allowance.

Participants who are granted a hardship exemption will remain exempt until their rent portion falls below the $26 threshold. Hardship exemptions under this provision will be verified at each recertification.

Update: This activity is ongoing and continues to minimize administrative costs minimal to no impact to residents.

#### iii. Planned Non-Significant Changes

Additional language as been added: The flat utility allowance will not be granted in the case of tenant-provided appliances, which are not considered tenant-supplied or -paid utilities.

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

## 12. FY2017-1: Time-limited Working Household Referral Program

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to promote self-sufficiency and was originally approved as part of the FY2016-2017 MTW Plan and implemented in the same fiscal year.

#### ii. Description/Update

Description: This activity is designed to achieve the MTW statutory objective to give incentives that promote self-sufficiency, by providing working households in need of short-term housing assistance an opportunity to quickly access public housing units. This activity seeks to provide targeted assistance to a subset of households that 1) are working, and 2) would benefit from a period of increased housing stability to complete education/training, increase savings, or accomplish another self-sufficiency goal. These households will benefit from accelerated access to housing units, and, due to the time limit on the housing assistance, will transition out within 5 years. By focusing on households that have already started on the path to self-sufficiency, this activity should accelerate the number of households that actually transition to self-sufficiency during the period they receive housing assistance.

### 1. Overview

This activity provides time-limited public housing assistance to working households referred to SAHA by Workforce Solutions Alamo (WSA). Households referred to SAHA by WSA will receive five years of public housing assistance. If, at the end of five years, a hardship exists, two additional years of assistance are made available.

Upon starting housing assistance, participating households are required to enroll and participate in a SAHA self-sufficiency program such as Jobs-Plus or FSS.

Households will typically use the conventional public housing rent structure and biennial recertification schedule (per MTW Activity FY2014-4). However, both structure and schedule will be affected by the requirements of the self-sufficiency program selected by the household. For example, those enrolled in FSS will make use of an escrow account. Those in Jobs-Plus will have the option to establish an Earned Income Disregard (EID). For households living in Cassiano, the new Cassiano Jobs-Plus program will require an EID.

The total number of households to be served under this activity is currently capped at 200, and will be pulled in at a rate of 25 per quarter. Over 20,000 households are currently on the public housing waitlist. The 200 time-limited households represent 1% of that waitlist. As a result, providing these households with housing assistance will have a very limited impact on other households currently on the waitlist, especially at the draw rate of 25 per quarter. Additionally, it is expected that the time-limited units will turn over faster than standard units, creating more housing opportunities in the long run.

However, SAHA is taking steps to minimize any short-term negative impacts to non-participants. SAHA will reach out to households currently in waitlist pools whose applications indicate that they are working to notify them of the opportunity provided by this new program. Also, properties with extremely long wait times are being made unavailable to time-limited households, in order to not extend the already long wait times even longer.

**2. Previous Pilot**

Previously, a pilot project (MTW Activity FY2013-1) was approved as part of the FY2013 MTW Plan. The pilot ended in FY2016. FY2013-1 is now closed out and is replaced with this activity, FY2017-1. This activity builds on the lessons learned from the pilot. Some of those lessons included:

- The pilot activity relied on applicants self-identifying as working households during the application process. A wait list preference was provided to these applicants. However, many applicants that selected the working household preference were in fact not actually working. As a result, staff and applicants spent valuable time in initial meetings that did not result in successful placements. This new activity addresses this challenge by removing the preference. In its place, households will be eligible for a time-limited unit if they are referred by a partner workforce agency.
- Pilot households were required to participate in FSS or similar self-sufficiency activity, but did not always do so. Staff identified a number of factors, including: lack of clear communication and immediate follow up on the requirement, pilot households living in elderly communities (where there are no FSS or Jobs-Plus staff), and the novelty of the requirement (for both staff and applicants). The new activity addresses these factors by partnering closely with workforce partners who will assist in communication, as well as increased understanding of what training areas need to be emphasized.

Activity elements that remain consistent with the pilot include:

- Working households who participate in this activity will receive five years of housing assistance, with a two-year extension if needed based on hardship.
- Hardship policies mirror FSS practices and policies: SAHA can extend the term of the assistance up to 2 years if the family provides a written request for an extension and SAHA finds that good cause exists for the extension.

- FSS or Jobs-Plus participation is required -- each FSS and Jobs-Plus family receives case management services from a Case Manager who maintains close communication with the family and works with them to develop individualized plans. These plans establish specific interim and final goals to measure the family's progress toward fulfilling its obligations and becoming self-sufficient.

Changes and new elements that will be incorporated into the MTW Activity to improve program outcomes include:

- The pilot had been oriented to increasing housing choice and self-sufficiency. Now that this activity is referral-driven (instead of wait list preference-driven), the rationale for increasing housing choice by decreasing wait list time is no longer applicable. Instead, the activity will be focused solely on self-sufficiency.
- Households that participated in the previous pilot and remain in good standing will be rolled over automatically into the new program, and their time spent in the pilot will not count against the five-year time limit (the “clock is reset”)
- SAHA and WSA staff are developing a branding and communication strategy regarding the referral program
- SAHA staff will increase messaging of requirements and time limits backed up with strong written policies and procedures
- CDI and PH staff coordinate activities using a master tracking worksheet, that tracks the following:
    - Specific instances when the 5-year term limit is being communicated to participating households
    - If the family refuses to participate in FSS, CDI will inform PH staff, who will initiate eviction proceedings
    - Whether the household is meeting the financial counseling requirement
    - Household cohorts
    - New strategies employed as part of the Individual Plan development (for example, it was discussed that the goals should be focused on how much money it will take for the household to be able to pay flat rent by their 5th year)
    - Hardship tracking process, including all hardships requested
    - Improve methods to ensure families are complying with the rules of the pilot (including retaining employment throughout)
    - Develop a procedure for households moving to section 8

Update: This activity is ongoing and currently has 22 households enrolled.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

## 13. FY2017-2: Restorative Housing Pilot Program

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to promote self-sufficiency and was originally approved as part of the FY2016-2017 MTW Plan and implemented in the same fiscal year.

#### ii. Description/Update

Description: This activity is designed to achieve the MTW statutory objective to give incentives that promote self-sufficiency, through resident services initiatives that provide eligible probationers and their families a public housing preference. This activity identifies a population of underserved residents – probationers – who currently face challenges securing stable housing. By providing a public housing preference, these households can more quickly establish a solid foundation from which to undertake subsequent reintegration and self-sufficiency goals

This activity is a two-year pilot program that will allow for up to 50 adult probationers who are reporting as part of the “Resurgence Collaborative” reentry initiative to have preference for housing on SAHA public housing properties. Probationers will be selected for application into the pilot by the Bexar County Community Supervision and Corrections Department (CSCD). Probationers in the pilot will receive dual case management support from the SAHA FSS Program and their Community Supervision Officer (CSO). The two-year term of the pilot program does not restrict how long residents will be able to continue to receive housing assistance.

The total number of households to be served under this activity is currently capped at 50. Over 20,000 households are currently on the public housing waitlist. Providing probationers and their households with housing assistance will have a very limited impact on other households currently on the waitlist.

Households will typically use the conventional public housing rent structure and biennial recertification schedule (per MTW Activity FY2014-4). However, both structure and schedule will be affected by the requirements of the self-sufficiency program selected by the household. For example, those enrolled in FSS will make use of an escrow account. Those in Jobs-Plus will have the option to establish an Earned Income Disregard (EID). For households living in Cassiano, the new Cassiano Jobs-Plus program will require an EID.

**<u>1. Target Population</u>**

Bexar County CSCD will select eligible probationers for the pilot based on the Texas Risk Assessment System (TRAS) in order to identify probationers with high housing “needs” and a relatively low risk of reoffending. Probationers identified with a high housing need and low risk will be screened by their CSO for SAHA’s income requirements and disability status to determine their eligibility for SAHA assistance. If the probationer meets SAHA’s income requirements they will be offered to apply for the Pilot via the Referral Form. The probationer's total criminal history will be taken into account for these risk assessments.

**2. Criminal History Review**

Probationers will be selected for application to the pilot by the Bexar County Community Supervision and Corrections. Only Bexar County adult probationers currently serving a probation sentence for an allowable offense (Class B misdemeanor, nonviolent Class A misdemeanor, lowest-level controlled substance possession offense, or a first-time burglary offense) will be eligible for the pilot program. Probationers concurrently serving three or more separate probation sentences for allowable offenses or a single probation term for three or more allowable offenses will be ineligible for the Pilot. An exemption to current SAHA Screening and Eviction Guidelines will be required to allow some participants in the Pilot population to avoid automatic denial.

Probationers with a criminal history that includes narcotics distribution, violent felonies, or multiple burglary offenses at any time will be ineligible. Probationers with any allowable offenses within the past five years for which they are not currently serving a probation sentence for will also be ineligible unless the probationer successfully completed a probation sentence(s) for the offense(s) in question. Federal bans on sex offenders and persons convicted of drug manufacturing on federal property remain. In addition, people previously evicted from federally-assisted housing or who have committed crimes on SAHA property in the past will be ineligible for the Pilot.

**3. Dual Case Management**

Probationers selected for the pilot will be dual-case managed by a SAHA FSS Case Worker and their CSO. FSS will attempt to use only one or two case managers for the Pilot population as will the Bexar County CSCD. Selected probationers must be willing to engage in FSS case management for up to 5 years and if they unilaterally terminate case management they may be evicted. Selected probationers in the Pilot will receive a FSS case manager upon entering public housing, and the FSS case manager's role will be to supervise and motivate clients in conjunction with the CSO. Bexar County CSOs will have the final say on what court-ordered services must be completed and in what order, though the FSS case manager and CSO should coordinate and jointly agree on non-court ordered services and supervision. Selected probationers will be required to report to a CSO at the Barbara Jordan Center location in order to utilize services at the Resurgence Collaborative.

The SAHA FSS Case Manager would work to be present and present materials at SAHA-based hearings related to a Pilot participant; the Bexar County CSO would handle criminal and court-related matters pertaining to offenses probationers in the Pilot may commit. Both case managers should coordinate efforts and meet on at least a monthly basis to review problem cases and problem-solve.

The FSS Case Managers will also coordinate with property managers to address problems as needed. Scheduled meetings with clients do not have to be attended by both managers but efforts and communication should be coordinated so as not to confuse or mislead clients. SAHA will track the results of this Pilot with Bexar County CSCD through the FSS program.

## 4. Pilot Requirements

The probationers must also stay in good standing with their probation requirements (including substance monitoring and home inspections). Probationers rearrested for violations of their current probation or new criminal offenses may be swiftly evicted from public housing and removed from the lease if determined by their CSO and SAHA. Family members would not be subjected to eviction if another adult in the household is capable of taking over the lease, unless otherwise determined by SAHA and the Bexar County CSCD.

Pilot Probationers who must go to residential drug treatment will not forfeit their public housing unit provided they have other immediate family members already living in the unit and capable of maintaining the lease. Probationers exiting residential drug treatment would still be able to apply to the pilot, if all other eligibility requirements being met. An MOU will be created for the Pilot to share information between SAHA and the Bexar County CSCD. In addition to the MOU the participating probationers will be required to sign a release of information form in order for the CSCD to share any of case specific information (i.e. drug tests) with the SAHA case manager.

Probationers who are evicted due to an arrest or violation will be ineligible to apply for the Pilot in the future. Evicted probationers' spots in the Pilot will be recycled into the population cap for each pilot program. The same will apply for those probationers who leave public housing either voluntarily or through increased self-sufficiency. Individuals who finish their probation requirements may still be required to meet with a FSS case manager, and their spot will be recycled into the Pilot population cap.

Probationers will be required to obtain services at the "Resurgence Collaborative" at the Barbara Jordan Center determined by their FSS case manager and CSO. Services not provided at the Resurgence Collaborative may be completed through FSS/Probation's existing network of services providers. In addition, the FSS case manager will work to engage family members in services offered at the Resurgence Collaborative to build self-sufficiency in the entire family.

## 5. Pilot Logistics

Up to 50 probationers reporting as part of the "Resurgence Collaborative" reentry initiative and their immediate families will be allowed prioritized access to public housing at SAHA properties over a two-year period. The population cap of 50 will include both probationers coming into new public housing units with their families and probationers who are being allowed to move in with immediate family members that are already living in public housing properties.

Probationers selected for the Pilot will be given a signed referral from their CSO to present to SAHA staff at the Unified Application Center. The Referral Form will be created specifically for this Pilot and will be based on similar referrals for other SAHA special populations/projects. If probationers apply to the Pilot and their term of probation expires before a spot in the Pilot becomes open, their Referral will expire and they will have to reapply to obtain SAHA housing assistance. Probationers who commit a crime after being accepted into the Pilot but before moving into their unit will be removed from the Pilot.

**6. Outcomes**

According to 2012 Byrne CJI Grant Implementation Plan Data collected by Trinity University, the Choice Neighborhood footprint (location of the Resurgence Collaborative), offenders in the footprint have higher rates of recidivism (re-arrests) and a higher arrest rate. The number of people per ZIP code on probation in the footprint is twice that compared to other ZIP codes in Bexar County. Additionally 52% of probationers who live in these ZIP codes had their probation revoked instead of completed, compared to 41% for Bexar County as a whole. Focus groups conducted by Trinity University with probationers also found that transportation is one of the most significant barriers for probationers. Together this baseline data illustrates that the Choice Neighborhood has a higher percentage of probationers, these probationers struggle with basic needs such as transportation, and these probationers have their probation revoked or re-offend at a greater rate than Bexar County as a whole.

The program is anticipated to reduce recidivism among probationers. The prioritized access to housing in the Pilot will also allow SAHA to determine the effect of immediate housing on probationers in regards to such measures.

Update: This activity is ongoing and currently has two households enrolled.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

None

#### v. Planned Significant Changes

None

## B. Not Yet Implemented Activities

None.

## C. Activities On Hold

The Agency anticipates closing out three activities as part of the FY2018 MTW Annual Report to combine them into one new activity. In FY2018, the Agency re-organized the public housing and housing choice voucher programs under one Director of Federal Housing Programs with the goal of streamlining operations across both programs.

To this end, the proposed activity, FY2019-3 Alternative Recertification Process, is intended to combine all three activities. It streamlines all policies and forms; and establishes consistent recertification schedules across both programs.

Each activity outlined below will continue until the new activity is implemented; which is expected to be July 1, 2018 pending HUD approval.

## 7. FY2014-4: Biennial Reexaminations (HCV & PH)

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to reduce cost and increase cost effectiveness, and was originally approved as part of the FY2013-2014 MTW Plan. Activity was implemented January 2014 for the May 2014 reexaminations.

#### ii. Description/Update

Description: This activity establishes a biennial (instead of an annual) schedule for reexaminations, applicable to all non-elderly/non-disabled HCV and PH participant households (approximately 8,500 households). This activity disregards 100% of additional household income for two years therefore SAHA will no longer disregard participant's income using the traditional Earned Income Disregard calculation.

SAHA may initially use random selection methods and tools to select voucher participants in scheduling reexaminations. Half of the HCV participants will be on a two-year reexamination cycle starting in the first year and the remainder will be on a two-year cycle starting in the second year of program implementation. Every family will have the option of interim reexamination at any time if there is a change in family composition, reduction in income or an increase in expenses. All HCV and PH participants, excluding Elderly/Disabled participants on a fixed income, must complete annual reexaminations of their family income and composition. SAHA proposes to conduct biennial reexaminations for all non-elderly/non-disabled HCV and PH participant households (approximately 8,500 households).

Starting in FY2016, SAHA extended the expiration date on HUD Form-9886 from 15 months to 39 months. SAHA may revise other HUD forms deemed necessary to accommodate biennial or triennial reexaminations. The Agency has updated review procedures related to the Community Service Monitoring Requirements to match the established regular re-exam schedule. SAHA will still follow regular enforcement requirements as outlined in 24 CFR § 960.605.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

To be closed out in the FY2018 MTW Report and replaced with FY2019-3.

#### v. Planned Significant Changes

To be closed out in the FY2018 MTW Report and replaced with FY2019-3.

## 8. FY2014-5: Triennial Reexamination (HCV)

#### i. Plan Year Approved, Implemented, Amended

This activity is designed to meet the statutory objective of increasing cost effectiveness, and was originally approved as part of the FY2013-2014 MTW Plan. This activity was implemented in January 2014 for households with a reexamination date in May 2014.

#### ii. Description/Update

Description: Prior to this activity, HCV Elderly/Disabled households on a 100% fixed income completed biennial reexamination of their household income and composition. SAHA defines fixed income as Social Security (SS), Supplemental Security Income (SSI), and pension. Documentation shows that elderly and disabled participants experience minimal income changes each year; typically, the only change is the result of a cost of living increase from the Social Security Administration (SSA). The inconvenience to the elderly and disabled residents due to these reexaminations may pose a physical burden and result in inefficient use of staff time. This activity allows SAHA to conduct triennial reexaminations for elderly/disabled HCV participant households, defined as families in which any member of the family is elderly or disabled and on a 100% fixed income.

Every household will have the option of interim reexaminations at any time if there is a change in household composition, reduction in income or an increase in medical expenses.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

To be closed out in the FY2018 MTW Report and replaced with FY2019-3.

#### v. Planned Significant Changes

To be closed out in the FY2018 MTW Report and replaced with FY2019-3.

## 14. FY2016-2- Biennial and Triennial Notification of Rent Type Option

#### i. Plan Year Approved, Implemented, Amended

This activity is proposed to increase cost effectiveness, through a more efficient coordination of communication with residents, and was originally approved as part of the FY2015-16 MTW Plan.

#### ii. Description/Update

Description: PHAs are typically obligated to periodically (once a year) inform Public Housing Residents that they have an option of paying income-based rent or a flat rent. The PHA must give each family the opportunity to choose between the two methods for determining the amount of tenant rent payable monthly by the family.

As more residents move to biennial and triennial reexamination schedules, however, the number of staff interactions with residents decreases. It becomes more efficient to coordinate communication and notification requirements during a single visit, and notify residents of their option in accordance with their new schedules.

#### iii. Planned Non-Significant Changes

None

#### iv. Planned Changes to Metrics/Data Collection

To be closed out in the FY2018 MTW Report and replaced with FY2019-2 (Alternative Recertification process (PH and HCV).

#### v. Planned Significant Changes

To be closed out in the FY2018 MTW Report and replaced with FY2019-2 (Alternative Recertification process (PH and HCV).

## D. Closed Out Activities

### FY2011-1 Block grant funding with full flexibility

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. In the FY2013-2014 Plan, the activity was closed out due to its reference to the MTW Single Fund Flexibility, and not to any additional waivers.

### FY2011-1a _ Promote Education through Partnerships

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. In the FY2013-2014 Plan, the activity was closed out because it uses only the MTW Single Fund Flexibility, and no additional waivers.

### FY2011-1b _ Pilot Child Care Program

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The pilot childcare training program ended in the fall of 2011. While the program did have some success in FY2011 in assisting 10 residents in their completion of child care training and certification, there was not enough support for the program to continue. This activity was closed out in FY2011-2012.

**FY2011-1c _ Holistic Case Management**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year In the FY2013-2014 Plan, the activity was closed out because it uses only the MTW Single Fund Flexibility, and no additional waivers.

**FY2011-1d _ Resident Ambassador Program**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. In the FY2013-2014 Plan, the activity was closed out because it uses only the MTW Single Fund Flexibility, and no additional waivers.

**FY2011-2 Simplify and streamline HUD approval process for the development, redevelopment, and acquisition of Public Housing**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year In the FY2013-2014 Plan, the activity was closed out because faster transaction times have reduced the need for this activity.

**FY2011-3 Biennial reexamination for elderly/disabled (PH)**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity has been closed out because was replaced by new activities FY2014-4 and FY2014-5.

**FY2011-4 Streamline methods of verification for PH and HCV**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity has been closed out because it was replaced by new activity FY2014-1.

**FY2011-5 Requirements for acceptable documents for PH and HCV**

This activity was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity has been closed out because it was replaced by new activity FY2014-1.

**FY2011-6 Commitment of project-based vouchers (PBV) to SAHA-owned or controlled units with expiring subsidies (HCV)**

This activity was designed to increase housing choices, and was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity is proposed to be closed out because it will be superseded by FY2015-3 upon approval of this MTW Plan.

**FY2011-7** **Remove limitation of commitment on PBV so that PBV may be committed to more than 25% of the units in family developments without required provision of supportive services**

This activity was designed to increase housing choices, and was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity is closed out because it has been superseded by FY2015-3.

**FY2011-8** **Revise mobility rules for PBV**

This activity was designed to increase cost efficiency, and was originally approved as part of the FY2010-2011 MTW Plan and implemented in that fiscal year. The activity is proposed to be closed out because it will be superseded by FY2015-3 upon approval of this MTW Plan.

**FY2012-10** **Biennial Reexamination for Elderly/Disabled Participants on Fixed Income (HCV)**

This activity was originally approved as part of the FY2011-2012 MTW Plan and implemented in that fiscal year. The activity has been closed out because it was replaced by FY2014-4.

**FY2012-11** **Local Project Based Voucher Program for Former Public Housing Residents**

This activity was originally approved as part of the FY2011-2012 MTW Plan was closed out before implementation due to discussions with HUD about RAD option.

**FY2014-1** **Streamline Reexamination Requirements and Methods (HCV)**

This activity was designed to reduce cost and increase cost effectiveness, and was originally approved as part of the FY2013-2014 MTW Plan and implemented in that fiscal year. This activity was closed out as of FY2016, due to staff analysis finding that it was no longer needed.

**FY2013-1** **Time-limited Working Household Preference Pilot Program**

This activity was designed to increase housing choices and promote self-sufficiency, and was originally approved as part of the FY2012-2013 MTW Plan. Implementation started in FY2014. This pilot activity is proposed to be closed out as of FY2017 and upon approval of this plan. Staff analysis of the pilot identified process improvements that will be implemented in a new MTW Activity proposed for FY2017. Pilot households will be transitioned into the new MTW Activity or the standard public housing program.

**FY2013-3** **Standardize Section 8 and Public Housing Inspection Progress**

This activity was designed to unify Section 8 and Public Housing inspection standards. The intent was to raise lower standards to a higher, uniform level. It was anticipated that UPCS (Public Housing) would serve as model for most elements, but some were to be derived from HQS (Section 8). This activity has been on hold until now, pending results of HUD tests at other PHAs. HUD has completed the study and is now conducting a demonstration. SAHA has no plans to participate in the demonstration and will implement new inspection standards for Section 8 in accordance with any new guidelines set forth by HUD. This activity was closed out as of FY2017.

# Section V. Sources and Uses of Funds

## A.Estimated Sources and Uses of MTW Funds

### i. Estimated Sources of Funds

*The MTW PHA shall provide the estimated sources and amount of MTW funding by Financial Data Schedule (FDS) line item.*

| FDS LINE ITEM NUMBER | FDS LINE ITEM NAME | DOLLAR AMOUNT |
|---|---|---|
| 70500 (70300+70400) | Total Tenant Revenue | $10,847,601 |
| 70600 | HUD PHA Operating Grants | $119,175,521 |
| 70610 | Capital Grants | $4,487,565 |
| 70700 (70710+70720+70730+70740+70750) | Total Fee Revenue | $0 |
| 71100+72000 | Interest Income | $133,663 |
| 71600 | Gain or Loss on Sale of Capital Assets | $2,591,391 |
| 71200+71300+71310+71400+71500 | Other Income | $2,349,774 |
| 70000 | Total Revenue | $139,585,515 |

### ii. Estimated Uses of Funds

*The MTW PHA shall provide the estimated sources and amount of MTW funding by Financial Data Schedule (FDS) line item.*

| FDS LINE ITEM NUMBER | FDS LINE ITEM NAME | DOLLAR AMOUNT |
|---|---|---|
| 91000 (91100+91200+91400+91500+91600+91700+91800+91900) | Total Operating - Administrative | $15,385,919 |
| 91300+91310+92000 | Management Fee Expense | $7,610,608 |
| 91810 | Allocated Overhead | $0 |
| 92500 (92100+92200+92300+92400) | Total Tenant Services | $1,021,470 |
| 93000 (93100+93600+93200+93300+93400+93800) | Total Utilities | $5,170,857 |
| 93500+93700 | Labor | $0 |
| 94000 (94100+94200+94300+94500) | Total Ordinary Maintenance | $12,899,757 |
| 95000 (95100+95200+95300+95500) | Total Protective Services | $491,988 |
| 96100 (96110+96120+96130+96140) | Total Insurance Premiums | $1,608,163 |
| 96000 (96200+96210+96300+96400+96500+96600+96800) | Total Other General Expenses | $2,164,657 |
| 96700 (96710+96720+96730) | Total Interest Expense & Amortization Cost | $730,468 |
| 97100+97200 | Total Extraordinary Maintenance | $0 |
| 97300+97350 | HAP + HAP Portability-In | $87,505,292 |
| 97400 | Depreciation Expense | $9,607,666 |
| 97500+97600+97700+97800 | All Other Expense | $0 |

| | | |
|---|---|---|
| 90000 | **Total Expenses** | **$144,196,845** |

**Please describe any variance between Estimated Total Revenue and Estimated Total Expenses:**

Total expenses are greater than sources -- $3.3 million dollars of expenses included in the uses section of the schedule will be paid with MTW funds currently being held by HUD. Additionally, FDS line item 97400, Depreciation, is a non-cash expense which does not require a cash outlay.

Per Board Resolution 5822 dated June 7, 2018, SAHA Moving-to-Work (MTW) funds are obligated consistent with the MTW Plan for the following:
1) Section 8 funding shortfall: $1,500,000.00
2) Choice implementation matching grant for Wheatley Courts transformation: $1,500,000.00
3) Development of Labor Multi-family Property: $5,500,000.00
4) Capital Planning - $400,000.00
5) Funding for the Rehabilitation of Victoria Plaza - $10,000,000.00
6) Additional Funding for East Meadows Development - $600,000.00
7) Preservation and expansion of affordable and public housing - $15,900,000.00
8) Program administration and implementation of MTW initiatives - $1,400,000.00

### iii. Description of Planned Use of MTW Single Fund Flexibility

*The MTW PHA shall provide a thorough narrative of planned activities that use only the MTW single fund flexibility. Where possible, the MTW PHA may provide metrics to track the outcomes of these programs and/or activities. Activities that use other MTW authorizations in Attachment C and/or D of the Standard MTW Agreement (or analogous section in a successor MTW Agreement) do not need to be described here, as they are already found in Section (III) or Section (IV) of the Annual MTW Plan. The MTW PHA shall also provide a thorough description of how it plans to use MTW single fund flexibility to direct funding towards specific housing and/or service programs in a way that responds to local needs (that is, at a higher or lower level than would be possible without MTW single fund flexibility).*

**PLANNED USE OF MTW SINGLE FUND FLEXIBILITY**

## A. Education Partnerships

SAHA's education-related programming is significant and diverse, and includes:

1) REACH Awards: recognize and reward nearly 300 students annually for academic achievement
2) College Scholarship Program: funds scholarships for up to 10050 students annually to provide much needed support to ensure higher educational achievement
3) Education Summit: provides up to 900 residents annually with access to education and college resources, financial literacy, and other self-help resources
4) Academic Performance and Attendance Initiative: According to Attendance Works (June 2015), "every year as many as 7.5 million students nationwide are chronically absent, meaning they miss 10 percent or more of the school year for any reason, excused or unexcused. That level of absenteeism predicts poor academic performance as early as preschool and is a warning sign that a high school student will drop out." In San Antonio Independent Independent School district, over 40% of

SAHA students are missing 10+ days of school and 21% are chronically absent. To better understand factors driving low attendance and improve school attendance, SAHA will utilize initial data findings to implement pilot programs that will include:

- Continuing SAHA-SAISD Task Force partnership monthly meetings
- Development of consortium of education partners
- Executing partnership with the City of San Antonio Truancy Court, SAHA, local community based service and education organizations, and SAISD to conduct outreach and education services for households with attendance issues.
- Expand existing attendance initiatives and develop new incentives for children to attend school on a regular basis.
- Develop attendance teams consisting of SAISD school administrators, teachers, parents and SAHA residents.

### B. ConnectHome

SAHA has made it a priority to develop and implement digital inclusion strategies that address the digital divide. In 2015, SAHA kicked off ConnectHome, a program created by HUD. ConnectHome's goal is to bridge the digital divide by providing Public Housing and Section 8 families with tools to Access, Participate, and Benefit from the Digital Economy. To achieve this, ConnectHome provides Public Housing and Section 8 families three components of digital inclusion: (1) internet service, (2) computer devices; and (3) digital skills training.

- **Internet Access:** Through free hotspots, Wi-fi expansion, and subscription to affordable services
- **Computer Ownership:** increase access to affordable/free new and refurbished computers through electronics donation program
- **Digital Skills Training:** Teach individuals the skills they need to use computers and the Internet in order to participate in the digital economy. and going beyond the basic digital skills training, ConnectHome have created tracks to further provide opportunities to support: Workforce Development, Education, STEM and Quality of Life.

As of October 2017, SAHA has provided literacy training to 1,314 participants, 454 devices to participants, and connected 773 households to the internet.

Additionally, ConnectHome program goes one step further by implementing strategies that help residents use their new digital tools and skills to improve their education, health, quality of life and employment outcomes. This comprehensive service delivery approach is based on a collaborative model designed in partnership with other community organizations and partners that pursue shared digital inclusion goals.

In addition to general program support, MTW funds also support up to one FTE, up to 8 resident Digital Ambassadors, connectivity improvements, broadband expansion, and program-related contracts.

### C. Resident Ambassador Empowerment Program

The Resident Ambassador Program employs 16 residents throughout the year, providing meaningful work experience for residents. SAHA has found that this program is an effective strategy to engage all residents in educational, training, workforce development, and other self-sufficiency programs.

### D. Summer Youth Program

The Summer Youth Employment Program employs up to 80 resident youth each year, providing work experience and capacity development such as resume writing, banking/financial literacy, interview skills, conflict resolution and other life and workforce development soft skills.

### E. Health and Wellness

SAHA sponsors a variety of events to promote health and wellness, including:

- Golden Gala: much-loved annual event for up to 1,000 elderly and disabled residents
- H2A (Healthy Habits Active) Living Awards: highlight resident involvement and engagement in civic engagement, health, and other quality of life activities
- Annual Father's Day initiative: engages up to 500 families in positive family activities and recognize fathers' contributions through "El Hombre Noble" awards

### F. Choice Neighborhoods Initiative

San Antonio's Eastside features a unique history, valued institutions, established churches, small businesses, and a core group of dedicated and loyal residents. The San Antonio Housing Authority (SAHA) is in year 5 of utilizing the $30 million EastPoint Choice Neighborhoods Initiative grant from the Dept. of Housing and Urban Development (HUD), to transform the Wheatley Courts area into a "community of choice" -- a safe, healthy, vibrant, thriving community for children, families and seniors.

The Choice Neighborhood Initiative invests in People, Housing and Neighborhood through transforming distressed neighborhoods into viable and sustainable mixed-income neighborhoods by linking housing and infrastructure improvements with much-needed services, such as quality schools, healthcare, transportation, and access to jobs.

The **People** outcomes focus on families' health, education, safety, and employment, through efforts to encourage and support self-sufficiency and job readiness, and to facilitate access to early childhood and adult education. The **Housing** plan is to redevelop Wheatley Courts into a 414-unit energy efficient, mixed-income community, and to expand the supply of quality housing with 208 new housing units at The Park at Sutton Oaks. The **Neighborhood** component includes six strategies designed to complement the energy of the East Meadows site, by investing resources to create a safe, pedestrian-oriented neighborhood, with homeownership and rehab opportunities, and access to healthcare facilities; a plan to grow business and retail opportunities; the repurposing of vacant lots; and to promote neighborhood beautification.

The key Choice partners include the City of San Antonio (CoSA), McCormack Baron Salazar, Inc., Urban Strategies, Inc., United Way of San Antonio and Bexar County (Eastside Promise Neighborhood), Merced Housing, San Antonio Independent School District (SAISD), St. Philip's College, VIA, San Antonio for Growth on the Eastside (SAGE), Bexar County and Resurgence Collaborative Partners.

San Antonio is the only community in the nation to receive a Promise Zone designation, as well as all three of the White House Neighborhood Revitalization Initiative grants, which, in addition to Choice, includes a $23.7 million grant from the Dept. of Education to bolster children's educational achievement and foster community development, and two Byrne Criminal Justice grants, totaling nearly $1 million, to improve safety and security in the neighborhood.

### A. **People**

The outcomes for Wheatley Courts residents have been achieved by our People Lead, Urban Strategies, Inc. through the comprehensive, on-site case management that facilitates access to quality early childhood education, after-school programs and adult education, as well as improved employment opportunities, with a particular emphasis on expanding job readiness, training and placement programs. The initial assessments indicated that only 12% of Wheatley residents have attended college or received a college degree, 49% have a high school diploma or GED, 39% have no high school diploma or GED, and 51% were unemployed. Through September 2018, Urban Strategies, will continue to work with our Wheatley households to remove education and employment barriers, connect residents with health services and other needed services, and assist families as they return to East Meadows I.

**Access to Healthcare** is a primary concern for the Choice area. In partnership with SAHA and Urban Strategies, the San Antonio Metropolitan Health Department (SAMHD) conducted a Health Impact Assessment (HIA), which resulted in three key recommendations. The first recommendation was to increase access to health care. To meet this need, SAHA has executed an agreement to partner with the University Health System (UHS) to build a new health clinic in the Choice footprint. The Dr. Robert L.M. Hilliard Center opened in December

2017. In addition, University of the Incarnate Word (UIW) has been providing healthcare services, to include dental and mental health counseling for residents who were impacted by the Medicaid expansion gap.

B. **Housing**

The Housing plan to develop a total of 622 high-quality, energy-efficient, mixed-income units is being implemented in four phases. Phase I includes 208 units at The Park at Sutton Oaks, which is now complete. Phase II (East Meadows I) includes 215 units for families, and was completed December 2018. In October 2017 the construction began for Phase III (Wheatley Park Senior Living), which features 80 units for seniors and is planned to be completed March 2018. Construction for the final and fourth phase (East Meadows II), which includes 119 units for families, will begin May 2018 and is scheduled to be completed by December 2019. The housing development and related infrastructure improvements will be funded through public-private partnerships, featuring a combination of federal, state, and city funding, as well as private equity.

C. **Neighborhood**

**Safety and Security,** the leading concern of residents in this community, was addressed through a Byrne Criminal Justice Innovation [BCJI] grant awarded in 2011. An initial research survey indicated: twice as many crimes committed in the footprint vs. County or City; twice as many residents on probation vs. County or City; and a higher level of violent and drug crime. The BCJI grant allowed SAHA to work closely with the community and a local academic institution (Trinity University) to identify root causes of crime within the Choice footprint. SAHA and the community developed strategies based on data and best practices, which included:

- **Resurgence Collaborative** - the first comprehensive re-entry program in Texas with community-based network providers co-located with Probation Field Office directed solely for the Eastside Community in transition and their families.
- **Group Violence Intervention (GVI)** -the GVI model provides an evidence-based strategy for law enforcement, community members, and service providers to collaboratively decrease violent crime in a sustainable and community driven process.
- **Crime Prevention Through Environmental Design Efforts -** CPTED efforts worked to target crime indirectly, and long-term environmental improvements are important to ensuring crime reductions last.
- **Community Organizing and Resident Empowerment**- hosted BBQs and meetings with residents and businesses owners that engaged hundreds of residents.

- **Hot Spot Policing** - the BCJI team partnered with the San Antonio Police Department to implement "Drug Market Intervention" to bring swift and certain consequences to violent street drug dealers operating in "hot spot" areas, while giving a second opportunity/reentry services to those drug dealers who do not have violent or extensive criminal backgrounds.
- C**ommunity Engagement Patrols**- the BCJI team partnered with the San Antonio Police Department to conduct community engagement patrols intended to build relationships with residents and businesses in hot spot areas

The BCJI grant was set to expire September 2016, and received an extension through March 2017. Some of the initiatives that continued after the grant expired, include the Resurgence Collaborative and the Group Violence Intervention.

**A Healthy Community**
A second recommendation from the MetroHealth Health Impact Assessment was to increase community amenities for physical activity. This need will be met by Bexar County and CoSA which has committed to building a linear park with exercise equipment along the walking path and a basketball court at one end of the park. The third recommendation from the HIA was to increase food security and access to fresh fruit and vegetables, as the Choice footprint is a food desert. To meet this need, Choice is collaborating with Neighborhood partners to establish an urban farm.

To support walkability efforts, a beautification strategy which includes the planting of more than 200 trees and art along key pathways will occur.

**The Infill Housing and Rehabilitation Strategy** is a key component to address the pervasive neighborhood deterioration and is another strategy in the CCI plan. The strategy involves land acquisition and investment for new homes and owner-occupied home repair. This strategy will utilize a place-based approach by expanding homebuyer assistance and increasing opportunities for owner-occupied housing rehabilitation assistance.

**Economic Development** is a key component of the greater revitalization and long-term success of the Eastpoint community. An Economic Development Committee has developed a plan for the area, which includes: provide assistance to existing businesses; attract a diversity of new businesses; create a vibrant commercial corridor that accommodates business activity and supports local residents; re-brand the community's image to attract the interest of the greater San Antonio community; and promote income diversity. One strategy that aligns with this plan is the business Façade improvement component of the Critical Community Improvement (CCI) plan. Choice partnered with San Antonio for Growth on the Eastside (SAGE) and funded twelve $25,000 grants were awarded to qualifying businesses for exterior improvements to their properties. Businesses include construction companies, hair salons, corner stores and restaurants.

**Good Samaritan Veterans Outreach and Transition Center (GSVOTC)**
As part of the Critical Community Improvements (CCI) Plan, an investment of $600,000 was made towards the rehab and redevelopment of this center. The project is a partnership between SAHA, the City of San Antonio and St. Philip's College and resulted in the successful repurposing and renovation of the historic Good Samaritan Hospital. Grand opening was held in August 2017. St. Philip's College will serve as the operational partner for activities and services.

## B. Local Asset Management Plan

i. Is the MTW PHA allocating costs within statute? **Yes**

ii. Is the MTW PHA implementing a local asset management plan (LAMP)? **No**

iii. Has the MTW PHA provide a LAMP in the appendix? **No**

iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year. **N/A**

## C. Rental Demonstration (RAD) Participations

### i. Description of RAD Participation

*The MTW PHA shall provide a brief description of its participation in RAD. This description must include the proposed and/or planned number of units to be converted under RAD, under which component the conversion(s) will occur, and approximate timing of major milestones. The MTW PHA should also give the planned/actual submission dates of all RAD Significant Amendments. Dates of any approved RAD Significant Amendments should also be provided.*

| RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION |
|---|
| N/A |

ii. Has the MTW PHA submitted a RAD Significant Amendment in the appendix? **No**

iii. If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment? **N/A**

# Section VI. Administrative

### A. Board Resolution and Certifications Compliance

*The MTW PHA shall provide a resolution signed by the Board of Commissioners (or other authorized MTW PHA governing body) adopting the Annual MTW Plan and the Annual MTW Plan Certifications of Compliance (as it appears in this Form 50900). A signed version of the Annual MTW Plan Certifications of Compliance must also be included.*

See Appendix 1.

### B. Documentation of Public Process

*The beginning and end dates of when the Annual MTW Plan was made available for public review and the dates, location and number of attendees of public hearings must be provided. HUD reserves the right to request additional information to verify the MTW PHA has complied with public process requirements in the Standard MTW Agreement (or successor MTW Agreement).*

The 2019 MTW Plan was posted for public comment on February 16, 2018. The draft Plan was posted on SAHA's website, and two hard copies were printed out and placed in the two main lobbies of the Central Offices. The public comment period closed on April 3, 2018, prior to the April 6 regular board meeting when the Board of Commissioners considered action on the Plan.

A variety of opportunities were provided for public comment, including via email to mtw@saha.org, by mail to 818 S. Flores, and at a public hearing on March 15 during the Operations and Choice Neighborhood Committee meeting.

Meetings for housing choice voucher participants, public housing residents, and landlords were held on March 20, 21, and 22. A total of 46 registered to attend and approximately 15 were in attendance across all meetings. All comments related to the proposed plan were positive. Some residents expressed enthusiasm at the opportunity to move to higher-cost neighborhoods, while others wanted to make sure they would not be forced to move away from their current homes.

A total of five (5) Small Area Fair Market Rent Workshops were held from March 28-30, 2018 to provide stakeholders additional opportunities to provide feedback on SAHA's proposed activity, FY2019-1 Local Small Area Fair Market Rent Implementation. Attendees included local fair housing advocates and partners. For a summary please see Appendix 6.

In addition, the Agency received many questions and comments related to the proposed plan in written form and at the public hearing. A summary of these can be found in Appendix 6.

### C. Planned and Ongoing Evaluations

*The MTW PHA shall provide a description of any planned or ongoing MTW PHA-directed evaluations of the MTW demonstration and/or of any specific MTW activities (or state that there are none).*

Not yet applicable.

## D. Lobbying Disclosures

*The MTW PHA shall provide signed copies of the Disclosure of Lobbying Activities (SF-LLL) and the related Certification of Payments (HUD-50071).*

See Appendix 3.

## Appendix 1: Resolutions and Certifications

The following are included as Appendix 1.

- Resolution 5810
- Annual MTW Plan Certifications of Compliance

**SAN ANTONIO HOUSING AUTHORITY**
**Resolution 5810**

**RESOLUTION 5810, AUTHORIZING THE PROPOSED 2018-2019 MOVING TO WORK (MTW) AGENCY PLAN, INCLUDING REVISIONS TO THE MTW PLAN, THE PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP), THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN (ADMIN PLAN), CAPITAL FUND PROGRAM PLAN (CFP), AND FIVE-YEAR CAPITAL IMPROVEMENT AND DEVELOPMENT PLAN**

**WHEREAS,** the Board of Commissioners of the San Antonio Housing Authority, a public instrumentality, created pursuant to the laws of the State of Texas (SAHA), must approve the 2018-2019 Moving to Work (MTW) Agency Plan for fiscal year 2018-2019, including the revised MTW Plan, Public Housing Admissions and Continued Occupancy Policy (ACOP), the Housing Choice Voucher Administrative Plan (Admin Plan) and the Capital Fund Program Plan (CFP); and

**WHEREAS,** the Board of Commissioners of the San Antonio Housing Authority also desires to authorize the submission of the 2018-2019 MTW Agency Plan to the U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, the Board further desires to authorize the Chairman and the President and CEO to execute and submit to HUD such certifications and other documents that they deem necessary or advisable in connection with the submission of the MTW Agency Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of SAHA:

1) Approves Resolution 5810, authorizing the proposed 2018-2019 Moving to Work (MTW) Agency Plan, including revisions to the MTW Plan, the Public Housing Admissions and Continued Occupancy Plan (ACOP), the Housing Choice Voucher Administrative Plan (ADMIN PLAN), Capital Fund Program Plan (CFP), and five-year Capital Improvement and Development Plan; and

2) Authorizes the Chair of the Board of Commissioners and President and CEO to execute and submit such certifications and other documents as necessary for the submission of the 2018-2019 MTW Plan to HUD.

**Approved the 5th day of April 2018.**

**Morris A. Stribling, DPM**
**Chair, Board of Commissioners**

**Attested and approved as to form:**

**David Nisivoccia**
**President and CEO**

# CERTIFICATIONS OF COMPLIANCE

***U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT***
***OFFICE OF PUBIC AND INDIAN HOUSING***

**Certifications of Compliance with Regulations:**
**Board Resolution to Accompany the Annual Moving to Work Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning (01/07/2018), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

(1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.

(2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.

(3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).

(4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.

(5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

(6) The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.

(7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.

(8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

(9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.

(10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.

(11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

(12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.

(13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

(14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

(15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).

(16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.

(17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.

(18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

(19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.

(20) The MTW PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.

(21) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.

(22) All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

San Antonio Housing Authority

***MTW PHA NAME***

TX006

***MTW PHA NUMBER/HA CODE***

***I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).***

DAVID NISIVOCCIA

***NAME OF AUTHORIZED OFFICIAL***

President & CEO

***TITLE***

***SIGNATURE***

4.12.18

***DATE***

* ***Must be signed by either the Chairman or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.***

## Appendix 2: Annual Statement/Performance and Evaluation Report (HUD 50075.1) and Replacement Housing Factor (RHF) Plan - 2018/2019

The U.S. Department of Housing and Urban Development (HUD) issued Notice PIH-2016-21 (HA) on December 2, 2016. The notice "modifies the submission process for Capital Fund Program (CFP) 5-Year Action Plans (5YAPs) and Budgets (formerly referred to as Annual Statements). Public housing agencies (PHAs) with fiscal year ends (FYEs) on or after March 31, 2017, will be required to submit their CFP 5-Year Action Plans and Budgets within HUD's Energy Performance and Information Center (EPIC) system; the electronic CFP submission process will replace the current paper submission process." The notice further details "PHAs that operate Public Housing programs, participate in the CFP, and currently participate in the Moving To Work (MTW) demonstration include a description of capital activities as part of the MTW Plan annual submission process, as required by their MTW Agreements." SAHA's CFP 5-Year Action Plan has been described further as part of this Section.

| | |
|---|---|
| **Certifications of Compliance with PHA Plans and Related Regulations** ***(Standard, Troubled, HCV-Only, and High Performer PHAs)*** | **U.S. Department of Housing and Urban Development**<br>Office of Public and Indian Housing<br>**OMB No. 2577-0226**<br>**Expires 02/29/2016** |

## PHA Certifications of Compliance with the PHA Plan and Related Regulations including Required Civil Rights Certifications

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 2017 5-Year and Annual PHA Plan for the PHA fiscal year beginning 2017, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
20. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

| San Antonio Housing Authority | TX006 |
|---|---|
| PHA Name | PHA Number/HA Code |

X Annual PHA Plan for Fiscal Year 2017

X 5-Year PHA Plan for Fiscal Years 2017 - 2021

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

| Name of Authorized Official | Title |
|---|---|
| David Nisivoccia | President and CEO |
| Signature | Date 3.4.17 |

# SIGNIFICANT AMENDMENT OR MODIFICATION OF THE AGENCY PLAN

## Criteria for Significant Amendment or Modification of the Agency Plan and/or Capital Fund Program Five-Year Action Plan:

24 CFR 905.300 (Subpart C) – PHA Criteria for Significant Amendment or Modification. The PHA must include in the basic criteria that the PHA will use for determining a significant amendment or modification to the CFP 5-Year Action Plan. In addition to the criteria established by the PHA, for the purpose of the CFP, a proposed demolition, disposition, homeownership, Capital Fund financing, development, or mixed-finance proposal are considered significant amendments to the CFP 5-Year Action Plan.

The San Antonio Housing Authority will not consider activities significant amendments to the MTW plan, provided the following internal protocols are followed:

1.) Completion of analysis describing the cost and benefits of the contemplated action;

2.) Consultation with other agency plans;

3.) Approval by E.L.T. (and appropriate committee and Board of Commissioners if necessary)

4.) The financial impact or cost of the activity is 5% or less of the annual expenses reflected in the current approved annual budget for the agency.

David Nisivoccia, President and CEO

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

**Part II: Supporting Pages**

PHA Name: San Antonio Housing Authority

Performance and Evaluation Report For Period Ending:

**Grant Type and Number**
Capital Fund Program Grant No: TX59P006501-17
Replacement Housing Factor Grant No:

**Federal FY of Grant: 2017 CFP**

| Development Number Name/PHA - Wide Activities | General Description of Major Work Categories | Development Account No. | Quantity | Total Estimated Costs | | Total Actual Cost | | Status of Work |
|---|---|---|---|---|---|---|---|---|
| | | | | Original | Revised 1 | Funds Obligated 2 | Funds Expended 2 | |
| TX 619 Villa Tranchese | Capital repairs and improvements; Life Safety modifications to include but not limited to the implementation of new and renovated fire protection systems, HVAC replacement, MEP upgrades, site improvements, foundation/structural repairs, interior/exterior building repairs and upgrades, etc. | 1492 | N/A | 1 150,000 | 0 | 0 | 0 | Planning |
| | Sub total 1492 | | | 1,150,000 | 0 | 0 | 0 | |
| | **Total: TX 619** | | | **1,150,000** | **0** | **0** | **0** | |
| TX 628 Fair Avenue | Capital repairs and improvements; Life Safety modifications to include but not limited to the implementation of new and renovated fire protection systems, HVAC replacement, MEP upgrades, site improvements, foundation/structural repairs, interior/exterior building repairs and upgrades, etc | 1492 | N/A | 1,500,000 | 0 | 0 | 0 | Planning |
| | Sub total 1492 | | | 1,500,000 | 0 | 0 | 0 | |
| | **Total: TX 628** | | | **1,500,000** | **0** | **0** | **0** | |
| TX 699 Scattered Sites | Water Damaged SFR - Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | 1492 | 100% | 100,000 | 0 | 0 | 0 | Planning |
| | Sub total 1492 | | | 100,000 | 0 | 0 | 0 | |
| | **Total: TX 699** | | | **100,000** | **0** | **0** | **0** | |

JUL 28 REC'D

**Part II: Supporting Pages**

PHA Name: San Antonio Housing Authority
Performance and Evaluation Report For Period Ending

**Grant Type and Number**
Capital Fund Program Grant No: TX59P006501-17
Replacement Housing Factor Grant No:

**Federal FY of Grant: 2017 CFP**

| Development Number Name/PHA - Wide Activities | General Description of Major Work Categories | Development Account No. | Quantity | Total Estimated Costs Original | Total Estimated Costs Revised 1 | Total Actual Cost Funds Obligated 2 | Total Actual Cost Funds Expended 2 | Status of Work |
|---|---|---|---|---|---|---|---|---|
| TX 600 PHA Wide | Operations (MAX 20%; Grant 9%) | 1406 | N/A | 711,932 | 0 | 0 | 0 | Planning |
| | = = = Sub total 1406 = = = | | | 711,932 | 0 | 0 | 0 | |
| | Administration - Central Office Cost Center, Advertising, Legal Fees, Sundry, Office Supplies, etc. (MAX 10%; Grant 9%) | 1410 | N/A | 711,932 | 0 | 0 | 0 | Planning |
| | = = = Sub total 1410 = = = | | | 711,932 | 0 | 0 | 0 | |
| | Move to Work Demonstration (MTW): | | | | | | | |
| | Physical Needs Assessment - GPNA | 1492 | 100% | 300,000 | 0 | 0 | 0 | Planning |
| | Project Manager & Inspector Salaries | 1492 | 100% | 200,000 | 0 | 0 | 0 | |
| | Fees and Costs: A/E Fees, Permit Fees, Market studies/surveys. | 1492 | 100% | 200,000 | 0 | 0 | 0 | |
| | Various - Surveys/Appraisals, System Upgrades, Relocation Appliances, etc. | 1492 | TBD | 52,803 | 0 | 0 | 0 | |
| | = = = Sub total 1492 = = = | | | 752,803 | 0 | 0 | 0 | |
| | Development Activities - DDTF | 1499 | TBD | 854,061 | 0 | 0 | 0 | Planning |
| | = = = Sub total 1499 = = = | | | 854,061 | 0 | 0 | 0 | |

JUL 28 REC'D

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

**Part II: Supporting Pages**

| PHA Name: San Antonio Housing Authority<br>Performance and Evaluation Report For Period Ending | **Grant Type and Number**<br>Capital Fund Program Grant No: TX59P006501-17<br>Replacement Housing Factor Grant No: | **Federal FY of Grant: 2017 CFP** |
|---|---|---|

| Development Number Name/PHA - Wide Activities | General Description of Major Work Categories | Development Account No. | Quantity | Total Estimated Costs | | Total Actual Cost | | Status of Work |
|---|---|---|---|---|---|---|---|---|
| | | | | Original | Revised 1 | Funds Obligated 2 | Funds Expended 2 | |
| | PHA Wide Debt Service | 9002 | N/A | 2,192,650 | 0 | 0 | 0 | In Progress |
| | = = = Sub total 9002 = = = | | | 2,192,650 | 0 | 0 | 0 | |
| | **= = SUB TOTAL PHA WIDE = =** | | | **5,223,378** | **0** | **0** | **0** | |
| | **TOTAL MOD PROGRAM** | | | **7,973,378** | **0** | **0** | **0** | |

1 To be completed for the Performance and Evaluation Report or a Revised Annual Statement
2 To be completed for the Performance and Evaluation Report

Form HUD-50075.1 (07/2014)

JUL 28 REC'D

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

**Part III: Implementation Schedule for Capital Fund Financing Program**

| PHA Name: San Antonio Housing Authority<br>Performance and Evaluation Report For Period Ending | | **Grant Type and Number**<br>Capital Fund Program Grant No: TX59P006501-17<br>Replacement Housing Factor No: __ | | | **Federal FY of Grant: 2017 CFP** |
|---|---|---|---|---|---|
| Development Number/Name/PHA-Wide Activities | All Fund Obligated (Quarter Ending Date) | | All Funds Expended (Quarter Ending Date) | | Reasons for Revised Target Dates 1 |
| | Original Obligation End Date | Actual Obligation End Date | Original Expenditure End Date | Actual Expenditure End Date | |
| TX 699 Scattered Site 9354 Valley Gate | 8/17/2019 | | 8/17/2021 | | |
| TX 619 Villa Tranchese | 8/17/2019 | | 8/17/2021 | | |
| TX 628 Fair Avenue | 8/17/2019 | | 8/17/2021 | | |
| 1406 Operations | 8/17/2019 | | 8/17/2021 | | |
| 1410 Administration | 8/17/2019 | | 8/17/2021 | | |
| 1492 Move to Work Demonstration | 8/17/2019 | | 8/17/2021 | | |
| 1499 Development | 8/17/2019 | | 8/17/2021 | | |
| 9002 CFFP Debt Services | 8/17/2019 | | 8/17/2021 | | |

JUL 28 REC'D

1 To be completed for Performance and Evaluation Report

Capital Fund Program Five-Year Action Plan

U S Department of Housing and Urban Development
Office of Public and Indian Housing

**Part I: Summary**

| **PHA Name/Number: San Antonio Housing Authority - TX006** | | | **2017 Five Year Action Plan** | **Original 5-Year Plan: X** | **Revision No:** |
|---|---|---|---|---|---|
| Development Number/Name/HA-Wide | Year 1<br>2017 CFP<br>PHA FY: 2018 | Work Statement for Year 2<br>FFY Grant: 2018 CFP<br>PHA FY: 2019 | Work Statement for Year 3<br>FFY Grant 2019 CFP<br>PHA FY: 2020 | Work Statement for Year 4<br>FFY Grant: 2020 CFP<br>PHA FY: 2021 | Work Statement for Year 5<br>FFY Grant: 2021 CFP<br>PHA FY: 2022 |
| | See Annual Statement | | | | |
| TEX 600<br>PHA Wide | | 5,201,773 | 5,001,773 | 5,001,773 | 5,001,773 |
| TEX 619<br>Villa Tranchese | | 800,000 | 0 | 0 | 0 |
| TEX 633B<br>Le Chalet | | 1,277,670 | 0 | 0 | 0 |
| TEX 635A/B<br>Village East & Olive Park | | 0 | 1,844,570 | 0 | 1,280,749 |
| TEX 639<br>Kenwood North | | 0 | 0. | 928 687 | 0 |
| TEX 640<br>Midway Apts. | | 0 | 0 | 0 | 701,096 |
| TEX 645<br>Park Square | | 0 | 0 | 0 | 989,760 |
| TEX 649<br>MC Beldon | | 693,935 | 218,935 | 0 | 0 |
| TEX 650<br>Francis Furey | | 0 | 908,100 | 2 042,918 | |
| | | | | | |
| **Total CFP Funds:** | | **7,973,378** | **7,973,378** | **7,973,378** | **7,973,378** |

Signature of Executive Director and Date David Nisivoccia, President and CEO
7 27 17

Signature of Public Housing Director/Office of Native American Programs Administrator and Date

JUL 28 REC'D

Capital Fund Program Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

**Part II: Supporting Pages - Physical Needs Work Statement(s)**

2017 5 Year Action Plan
6/30/2017

| Work Statement for Year 1 FFY Grant: 2017 CFP | Work Statement for Year 2 FFY: 2018 Developments Number/Name General Description of Major Work Categories | Quantity | Estimated Costs | Work Statement for Year 3 FFY: 2019 Developments Number/Name General Description of Major Work Categories | Quantity | Estimated Costs |
|---|---|---|---|---|---|---|
| See Annual Statement | TX 619 Villa Tranchese | | | TX 619 Villa Tranchese | | |
| | Life & Safety - Fire Sprinkler System Upgrade | TBD | 800,000 | | | 0 |
| | Subtotal Estimated Cost 1492 | | 800,000 | Subtotal Estimated Cost 1492 | | 0 |
| See Annual Statement | TX 633B Le Chalet | | | TX 633B Le Chalet | | |
| | Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | TBD | 1,277,670 | | | 0 |
| | Subtotal Estimated Cost 1492 | | 1,277,670 | Subtotal Estimated Cost 1492 | | 0 |
| See Annual Statement | TX 635B - Olive Park | | | TX 635B - Olive Park | | |
| | | | 0 | Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | TBD | 1,844,570 |
| | Subtotal Estimated Cost 1492 | | 0 | Subtotal Estimated Cost 1492 | | 1,844,570 |
| See Annual | TX 649 MC Beldon Apts. | | | TX 649 MC Beldon Apts. | | |

JUL 28 REC'D

| | | | | | | |
|---|---|---|---|---|---|---|
| Statement | | | | | | |
| | Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center. stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | TBD | 693,935 | Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls. etc. | TBD | 218,935 |
| | Subtotal Estimated Cost 1492 | | 693,935 | Subtotal Estimated Cost 1492 | | 218,935 |
| See Annual Statement | TX 650 Francis Furey | | | TX 650 Francis Furey | | |
| | | | 0 | Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | TBD | 908,100 |
| | Subtotal Estimated Cost 1492 | | 0 | Subtotal Estimated Cost 1492 | | 908,100 |
| See Annual Statement | TX 600 PHA Wide | | | TX 600 PHA Wide | | |
| | PH Operations | 1406 | 711,932 | PH Operations | 1406 | 711,932 |
| | | | 711,932 | | | 711,932 |
| | Administration | 1410 | | Administration | 1410 | |
| | Central Office Cost Center (COCC)<br>Advertising, Legal Fees, Sundry, Office Supplies, etc | TBD | 711,932 | Central Office Cost Center (COCC)<br>Advertising, Legal Fees, Sundry, Office Supplies, etc | TBD | 711,932 |
| | | | 711,932 | | | 711,932 |
| | Move To Work Demonstration | 1492 | 0 | Move To Work Demonstration | 1492 | 0 |
| | Project Manager & Inspector Salaries<br>Fees & Costs: A/E Fees, Permit Fees, Market Studies | | 200,000<br>200,000 | Project Manager & Inspector Salaries<br>Fees & Costs: A/E Fees. Permit Fees, Market Studies | | 200,000<br>200,000 |

JUL 28 REC'D

| | | | | | | |
|---|---|---|---|---|---|---|
| | Various: Surveys/Appraisals, System Upgrades, Relocation, Appliances, etc. | | 331.198 | Various: Surveys/Appraisals, System Upgrades, Relocation, Appliances, etc | | 131,198 |
| | | TBD | 731,198 | | TBD | 531,198 |
| | Development Activity | 1499 | 854,061 | Development Activity | 1499 | 854,061 |
| | DDTF | TBD | 854,061 | DDTF | TBD | 854,061 |
| | Debt Service | 9002 | 2,192,650 | Debt Service | 9002 | 2,192,650 |
| | Capital Fund Financing Program Debt Service | TBD | 2,192,650 | Capital Fund Financing Program Debt Service | TBD | 2,192,650 |
| | Contingency | 1502 | 0 | Contingency | 1502 | 0 |
| | | | | | | |
| Subtotal Estimated Cost | | | 5,201,773 | Subtotal Estimated Cost | | 5,001,773 |
| | | | | | | |
| Total | | | 7,973,378 | Total | | 7,973,378 |

YEARS 4 AND 5

Capital Fund Program - Five-Year Action Plan

U S. Department of Housing and Urban Development
Office of Public and Indian Housing

Part II: Supporting Pages - Physical Needs Work Statement(s)

2017 5 Year Action Plan
06/30/2017

| Work Statement for Year 1 FFY Grant: 2017 CFP | Work Statement for Year 4 FFY: 2020 Developments Number/Name General Description of Major Work Categories | Quantity | Estimated Costs | Work Statement for Year 5 FFY 2021 Developments Number/Name General Description of Major Work Categories | Quantity | Estimated Costs |
|---|---|---|---|---|---|---|
| See Annual Statement | TX 635A Village East | | 0 | TX 635A Village East<br>Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc. | TBD | 1 280 749 |
| | Subtotal Estimated Cost | | 0 | Subtotal Estimated Cost | | 1,280,749 |
| See Annual Statement | TX 639 Kenwood North<br>Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc | TBD | 928,687 | TX 639 Kenwood North | | 0 |
| | Subtotal Estimated Cost | | 928,687 | Subtotal Estimated Cost | | 0 |

| | | | |
|---|---|---|---|
| See Annual Statement | TX 640 Midway Apartments | | |
| | | | 0 |
| | Subtotal Estimated Cost | | 0 |
| See Annual Statement | TX 645 Park Square | | |
| | | | 0 |
| | Subtotal Estimated Cost | | 0 |
| See Annual Statement | TX 650 Francis Furey | | |
| | Substantial Renovations to include but not limited to replacement of Roof and windows interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc | TBD | 2,042 918 |
| | Subtotal Estimated Cost | | 2,042,918 |
| See Annual Statement | TX 600 PHA Wide | | |
| | PH Operations | 1406 | 711,932 |
| | | | 711,932 |

| | | |
|---|---|---|
| TX 640 Midway Apartments | | |
| Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting, new community pavilion, upgrade entry access gates and controls, etc | TBD | 701 096 |
| Subtotal Estimated Cost | | 701,096 |
| TX 645 Park Square | | |
| Substantial Renovations to include but not limited to replacement of Roof and windows, interior/exterior improvements to all units & community center, stie improvements, upgrade to exterior lighting. new community pavilion. upgrade entry access gates and controls, etc | TBD | 989 760 |
| Subtotal Estimated Cost | | 989,760 |
| TX 650 Francis Furey | | |
| Subtotal Estimated Cost | | 0 |
| TX 600 PHA Wide | | |
| PH Operations | 1406 | 711,932 |
| | | 711,932 |

| | | |
|---|---|---|
| Administration | 1410 | |
| Central Office Cost Center (COCC)<br>Advertising, Legal Fees, Sundry, Office Supplies, etc | TBD | 711 932 |
| | | 711 932 |
| Move To Work Demonstration | 1492 | 0 |
| Project Manager & Inspector Salaries | | 200,000 |
| Fees & Costs: A/E Fees, Permit Fees, Market Studies | | 200,000 |
| Various: Surveys/Appraisals, System Upgrades, Relocation, Appliances, etc | | 131 198 |
| | TBD | 531,198 |
| Development Activity | 1499 | 854,061 |
| DDTF | TBD | 854,061 |
| Debt Service | 9002 | 2,192,650 |
| Capital Fund Financing Program Debt Service | TBD | 2 192,650 |
| Subtotal Estimated Cost | | 5,001,773 |
| Total | | 7,973,378 |


| | | |
|---|---|---|
| Administration | 1410 | |
| Central Office Cost Center (COCC)<br>Advertising, Legal Fees Sundry Office Supplies, etc | TBD | 711 932 |
| | | 711,932 |
| Move To Work Demonstration | 1492 | 0 |
| Project Manager & Inspector Salaries | | 200,000 |
| Fees & Costs A/E Fees, Permit Fees Market Studies | | 200,000 |
| Various Surveys/Appraisals, System Upgrades Relocation Appliances etc | | 131 198 |
| | TBD | 531,198 |
| Development Activity | 1499 | 854,061 |
| DDTF | TBD | 854,061 |
| Debt Service | 9002 | 2,192,650 |
| Capital Fund Financing Program Debt Service | TBD | 2,192,650 |
| Subtotal Estimated Cost | | 5,001,773 |
| Total | | 7,973,378 |

## Appendix 3: HUD-50071 FORM

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

# Certification of Payments to Influence Federal Transactions

**U.S. Department of Housing and Urban Development**
Office of Public and Indian Housing

Applicant Name

San Antonio Housing Authority

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U S.C 3729, 3802)

| Name of Authorized Official | Title |
|---|---|
| David Nisivoccia | President and CEO |
| Signature | Date (mm/dd/yyyy) 8.4.17 |

Previous edition is obsolete

form HUD 50071 (01/14)
ref. Handbooks 7417 1, 7475 13, 7485 1, & 7485 3

## Appendix 4: Preservation and Expansion of Affordable Housing Policy

### A. Purpose, Goals, Priority Guidelines of the Affordable Housing Preservation and Expansion Policy (P&E Policy)

On May 12, 2011, the SAHA Board of Commissioners adopted the Affordable Housing Preservation and Expansion Policy (P&E Policy). The P&E Policy establishes SAHA's principles, goals, priorities and strategies to preserve and expand the supply of high quality, sustainable and affordable housing in San Antonio.

### B. Purpose

SAHA is committed to implementing a work plan to preserve and expand its affordable housing portfolio. In San Antonio, an estimated 200,000 households are eligible for some form of housing assistance. In order to address the demand for this housing, SAHA has prepared a work plan that reflects project priorities for both expansion and preservation to meet this demand. This has become increasingly important as SAHA's existing public housing portfolio is quite old, yet still a valuable source of affordable rental housing. In order to meet this demand a combination of preserving existing housing stock and adding to the affordable housing available to households in San Antonio has been developed. In addition, SAHA has commissioned a Capital Needs Assessment that will provide more detailed information on the capital improvement needs of its portfolio. The cost of needed property improvements exceeds the available resources; thus limited resources need to be used effectively and efficiently. To guide the use of limited funding, SAHA's Board of Commissioners has adopted policies that guide the work undertaken by staff in collaboration with a number of partners to effectively use limited resources, add value to the portfolio and guide decision making on property preservation, expansion, redevelopment, and disposition.

### C. Goals

Goal One: To maintain existing levels of deeply subsidized housing and create new affordably priced housing through acquisition, new construction and rehabilitation of existing affordable housing.

Goal Two: To increase the quality, value, marketability and energy efficiency of all properties in the SAHA portfolio.

Goal Three: Actively pursue emerging development and redevelopment opportunities that meet multiple community goals, such as economic and transit oriented development, while adding to the affordable housing infrastructure for San Antonio.

Goal Four: To integrate economic development and supportive service initiatives that will support residents and the surrounding neighborhoods in existing properties as well as in new and redeveloping projects.

Goal Five: Increase housing choices and the availability of housing for special populations through supportive housing (e.g. youth aging out of foster care, homeless individuals and families etc.).

### D. Priority Guidelines

SAHA has established a set of guidelines against which all properties are evaluated. These guidelines take into consideration the age and condition of the property, past property improvements and the amenities in the area, to include schools, shopping, transit and employment. In addition, projects located in areas where other community investment is being made or anticipated are given priority. These guidelines are applied to both preservation and expansion activities:

1. Properties that are in areas of opportunity and with average building conditions are deemed to be good candidates for additional capital investment. This is because investment today will prevent further deterioration of a property and will maintain or improve revenue generation for SAHA as well as enhance livability. In addition, SAHA will integrate capital improvements on several projects in order to make significant change in the livability, appearance and functionality of a development. In other words, substantial rehabilitation will be completed. The work plan also allows SAHA to undertake capital projects to address health and safety issues where a substantial rehabilitation is not needed.

2. New developments that are in locations where additional community investment is being made are a priority.

### E. Portfolio Evaluation Process

In October 2013, at the direction of the President and CEO, an internal Physical Needs Assessment (PNA) Task Force was created, to develop a standardized, objective process to evaluate individual assets in the SAHA portfolio. On December 6, 2013, the Board of Commissioners was provided a presentation that summarized the results of the PNA, performed by Raba Kistner Associates, of SAHA's Public Housing and Beacon portfolios. The methodology was then utilized to identify and prioritize short-term and long-term initiatives to address items identified in the PNA, while incorporating the goals and objectives outlined in SAHA's Affordable Housing Preservation & Expansion Policy, as adopted by the Board on May 12, 2011.

In 2017, SAHA began the initial evaluation process to procure a new Physical Needs Assessment (PNA). Upon the completion on the new PNA, SAHA will begin the evaluation process of individual assets throughout the agency's portfolio and subsequently, will amend and update the projected capital plan with high priority Life-Safety concerns and comprehensive modernization needs consistent with SAHA's goals.

**F. Asset Management Plan**

On January 18, 2018, the SAHA Board of Commissioners heard an update regarding a revisions to the five-year Asset Management Plan for the preservation and expansion of affordable housing. The Asset Management Plan adds an implementation element to the previously adopted principles, policies, and goals. The Asset Management Plan represents staff's recommendation of the best use of limited financial resources while embracing the goals and objectives of SAHA's Affordable Housing Preservation & Expansion Policy, and includes the following four elements:

**G. Capital Repairs - Invest approximately $31.0 million in capital repairs to extend the useful life at 31 properties.**

| | | | |
|---|---|---|---|
| **FY 2017** | PHA Wide | Physical Needs Assessment (PNA) | $ 300,000 |
| | Blanco | Basement structural repairs | 300,000 |
| | Cassiano | Offline unit restoration (7 units) | 300,000 |
| | Charles Andrews | Comprehensive Modernization | 2,900,000 |
| | Cross Creek | Burn unit restoration | 110,000 |
| | Escondida | Hail Damage Roof Replacement | 125,000 |
| | Fair Avenue | Sprinkler system/fire alarm upgrade | 1,500,000 |
| | Francis Furey | Hail Damage Roof Replacement | 870,000 |
| | Frank Hornsby | Hail damage roof replacement | 600,000 |
| | Le Chalet | Elevator hydraulic pump upgrade | 33,000 |
| | Lila Cockrell | Boiler replacement | 120,000 |
| | Lincoln Heights | Hail Damage Roof Replacement | 6,200,000 |

| | | | |
|---|---|---|---|
| | Morris Beldon | Hail Damage Roof Replacement | 200,000 |
| | Tarry Towne | Hail Damage Roof Replacement | 957,000 |
| | T.L. Shaley | Fire restoration (2 units) | 150,000 |
| | Victoria Plaza | Comprehensive Modernization | 12,000,000 (1) |
| | Villa Tranchese | Sprinkler system/fire alarm/chiller upgrade | 1,900,000 |
| **FY 2018** | Le Chalet | Substantial renovation | 1,300,000 |
| | Morris Beldon | Substantial renovation | 900,000 |
| | Scattered Site | Valley Gate - Water damage rehabilitation | 100,000 |
| **FY 2019** | Francis Furey | Substantial renovation | 3,000,000 |
| | Olive Park | Substantial renovation | 1,800,000 |
| **FY 2020** | Kenwood North | Substantial renovation | 900,000 |
| **FY 2021** | Midway | Substantial renovation | 700,000 |
| | Park Square | Substantial renovation | 1,000,000 |
| | Village East | Substantial renovation | 1,700,000 |
| **FY 2022** | College Park | Substantial renovation | 750,000 |
| | Escondida | Substantial renovation | 155,000 |
| | Glen Park | Substantial renovation | 900,000 |
| | Linda Lou | Substantial renovation | 185,000 |
| | Pin Oak II | Substantial renovation | 60,000 |
| | Williamsburg | Substantial renovation | 650,000 |
| | | **Total** | **$30,665,000** (2) |

(1) Includes estimated EPC contribution of $2 million. Actual amount will be determined subject to HUD's. review and approval of the EPC I-B application.

(2) Funding sources include CFP, MTW and insurance proceeds.

*Other roof replacement projects are being considered for Pin Oak II, Rutledge, Sahara Ramsey, and Williamsburg.

### H. Development - In Process and Priority Developments

| | Total Units |
|---|---|
| ➢ Wheatley Park Senior Living | 80 |
| ➢ East Meadows II | 117 |
| ➢ Labor/Chavez | 215 |
| ➢ Blueridge * | 40 |
| ➢ Choice Westside (includes): ** | 1,260 |
| ○ Alazan (665) | |
| ○ Botello (85) (submitting for 9% in 2018) | |
| ○ Mira Vista (300) | |
| ○ Snowden (160) | |
| ➢ Artisan at Ruiz (submitting for 9% in 2018) | 102 |
| ➢ Vitre | 232 |
| ➢ Tampico | 200 |
| ➢ Artisan Park Townhomes | (TBD) |
| ➢ Essex | 240 |
| ➢ The Convent | (TBD) |
| ➢ The Rex | (TBD) |
| ➢ Villa de Fortuna * | 28 |
| ➢ Majestic Ranch | 288 |

* Single Family Homes
** Projects will be pursued, even if Westside Choice grant is not received

### I. Evaluate modernization and repositioning opportunities in the Beacon portfolio.

**OUR CAPITAL INVESTMENT PLAN FOR "SAHA MANAGED" BEACON COMMUNITIES TOTALS $9.35 MILLION**

| | | | |
|---|---|---|---|
| **Completed** | Bella Claire | Hail damage roof replacement | $ 300,000 |
| | Castle Point | Burn units restoration | 900,000 |
| **FY 2018** | Burning Tree | Parking repairs | 50,000 |
| | Castle Point | Comprehensive modernization | 4,000,000 |
| | La Providencia | Plumbing/exterior/parking/roof/HVAC | 2,000,000 |

| | | | |
|---|---|---|---|
| | Villa de Valencia | HVAC replacement | 400,000 |
| **FY 2019** | Churchill Estates | Roof replacement | 300,000 |
| | Encanta Villa | Patch stucco/paint/parking lot resurface | 150,000 |
| | Pecan Hill | Foundation/infrastructure/roofs/parking lots/sewer | 1,000,000 |
| | Sunshine Plaza | Resurface parking lot | 50,000 |
| | Villa de Valencia | Parking/sidewalks | 80,000 |
| | Warren House | Repair raised bed | 10,000 |
| **FY 2020** | Villa de Valencia | Patio fencing | 60,000 |
| **FY 2021** | Churchill Estates | Repair privacy fence | 25,000 |
| **FY 2022** | Churchill Estates | Repair parking lot/drive | 25,000 |
| | | **TOTAL** | **$ 9,350,000** |

**OUR CAPITAL INVESTMENT PLAN FOR "THIRD-PARTY MANAGED" BEACON COMMUNITIES TOTALS $12.46 MILLION**

| | | | |
|---|---|---|---|
| **Completed** | Towering Oaks | Hail damage exterior rehab/siding | $ 140,000 |
| **In Progress** | Converse Ranch I | Hail damage roof replacement | 200,000 |
| | Converse Ranch II | Hail damage roof replacement | 400,000 |
| | Converse Ranch II | Foundation/structural repairs | 100,000 |
| | Cottage Creek I & II | Phase I - Roof replacement | 1,300,000 |
| | Cottage Creek I & II | Phase II - Window replacement | 500,000 |
| | Courtland Heights | Roof replacement | 300,000 |
| | Woodhill | Roof/HVAC replacement | 5,000,000 |
| **FY 2018** | Monterrey Park | Roof/siding/stairs/foundation/parking lot | 3,100,000 |
| **FY 2019** | Cottage Creek I | Parking lot/sidewalks | 100,000 |
| | Courtland Heights | Sitework/landscape/covered parking | 150,000 |

| | | | |
|---|---|---|---|
| | | lot/pool deck | |
| | Reagan West | Roof/driveway | 100,000 |
| | Towering Oaks | Restripe parking | 10,000 |
| | Villa de San Alfonso | Paint trim/parking lot | 100,000 |
| | Woodhill | Building 23 & 24/parking lot | 900,000 |
| **FY 2020** | Cottage Creek I | Update Fencing | 60,000 |
| | | **TOTAL** | **$12,460,000** |

*Other roof replacement projects being considered for Castle Point & Towering Oaks (SAHFC), Pecan Hill and Villa de Valencia.

### J. Contemplate Repositioning of Underutilized Assets

| Owner | Property | Value | Timeline |
|---|---|---|---|
| Home Ownership Opportunities Corp. | Single Family Homes (2) | $ 112,000 | 2018 |
| SAHA Public Housing | Vacant Residential Lots Springview 3.13 acres | 220,000 | 2018 |
| | 94 Scattered Site Homes | 7,100,000 | 2019 |
| San Antonio Housing Finance Corp. | Single Family Home (1) | 70,000 | 2019 |
| SAHA Non-Residential | 909 Runnels | 233,000 | 2018 |
| | 202 Garcia Street (Admin Building) | 300,000 | 2019 |
| | Land behind The Convent | 151,000 | 2020 |
| | 651 S. Rio Grande (land by Springview Senior) | 314,000 | 2021 |
| San Antonio Housing Facility Corp. | 1310 S. Brazos Warehouse | 2,100,000 | 2018 |
| | 2730 E. Commerce (Parcel) | 109,000 | 2019 |
| | 2830 E. Commerce (Parcel) | 30,000 | 2019 |
| | Springview 1.90 acres | 140,000 | 2019 |
| | **TOTAL** | **$10,879,000** | |

## K. Future Updates

Possibilities for inclusion in future updates to the Asset Management Plan include:

- Rex Site: Potential Transit-Oriented Development
- Scattered Site Properties
- Redevelopment of Tampico Warehouse site
- Redevelopment of the Monastery of Our Lady of Charity property
- Liquidation of non-residential properties and non-strategic assets
- Choice Redevelopment Candidates:
    - Alazan-Apache Courts (741 units)
    - Cassiano Homes (499 units)
    - Lincoln Heights Courts (388 units)

.

## L. Exceptions

The agency may consider disposition projects not identified in the MTW plan if they are deemed excess inventory and not supportive of the 2020 Strategic Plan. The agency may also consider unique, opportunistic, and unscheduled acquisition or construction projects that are not included in the MTW plan, but are supportive of the agencies 2020 Strategic Plan.

Such activities will not be considered significant amendments to the MTW plan, provided the following internal protocols are followed:

1) Completion of analysis describing the cost and benefits of the contemplated action
2) Consultation with other agency plans
3) Approval by ELT (and appropriate committee and Board of Commissioners if necessary)
4) The financial impact or cost of the activity is 5% or less of the annual expenses reflected in the current approved annual budget for the agency.

| ***P&E Policy: Units of Housing Preserved*** | | |
|---|---|---|
| **Unit of Measurement** | **Baseline** | **Benchmark** |
| Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box. | 0 | 1793 |
| Victoria Plaza | 0 | 185 |
| Cross Creek | 0 | 66 |
| Escondida | 0 | 20 |
| Francis Furey | 0 | 66 |
| Sahara Ramsey | 0 | 16 |
| Tarry Towne | 0 | 98 |
| Williamsburg | 0 | 15 |
| Pin Oak II | 0 | 22 |
| Charles Andrews | 0 | 52 |

| | | |
|---|---|---|
| Morris Beldon | 0 | 35 |
| L.C. Rutledge | 0 | 66 |
| Lincoln Heights | 0 | 338 |
| Madonna | 0 | 60 |
| Scattered Site - 9354 Valley Gate | 0 | 1 |
| Blanco | 0 | 100 |
| WC White | 0 | 75 |
| Villa Tranchese | 0 | 201 |
| Fair Avenue | 0 | 216 |
| Le Chalet | 0 | 34 |
| Morris Beldon | 0 | 35 |
| Francis Furey | 0 | 66 |
| Olive Park | 0 | 26 |

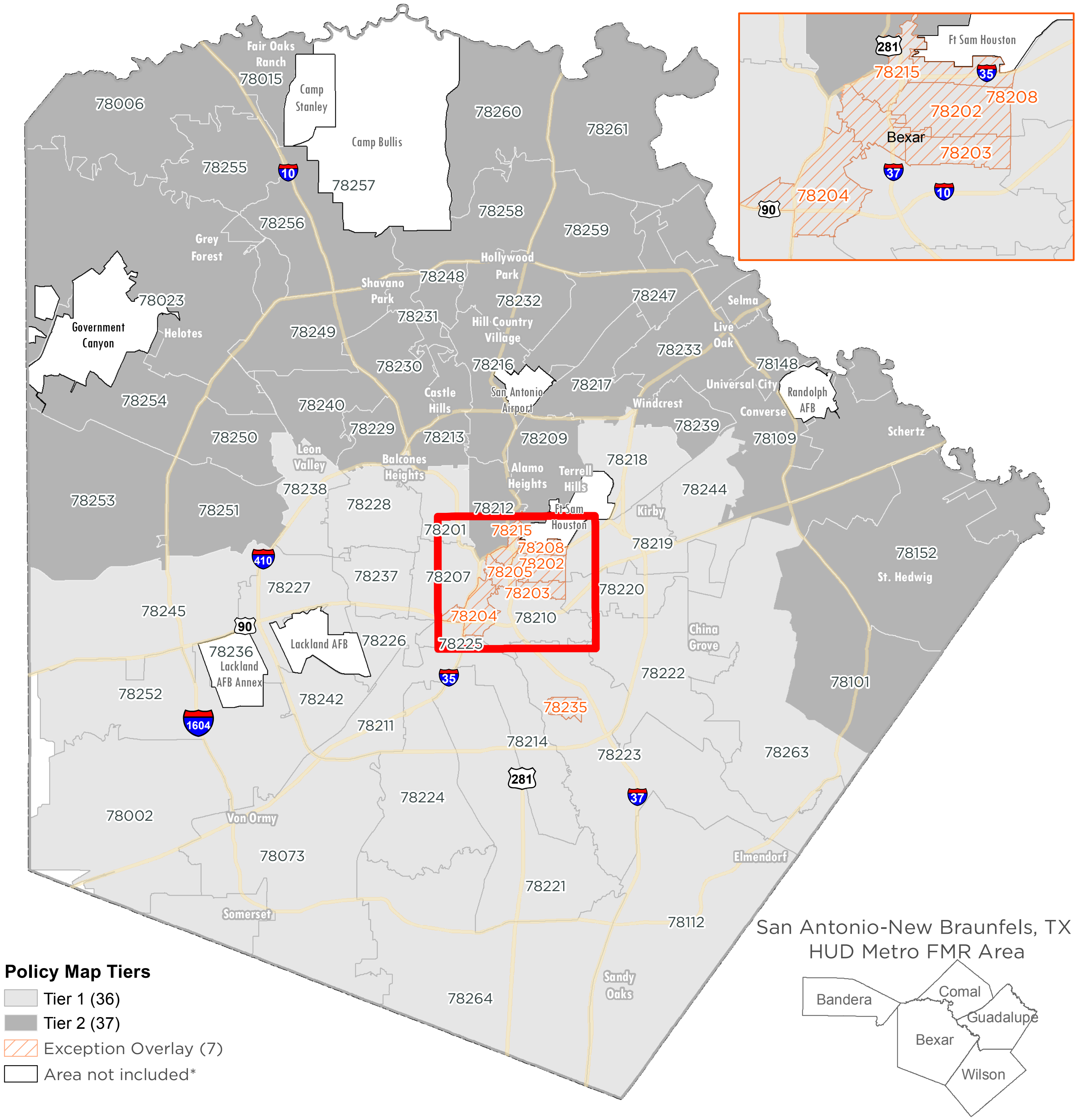
## Appendix 5: FY2019-1 Supplemental Maps and Tables

The following are included as Appendix 5.

- Policy Map that includes initial exception overlay
- Payment Standard Summary Tables
- ZIP Code Lookup Tables
- SAFMR Analysis by Tier

# FY2019-1: Local Small Area Fair Market Rent (SAFMR) Implementation (Phase I)

Payment Standards are used to calculate the maximum subsidy that the PHA will pay each month toward rent and utilities for families with Housing Choice Vouchers. Payment standards vary by ZIP code and unit size. Please refer to the SAFMR Payment Standard Look-up Tables when using this map.




*Camp Bullis, Fort Sam Houston, and Randolph Air Force Base ZIPs are not included. In addition, other notable areas such as the airport and Government Canyon are noted on the map as not included.
NOTE: Some ZCTAs extend beyond the Bexar County boundary. For a simpler map, these have been masked at the county line so only the portion of the ZCTA within the county is displayed.

**APPENDIX 5: FY2019-1: Local Implementation of Small Area Fair Market Rents Supplemental Maps and Tables**

**Summary of proposed payment standards for Phase I (Year 1)**

| **Current (2018)** | **0 BR** | **1 BR** | **2 BR** | **3 BR** | **4 BR** | **5 BR** | **6 BR** |
|---|---|---|---|---|---|---|---|
| *HUD Fair Market Rents (MAFMRs)* | *$649* | *$801* | *$1,001* | *$1,321* | *$1,604* | *$1,845* | *$2,085* |
| SAHA Payment Standards | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| Percentage of FMR | 90% | 90% | 90% | 90% | 90% | 90% | 90% |

| **Proposed** | | **0 BR** | **1 BR** | **2 BR** | **3 BR** | **4 BR** | **5 BR** | **6 BR** |
|---|---|---|---|---|---|---|---|---|
| *HUD Fair Market Rents (MAFMRs)* | | *$649* | *$801* | *$1,001* | *$1,321* | *$1,604* | *$1,845* | *$2,085* |
| Tier 1 (Shown on map in Light Grey) | Existing Clients | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| | | 90% | 90% | 90% | 90% | 90% | 90% | 90% |
| | New Clients | $519 | $641 | $801 | $1,057 | $1,283 | $1,476 | $1,668 |
| | | 80% | 80% | 80% | 80% | 80% | 80% | 80% |
| Tier 2 (Shown on map in Dark Grey) | Existing Clients* | $714 | $881 | $1,101 | $1,453 | $1,764 | $2,030 | $2,294 |
| | | 110% | 110% | 110% | 110% | 110% | 110% | 110% |
| | New Clients | $584 | $721 | $901 | $1,189 | $1,444 | $1,661 | $1,877 |
| | | 90% | 90% | 90% | 90% | 90% | 90% | 90% |

* Subject to funding availability. Once allocated funding has been met, Existing Clients in Tier 2 will be eligible for 90% of MAFMR.

**APPENDIX 5: FY2019-1: Local Implementation of Small Area Fair Market Rents Supplemental Maps and Tables**

**ZIP code look up tables for Phase I (Year 1)**

**Tier 1**
(Shown on map in Light Grey)

| | |
|---|---|
| 1 | 78002 |
| 2 | 78069 |
| 3 | 78073 |
| 4 | 78112 |
| 5 | 78201 |
| 6 | 78202 |
| 7 | 78203 |
| 8 | 78204 |
| 9 | 78205 |
| 10 | 78207 |
| 11 | 78208 |
| 12 | 78210 |
| 13 | 78211 |
| 14 | 78214 |
| 15 | 78215 |
| 16 | 78218 |
| 17 | 78219 |
| 18 | 78220 |
| 19 | 78221 |
| 20 | 78222 |
| 21 | 78223 |
| 22 | 78224 |
| 23 | 78225 |
| 24 | 78226 |
| 25 | 78227 |
| 26 | 78228 |
| 27 | 78235 |
| 28 | 78236 |
| 29 | 78237 |
| 30 | 78238 |
| 31 | 78242 |
| 32 | 78244 |
| 33 | 78245 |
| 34 | 78252 |
| 35 | 78263 |
| 36 | 78264 |

**Tier 2**
(Shown on map in Dark Grey)

| | |
|---|---|
| 1 | 78006 |
| 2 | 78015 |
| 3 | 78023 |
| 4 | 78101 |
| 5 | 78108 |
| 6 | 78109 |
| 7 | 78124 |
| 8 | 78148 |
| 9 | 78152 |
| 10 | 78154 |
| 11 | 78209 |
| 12 | 78212 |
| 13 | 78213 |
| 14 | 78216 |
| 15 | 78217 |
| 16 | 78229 |
| 17 | 78230 |
| 18 | 78231 |
| 19 | 78232 |
| 20 | 78233 |
| 21 | 78239 |
| 22 | 78240 |
| 23 | 78247 |
| 24 | 78248 |
| 25 | 78249 |
| 26 | 78250 |
| 27 | 78251 |
| 28 | 78253 |
| 29 | 78254 |
| 30 | 78255 |
| 31 | 78256 |
| 32 | 78257 |
| 33 | 78258 |
| 34 | 78259 |
| 35 | 78260 |
| 36 | 78261 |
| 37 | 78266 |

**Exception Overlay**
(Shown on map with diagonal Red hatch)

| | |
|---|---|
| 1 | 78202 |
| 2 | 78203 |
| 3 | 78204 |
| 4 | 78205 |
| 5 | 78208 |
| 6 | 78215 |
| 7 | 78235 |

**APPENDIX 5: FY2019-1: Local Implementation of Small Area Fair Market Rents Supplemental Maps and Tables**

**Proposed payment standard schedule compared to each ZIP codes SAFMR for Phase I (Year 1)**

**Tier 1 (Shown on map in Light Grey)**

| | Existing Clients (90% MAFMR) | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR | New Clients (80% MAFMR) | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR | Location Description, Note for ZIPs set outside 90-110% SAFMR or that are in the Exception Overlay | Exception Overlay |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 78002 | 102% | 102% | 102% | 102% | 102% | 102% | 102% | 78002 | 91% | 90% | 91% | 90% | 90% | 90% | 90% | | |
| 2 | 78069 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78069 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 3 | 78073 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78073 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 4 | 78112 | 91% | 91% | 91% | 91% | 91% | 91% | 91% | 78112 | 81% | 81% | 81% | 81% | 81% | 81% | 81% | Elmendorf, Southeast County, Rural | |
| 5 | 78201 | 101% | 100% | 100% | 100% | 100% | 100% | 100% | 78201 | 90% | 89% | 89% | 89% | 89% | 89% | 89% | | |
| 6 | 78202 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78202 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | Eastside Choice Neighborhood | Yes |
| 7 | 78203 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78203 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | Eastside Choice Neighborhood | Yes |
| 8 | 78204 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78204 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | Collins Gardens, South Flores | Yes |
| 9 | 78205 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78205 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | Downtown | Yes |
| 10 | 78207 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78207 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 11 | 78208 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78208 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | Government Hill | Yes |
| 12 | 78210 | 101% | 100% | 100% | 101% | 101% | 101% | 101% | 78210 | 90% | 89% | 89% | 90% | 90% | 90% | 90% | | |
| 13 | 78211 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78211 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 14 | 78214 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78214 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 15 | 78215 | 82% | 83% | 83% | 83% | 83% | 83% | 83% | 78215 | 73% | 74% | 73% | 73% | 74% | 74% | 74% | North Downtown, Pearl District | Yes |
| 16 | 78218 | 93% | 94% | 94% | 94% | 93% | 93% | 93% | 78218 | 82% | 83% | 83% | 83% | 83% | 83% | 83% | Windcrest, 9% HCV Concentration | |
| 17 | 78219 | 96% | 96% | 96% | 97% | 96% | 96% | 96% | 78219 | 85% | 85% | 85% | 86% | 86% | 86% | 86% | Kirby, 18% HCV Concentration | |
| 18 | 78220 | 99% | 99% | 98% | 98% | 98% | 98% | 98% | 78220 | 88% | 88% | 87% | 87% | 87% | 87% | 87% | East towards China Grove, 15% HCV Concentration | |
| 19 | 78221 | 102% | 102% | 101% | 102% | 102% | 102% | 102% | 78221 | 91% | 90% | 90% | 90% | 90% | 90% | 90% | | |
| 20 | 78222 | 96% | 96% | 96% | 96% | 96% | 96% | 96% | 78222 | 85% | 85% | 85% | 85% | 85% | 85% | 85% | China Grove/Sayers, 10% HCV Concentration | |
| 21 | 78223 | 99% | 99% | 99% | 98% | 99% | 99% | 99% | 78223 | 88% | 88% | 88% | 87% | 88% | 88% | 88% | Southeast from Fair Ave to County line, 14% HCV Concentration | |
| 22 | 78224 | 96% | 96% | 96% | 96% | 96% | 96% | 96% | 78224 | 85% | 85% | 85% | 85% | 86% | 86% | 86% | South along HWY 16, 12% HCV Concentration | |
| 23 | 78225 | 102% | 103% | 104% | 103% | 103% | 103% | 103% | 78225 | 91% | 92% | 92% | 92% | 92% | 92% | 92% | | |
| 24 | 78226 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | 78226 | 93% | 93% | 92% | 92% | 93% | 93% | 93% | | |
| 25 | 78227 | 99% | 99% | 99% | 98% | 99% | 99% | 99% | 78227 | 88% | 88% | 88% | 87% | 88% | 88% | 88% | Includes area associated with Lackland AFB, 12% HCV Concentration | |
| 26 | 78228 | 102% | 103% | 102% | 102% | 102% | 102% | 102% | 78228 | 91% | 92% | 91% | 91% | 91% | 91% | 91% | | |
| 27 | 78235 | 70% | 71% | 70% | 71% | 71% | 71% | 71% | 78235 | 63% | 63% | 63% | 63% | 63% | 63% | 63% | Special Case ZIP: Brooks City Base (coordinated place-based inititative | Yes |
| 28 | 78236 | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 78236 | 54% | 53% | 53% | 53% | 53% | 53% | 53% | Special Case ZIP: Mostly Lackland AFB | |
| 29 | 78237 | 104% | 104% | 104% | 103% | 104% | 104% | 104% | 78237 | 93% | 93% | 92% | 92% | 92% | 92% | 92% | | |
| 30 | 78238 | 96% | 95% | 96% | 95% | 96% | 96% | 96% | 78238 | 85% | 84% | 85% | 85% | 85% | 85% | 85% | Leon Valley, 5% HCV Concentration | |
| 31 | 78242 | 97% | 96% | 97% | 97% | 97% | 97% | 97% | 78242 | 87% | 85% | 86% | 86% | 86% | 86% | 86% | Southwest, 13% HCV Concentration | |
| 32 | 78244 | 72% | 72% | 72% | 72% | 72% | 72% | 72% | 78244 | 64% | 64% | 64% | 64% | 64% | 64% | 64% | Kirby/Converse, 10% HCV Concentration | |
| 33 | 78245 | 82% | 82% | 82% | 82% | 82% | 82% | 82% | 78245 | 73% | 73% | 73% | 73% | 73% | 73% | 73% | West of Lackland AFB and 410 along HWY 90, 6% HCV Concentration | |
| 34 | 78252 | 72% | 72% | 72% | 72% | 72% | 72% | 72% | 78252 | 64% | 64% | 64% | 64% | 64% | 64% | 64% | Macdona, Von Ormy | |
| 35 | 78263 | 90% | 90% | 90% | 91% | 90% | 90% | 90% | 78263 | 80% | 80% | 80% | 81% | 80% | 80% | 80% | China Grove | |
| 36 | 78264 | 93% | 94% | 93% | 94% | 94% | 94% | 94% | 78264 | 82% | 83% | 83% | 83% | 84% | 84% | 84% | South Loop 1604 towards Leming/Poteet | |

**APPENDIX 5: FY2019-1: Local Implementation of Small Area Fair Market Rents Supplemental Maps and Tables**

**Proposed payment standard schedule compared to each ZIP codes SAFMR for Phase I (Year 1)**

**Tier 2 (Shown on map in Dark Grey)**

| | Existing Clients (110% MAFMR) | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR | New Clients (90% MAFMR) | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR | Location Description, Note for ZIPs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 78006 | 94% | 95% | 94% | 98% | 86% | 86% | 86% | 78006 | 77% | 78% | 77% | 80% | 70% | 70% | 70% | Much of ZIP is outside Bexar County (Boerne) |
| 2 | 78015 | 71% | 70% | 71% | 72% | 68% | 68% | 68% | 78015 | 58% | 58% | 58% | 59% | 56% | 56% | 56% | Much of ZIP is outside Bexar County (Fair Oaks Ranch) |
| 3 | 78023 | 86% | 86% | 87% | 86% | 86% | 87% | 86% | 78023 | 70% | 71% | 71% | 71% | 71% | 71% | 71% | Much of ZIP is outside Bexar County (Helotes/Government Canyon) |
| 4 | 78101 | 98% | 98% | 97% | 98% | 98% | 98% | 98% | 78101 | 80% | 80% | 80% | 80% | 80% | 80% | 80% | Much of ZIP is outside Bexar County (Towards La Vernia) |
| 5 | 78108 | 74% | 73% | 73% | 73% | 73% | 73% | 73% | 78108 | 60% | 60% | 60% | 60% | 60% | 60% | 60% | Much of ZIP is outside Bexar County (Schertz, Cibolo) |
| 6 | 78109 | 90% | 90% | 90% | 90% | 90% | 90% | 90% | 78109 | 74% | 74% | 74% | 73% | 74% | 74% | 74% | Outside city limits (Converse) |
| 7 | 78124 | 112% | 110% | 111% | 111% | 111% | 111% | 111% | 78124 | 91% | 90% | 91% | 91% | 91% | 91% | 91% | Much of ZIP is outside Bexar County (North of St. Hedwig) |
| 8 | 78148 | 107% | 106% | 106% | 106% | 106% | 106% | 106% | 78148 | 87% | 87% | 87% | 87% | 87% | 87% | 87% | Universal City, Randolph AFB |
| 9 | 78152 | 127% | 128% | 127% | 126% | 128% | 128% | 128% | 78152 | 104% | 104% | 104% | 103% | 105% | 105% | 105% | St. Hedwig |
| 10 | 78154 | 92% | 92% | 92% | 91% | 91% | 91% | 91% | 78154 | 75% | 75% | 75% | 75% | 75% | 75% | 75% | Much of ZIP is outside Bexar County (Schertz, Universal City) |
| 11 | 78209 | 99% | 100% | 99% | 100% | 100% | 100% | 100% | 78209 | 81% | 82% | 81% | 81% | 82% | 82% | 82% | Terrell Hills, Alamo Heights |
| 12 | 78212 | 117% | 117% | 118% | 118% | 118% | 118% | 118% | 78212 | 96% | 96% | 97% | 97% | 96% | 96% | 96% | Midtown, Olmos Park |
| 13 | 78213 | 105% | 105% | 105% | 105% | 106% | 106% | 106% | 78213 | 86% | 86% | 86% | 86% | 86% | 86% | 86% | Castle Hills |
| 14 | 78216 | 108% | 107% | 108% | 108% | 108% | 108% | 108% | 78216 | 89% | 88% | 88% | 88% | 88% | 88% | 88% | Shearer Hills/Ridgeview, Airport |
| 15 | 78217 | 107% | 106% | 106% | 106% | 106% | 106% | 106% | 78217 | 87% | 87% | 87% | 87% | 87% | 87% | 87% | Northeast, Uptown |
| 16 | 78229 | 103% | 104% | 104% | 104% | 104% | 104% | 104% | 78229 | 85% | 85% | 85% | 85% | 85% | 85% | 85% | Outside Loop 410, northwest of Balcones Heights |
| 17 | 78230 | 99% | 99% | 99% | 99% | 99% | 99% | 99% | 78230 | 81% | 81% | 81% | 81% | 81% | 81% | 81% | Outside Loop 410, East of IH10 |
| 18 | 78231 | 110% | 110% | 110% | 110% | 110% | 110% | 110% | 78231 | 90% | 90% | 90% | 90% | 90% | 90% | 90% | Shavano Park |
| 19 | 78232 | 90% | 90% | 90% | 90% | 90% | 90% | 90% | 78232 | 74% | 74% | 73% | 73% | 74% | 74% | 74% | Hollywood Park, Hill Country Village |
| 20 | 78233 | 102% | 102% | 102% | 102% | 102% | 102% | 102% | 78233 | 83% | 84% | 83% | 84% | 83% | 83% | 83% | Along IH35 towards Live Oak |
| 21 | 78239 | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 78239 | 78% | 78% | 78% | 78% | 78% | 78% | 78% | Windcrest |
| 22 | 78240 | 96% | 96% | 97% | 96% | 96% | 96% | 96% | 78240 | 79% | 78% | 79% | 79% | 79% | 79% | 79% | Huebner and Babcock area between Loop 410 and 1604 |
| 23 | 78247 | 88% | 88% | 89% | 89% | 89% | 89% | 89% | 78247 | 72% | 72% | 73% | 72% | 73% | 73% | 73% | McAllister Park to Loop 1604 (O'Connor, Wetmore, Jones Maltsberger) |
| 24 | 78248 | 93% | 93% | 93% | 93% | 92% | 92% | 92% | 78248 | 76% | 76% | 76% | 76% | 76% | 76% | 76% | Between Hollywood Park and Shavano Park |
| 25 | 78249 | 88% | 89% | 89% | 89% | 89% | 89% | 89% | 78249 | 72% | 73% | 73% | 72% | 73% | 73% | 73% | Near UTSA at Loop 1604 |
| 26 | 78250 | 107% | 107% | 107% | 107% | 107% | 107% | 107% | 78250 | 87% | 88% | 87% | 87% | 87% | 87% | 87% | Far west side, west of Leon Valley between HWY 16 and Loop 1604 |
| 27 | 78251 | 101% | 100% | 100% | 100% | 100% | 100% | 100% | 78251 | 82% | 82% | 82% | 82% | 82% | 82% | 82% | Between Loop 410 and 1604 along HWY 151 |
| 28 | 78253 | 74% | 75% | 75% | 75% | 74% | 74% | 74% | 78253 | 61% | 62% | 61% | 61% | 61% | 61% | 61% | Much of ZIP is outside Bexar County (West of 1604 and Sea World) |
| 29 | 78254 | 80% | 81% | 80% | 81% | 81% | 81% | 81% | 78254 | 66% | 66% | 66% | 66% | 66% | 66% | 66% | Much of ZIP is outside Bexar County (Government Canyon) |
| 30 | 78255 | 74% | 73% | 73% | 73% | 73% | 73% | 73% | 78255 | 60% | 60% | 60% | 60% | 60% | 60% | 60% | Much of ZIP is outside Bexar County (Cross Mountain, Leon Springs) |
| 31 | 78256 | 93% | 93% | 93% | 93% | 93% | 93% | 93% | 78256 | 76% | 76% | 76% | 76% | 76% | 76% | 76% | Along west side IH10 outside Loop 1604 near The Dominion |
| 32 | 78257 | 99% | 99% | 99% | 100% | 99% | 99% | 99% | 78257 | 81% | 81% | 81% | 81% | 81% | 81% | 81% | Camp Bullis,Along east side of IH10 outside Loop 1604 near The Domi |
| 33 | 78258 | 79% | 79% | 79% | 79% | 79% | 79% | 79% | 78258 | 65% | 64% | 65% | 65% | 65% | 65% | 65% | Along west side of US281 outside Loop 1604 (Stone Oak) |
| 34 | 78259 | 78% | 78% | 78% | 78% | 78% | 78% | 78% | 78259 | 63% | 64% | 63% | 64% | 64% | 64% | 64% | Along east side of US281 outside Loop 1604 (Encino Rio/TPC Pkwy) |
| 35 | 78260 | 74% | 73% | 73% | 73% | 73% | 73% | 73% | 78260 | 60% | 60% | 60% | 60% | 60% | 60% | 60% | North of 78258 along west side of US281 (Timberwood Park) |
| 36 | 78261 | 74% | 74% | 74% | 74% | 74% | 74% | 74% | 78261 | 61% | 61% | 60% | 61% | 61% | 61% | 61% | North of 78259 along east side of US281 |
| 37 | 78266 | 74% | 73% | 73% | 73% | 73% | 73% | 73% | 78266 | 60% | 60% | 60% | 60% | 60% | 60% | 60% | Much of ZIP is outside Bexar County (Garden Ridge) |

## Appendix 6: Public Comment and Workshop Summaries

The following are included as Appendix 6.

- Public Hearing Comments/SAHA Responses
- Maps provided at Public Hearing by Texas Low Income Housing Information Service
- SAFMR Sessions Summary
- Public Comments and Questions/SAHA Responses during comment period
- Written Comments Received April 3rd
- Responses to Written Comments Received April 3rd

## PUBLIC HEARING SUMMARY

The following is a summary of comments made during the Public Hearing of the proposed 2018-2019 Moving to Work (MTW) Agency Plan, including revisions to the MTW Plan, the Public Housing Admissions and Continued Occupancy Policy (ACOP), the Housing Choice Voucher Administrative Plan (Admin Plan), the Capital Fund Program Plan (CFP), and the five-year Capital Improvement and Development Plan at the March 15, 2018, Operations and Choice Neighborhood Committee meeting. To protect the confidentiality and legal rights of clients and others, only a summary is provided. For more information, please contact Richard Milk, Director of Policy and Planning.

**1. C. Ilene Garcia - Texas Rio Grande Legal Aid - Attorney At Law**

Ms. Ilene Garcia informed the Board that the U.S. Department of Housing and Urban Development (HUD) mandated the San Antonio Housing Authority (SAHA) to begin using the Small Area Fair Market Rents (SAFMR) beginning this year, 2018. She also stated that San Antonio has a severe voucher concentration problem and that SAHA Section 8 voucher holders are living in areas with high levels of poverty and racial segregation. Ms. Garcia stated that the new SAFMR rule should be implemented immediately, because it has the potential to significantly increase housing opportunities for Section 8 program participants. She also said that SAHA's Moving to Work (MTW) proposal does not comply with HUD's rules, because the waiver that SAHA is seeking in delaying the SAFMR is unwarranted, unreasonable, and should not be granted. Ms. Garcia further commented that the waiver is a request to delay the implementation of the SAFMR for two years and would reinforce existing patterns of racial segregation in San Antonio's housing and would deny families with Section 8 vouchers an opportunity to live in better housing conditions. Ms. Garcia mentioned that SAHA is requesting the delay in implementing SAFMR until more research regarding submarkets becomes available; however, this strategy should not prevent SAHA from immediately implementing SAFMR, because HUD is offering housing authorities free data, guidance and technical assistance to begin the implementation of SAFMR. Ms. Garcia further stated SAHA mentioned that cost is an obstacle to begin implementing the program; however, there are cost offsets that would be beneficial and the cost is minimal. Ms. Garcia agreed that counseling, and educational groundwork research is important, but there should not be a delay to begin the implementation of SAFMR. Furthermore, SAHA's MTW plan is proposing a micro plan that includes assisting very few people by increasing the voucher amount; therefore, the plan does not comply with the HUD rule. SAHA also wants to increase the affordability cap from forty to fifty percent and Ms. Garcia stated that this proposal would be disastrous to families, because they would not be able to make ends meet when fifty percent of their income is spent on housing costs, which could lead to evictions and homelessness.

Ms. Garcia said she hopes that the residents, who are in the extremely low income bracket from the Alazan community, will be able to live in the newly developed properties.

Lastly, Ms. Garcia commented on the Tiny Homes project and congratulated SAHA for providing housing opportunities to students; however, she did not believe that tying the rent to the student's grade point average was sensible to students who are already disadvantaged, and she believed that the proposal of having students work community hours would just burden students with another obstacle in their lives.

**2. Ricardo Roman - Texas Rio Grande Legal Aid - Attorney At Law**

Mr. Ricardo Roman has worked almost exclusively in the housing area by representing people in the Section 8 program, Public Housing and private housing for the past fifteen years. After Mr. Roman introduced himself, in response to the Section 8 applicant notification process, he suggested that SAHA should have applicants provide more than one mailing address, perhaps another address from a reliable family member, so that the applicants receive at least two letters as they wait on the status of their vouchers.

In regards to the SAFMR, Mr. Roman stated that any plan that will distribute more money for rent is beneficial, because residents will have opportunities to live by better schools and parks. Residents will also have opportunities for better landlords. Mr. Roman said he has worked with landlords who just marginally passed the housing requirements and has observed that these landlords do not do a very good job of repairing the homes, and eventually the tenant seeks assistance from legal aid and SAHA, while also incurring other expenses.

Additionally, Mr. Roman stated that clients have managed to receive vouchers on the northside of town, specifically in an area by North Star Mall; however, he has noticed that most people living in those developments were on some type of housing assistance. Although families have been able to move to the northside, economic segregation still exists, because a particular complex in the area houses almost exclusively low income residents. Mr. Roman also mentioned that the individual he was assisting did not have a family, which was another characteristic that he noticed of the residents in that complex.

To conclude, Mr. Roman stated that SAHA may have the data that demonstrates that they are housing people on the northside of San Antonio, but SAHA is not providing an adequate number of rent money vouchers to disperse more throughout the northside, eastside, westside of San Antonio, or wherever there are better opportunities. Although tenants are living in the "better areas of town," they are still segregated in apartment complex areas with other low income residents.

**3. Kate Rainey - Texas Rio Grande Legal Aid - Attorney At Law**

Ms. Kate Rainey came before the Board and said that the current draft of SAHA's MTW Plan does not state that it is asking for a waiver from HUD; the plan states that it is asking for regulatory flexibility from MTW. Ms Rainey explained that on January 2018, HUD issued clear guidelines by allowing flexibility for the MTW agencies that had already implemented SAFMR and that had already adopted alternative payment schedules. Ms. Rainey mentioned Atlanta as an example with its twenty-three submarkets since 2016. SAHA has not used the alternative payment schedules in the past, but has only set the bare minimum amount allowed by HUD. Ms. Rainey stated that SAHA cannot hide behind its status as an MTW agency to obtain another two year grace period before addressing the segregation of vouchers in San Antonio, and stated it was illegal. She also said that HUD moved that they needed documented findings of an adverse rental housing market; however, she also heard that the data still needs to be flushed out and that only anecdotal data exists. Ms. Rainey recognized that SAHA is concerned regarding the implementation of SAFMR and asked the Board of Commissioners to review Pittsburgh's MTW agency. Pittsburgh had not in the past used alternative payment schedules, but during a very recent meeting, they decided to adopt SAFMR. Pittsburgh decided that the timeline for creation and approval of local submarkets is too long and that they must take action now to remain in compliance with the final rule. Although the plan is not perfect, Pittsburgh decided not to wait an additional two years.

Ms. Rainey listed SAHA's reasons of hesitance to implement the SAFMR: the administrative burden of using 130 different zips codes to implement SAFMR, but suggested that SAHA can use eight zones as long as it is within ninety to one hundred percent of the rent; and, SAHA is concerned with related costs, but stated that the full effect on pertinent costs will lag the introduction of payment standard increases. Ms. Rainey also stated that there are other barriers to mobility and unit availability will prevent each family from moving immediately.

Ms. Rainey also said that without the trial and error of implementing SAFMR on a large scale basis, waiting two years based on data from only fifty families, is not going to make the process any more seamless. She stated that the budget issues will not go away, and she is requesting SAHA to comply with the law now. The SAHA agency feels adoption of SAFMR will serve fewer households, but families who receive subsidies do not receive enough to even get them into higher opportunity areas in the first place, and cannot even be considered as serving a family. Using SAFMR for families to obtain homes into areas with quality jobs, reliable transportation and high performing schools is what is needed to serve these households. Ms. Rainy ended her comment by stating that HUD will work with housing authorities and provide flexibility.

**4. Amelia Adams - Texas Low Income Housing Information Service - Equity Analyst**

Ms. Amelia Adams stated that inequalities in housing exist. Ms. Adams said that SAHA has an opportunity to demonstrate what can be done to attack decades of entrenched inequality in cities. She said that inequalities not only exist in housing, but also exist in education, job opportunities, transportation and every other part of people's lives in San Antonio; therefore, urged SAHA to take a bold step by using its MTW designation to offer real housing choices to voucher holders. Taking bold steps includes opening up new neighborhoods that have been off limits and out of reach, and also keeping neighborhoods available as they experience gentrification and outside investment. Ms. Adams said SAHA's proposed plan does not provide the needed bold step.

Ms. Adams provided the Board of Commissioners with a document containing the SAHA MTW Plan 2018 Payment Schedule Comparison. In referencing her documents, Ms. Adams explained the comparison of the Phase I proposed MTW plan with the new SAFMR. Phase I of voucher subsidies are only going up to 100% of the Fair Market Rent, which is about $1,000 for a two bedroom unit; however, this amount is still not enough to rent decent housing in San Antonio. Ms. Adams could not comment on Phase II, because it was not included in the plan, but she stated that delaying the use of alternate local small market structures will keep residents economically segregated. Ms. Adams stated that the statutory purpose of MTW plans include expansion of housing choices and must be addressed immediately, and not put off indefinitely, while studies are conducted to obtain the perfect data. When HUD asks cities to implement SAFMR, it is asking agencies to do something that is long overdue in many cities.

Ms. Adam's concern is that the two tier approach does not take into consideration areas of the central city that have been undergoing rocket changes in gentrification. Ms. Rainey stated that many of the neighborhoods that were formerly disinvested areas, are now seeing increases in amenities, accessibility and safety. These areas are also experiencing increases in rent, home prices, as well as demographic shifts; therefore voucher subsidies in these areas need to increase to prevent voucher tenants from being displaced, since landlords can and will ask more for units. Ms. Adams also provided the Board of Commissioners with maps to illustrate research conducted by the National Association for Latino Community Asset Builders. The maps Ms. Adams provided demonstrated that the highest increases in home value are all located just east and north of downtown San Antonio, and only three are considered Tier II high opportunity areas where subsidy payments were going to reach 100%. The neighborhood change analysis identifies and tracks that some areas are experiencing changes faster than the city as a whole, not only in housing costs, median income, percentage of those with college degrees, but also in the percentage of non-hispanic white residents.

Ms. Adams concluded her comments by saying that San Antonio has a lot to contend with in terms of economic segregation, affordability and gentrification. She also stated that the disparities in San Antonio are among the worst in the country and feels there are consequences for households and for communities. There is an extreme disadvantage with voucher holders, in terms of finding a place to live, but like all San Antonio residents, voucher holders also deserve to find the quality home in the neighborhood of their choice that meets their needs. Ms. Adams stated to the Board of Commissioners that the MTW SAHA plan needs to take bold steps to bring these families closer to accessing that home and the proposed plan needs to be reconsidered.

**5. Sandra Tamez - Fair Housing Council of Greater San Antonio - Executive Director**

Ms. Sandra Tamez introduced herself as the Executive Director of Fair Housing Council of Greater San Antonio, a nonprofit organization, funded by HUD to promote fair housing and to eliminate unfair housing practices in San Antonio. Ms.Tamez voiced that she was against SAHA's MTW proposal. She has heard of the concerns regarding the MTW plan; however, she expressed that there is no legitimate non-discriminatory justification for the effect that the SAFMR will have on Section 8 participants. SAHA says that SAFMR is too burdensome and unnecessarily confusing for participants, but stated that HUD has already piloted the program in other cities and although slight increases exist; overall, in terms of implementing this rule, it is a cost effective plan. Ms. Tamez also said that the MTW program does not give SAHA an excuse, a waiver or an authorization to forego HUD's housing requirements. SAHA has a duty to implement and improve fair housing and cannot avoid compliance with fair housing laws because the SAFMR rule is bound in fair housing principles. This program is all about giving people increased amounts to be able to relocate in areas of higher opportunities. Ms. Tamez is concerned that HUD has also already allowed housing authorities two years to transition into the new payment schedule, and now SAHA is requesting another two years for implementation. Ms. Tamez stated that it is an undue delay and that in the field of fair housing, an undue delay is a denial of fair housing choice.

Ms. Tamez told the Board of Commissioners that if SAHA moves forward with the MTW proposed plan it would be denying opportunities to its voucher participants. Furthermore, Ms. Tamez provided examples of specific denials to expect if the Board of Commissioners accepts the proposed MTW plan. Ms. Tamez stated it would deny those with mobility issues the ability and the choice to be able to move into acceptable housing in areas of higher opportunities; it would deny disabled voucher residents to live in the medical center area, where they can live closer to treatment and support systems so that they can live independently; it would deny mental health illness residents the ability to choose and obtain housing in areas with less poverty and crime, which can help with their recovery and avoid being homeless; it would also deny families with children, the ability to enroll their children in better performing schools and lower crime areas. The last and most important denial that Ms. Tamez stressed is that people of color would be denied the ability to be able to choose where they live. Furthermore, Ms. Tamez stated that by implementing the proposed MTW program, SAHA is taking away the choices all residents have.

Ms. Tamez understands the SAFMR may be a little more difficult to implement and may cost a little more, but stated that HUD's approach is grounded in fair housing. Because the city is already so economically segregated, the housing authority should be doing everything within its power to make changes to desegregate the city and the SAFMR already has its duty to do something to take significant steps to desegregate. Free vouchers alone are not significant steps to desegregate. Ms. Tamez urged the Commissioners to strongly consider her points when making their decision.

Below are the responses to the comments made at the March 15, 2018, public hearing:

**MTW Flexibility vs. HUD Mandate**

There were a series of comments focused on the applicability of MTW flexibilities to SAFMR implementation. As one commenter correctly pointed out, the proposed MTW Activity differs from HUD direction regarding SAFMR, including from the specific clauses that call out MTW agencies. Along with six or seven other agencies, Pittsburgh was called out as an example of an MTW agency that had elected to move forward with SAFMR without any waivers or regulatory flexibility. An assertion was made that HUD's MTW office will relax baseline requirements to accommodate SAFMR. Finally, the comment was made that MTW does not waive fair housing requirements.

**Response:**

- As an MTW agency, SAHA is explicitly encouraged to propose alternatives to HUD regulations. By integrating SAFMR implementation into the MTW Plan, SAHA is ensuring greater transparency, stimulating public input, and arguably introducing a process that will lead to better outcomes.
- Pittsburgh, it turns out, is pursuing a direction parallel to San Antonio, and requesting "a temporary waiver from HUD to allow time to develop a local methodology for establishing payment standards that will be more effective in achieving the goals of de-concentrating voucher use and expanding options for voucher holders in high-opportunity neighborhoods, while also supporting the revitalization of neighborhoods across the city."
- SAHA has not seen any written statements from HUD MTW regarding any MTW baseline flexibility.
- SAHA is committed to fair housing and understands that MTW provides no waiver or flexibility regarding fair housing.

**Increasing Household Choices**

A group of comments argued that the proposed SAFMR activity denies choice and opportunity to voucher holders. On the one hand, one commenter encouraged SAHA to take bolder steps, even while taking care to consider resident options. On the other hand, another commenter described the transitional phase-in as "undue delay" equivalent to denial of fair housing choice. Under this scenario, mobility-challenged residents would be denied the option to move to accessible units, those with medical conditions would be denied access to medical services, the mentally ill would be denied access to safe, stress-free housing, and families with kids would be denied access to neighborhoods with high-performing schools.

**Response:**

The proposed SAFMR activity proceeds cautiously in order to ensure that no household is forced to make a housing choice they are not prepared to make. A policy that decreased subsidies to existing voucher holders without adequate time and preparation would also be portrayed as an unnecessary denial of opportunity. Moving forward with HUD's unmodified

SAFMR would not accelerate the timeline for moves to high-cost zip codes. SAHA may or may not wish to make a bold statement, but the cost of boldness cannot be borne by existing voucher households.

**Costs to Agency**

Some arguments were made that SAFMR will not create additional costs to the agency. HUD is providing free data, guidance, and technical assistance. A statement was made that cost offsets exist, but examples were not specified. One commenter mentioned that per unit cost will lag availability, keeping costs from spiking.

**Response:**

HUD is providing guidance and technical assistance, including a significant release during the last few days. SAHA is currently reviewing this new information. HUD, however, is not providing any additional subsidy or supplemental funding for the transition period. SAHA is using all data and information (whether provided by HUD, research partners, or other agencies) to build a new program that is untested in this market, while seeking to ensure that sufficient controls are put into place to maintain the same number of households served and minimize negative impacts to existing voucher holders. Plano's experience with SAFMR is the model to avoid: after SAFMR, Plano experienced a reduction in the number of households served, which led to a reduction in administration fees.

HUD reports that to date, SAFMR Demonstration Public Housing Authorities saw an average decline in units affordable to voucher families of 3.4 percent, with the largest decrease being in low rent areas.

SAHA will seek clarification on the evidence that per unit costs will lag availability, in case it can inform the current proposal.

**Costs to Households**

Commenters were afraid that the 40%-50% affordability cap increase would commit too much household income toward housing.

**Response:**

The intent of the increase is to allow households aspiring to higher-rent units the flexibility to apply additional income toward rent.

**Phase-in / Transition Periods**

Commenters generally were not convinced that a phase-in or transition period was necessary. Immediate implementation would be preferable, even as long-term strategies are put into place.

One commenter argued that a trial and error process would provide more data and learning than a phase-in, especially one limited to fifty households.

**Response:**
HUD SAFMR also includes significant time for a phase-in. HUD guidance from March 13, 2018, makes clear that SAHA's phase-in (proposed in February) is in line with HUD's approach. Several aspects of HUD SAFMR ensure that households in existing low-cost ZIPs receive adequate notice and protection:

- Two-year delay for decrease: Decrease in payment standard will take effect in the second calendar year after the effective date of the payment standard reduction.
- Twelve-month notice: A family that will be affected by a payment standard reduction must receive notice. A PHA must provide such notice in writing twelve months before the effective date of the reduced payment standard amount.
- Ten-percent drop per year limit: The SAFMR for a ZIP code area will be no lower than 90 percent of the previous year's SAFMR for that ZIP code area. In the year that a metropolitan area first transitions to a HUD-designated area, the SAFMR will also be no lower than 90 percent of the previous year's Metropolitan Area Fair Market Rents.

HUD also outlines options that public housing authorities can adopt that go further to protect existing voucher holders:

- Hold Harmless: A PHA may continue to use the existing higher payment standard for the family's subsidy calculation for as long as the family continues to receive the voucher assistance in that unit.
- Gradual reduction: A PHA may gradually reduce the payment standard amount used to calculate the family's subsidy, phasing in the reduction. The initial reduction in payment standard cannot take place before the effective date of the family's second regular reexamination following the effective date of the decrease in payment standard.

After reviewing this new information, the key difference between HUD SAFMR and SAHA SAFMR is the grouping that SAHA proposes to use during Phase 1 (Two Tiers), the intent to revisit the groupings, and the explicit cap on number of households.

**Deconcentration**
One commenter argued that SAFMR could result in "better landlords" and described the situation of one client who lived near North Star Mall, but in an apartment complex with a high concentration of voucher holders. He asked if there was data that shows this type of clustering within higher rent areas.

**Response:**
This is an interesting insight and staff will research both impact on landlords as well as more detailed clustering data. One case study in Cook County showed landlords rethinking where they have rentals, selling off property in low-rent areas and purchasing property in higher rent areas.

**Fair Housing Issue**
Some commenters asserted that the proposal raised fair housing questions. A list of potential population impacts was provided, including the following:

- mobility-challenged residents could be denied opportunity to move to accessible units
- those with medical conditions could be denied access to medical care
- mentally ill could be denied access to safe, stress-free housing
- families with kids could be denied access to neighborhoods with high-performing schools

**Response:**
SAHA is concerned that an alternative policy that decreases subsidies to existing voucher holders without adequate time and preparation would result in an unnecessary denial of opportunity. Secondly, an aggressive increase in high-cost vouchers would result in fewer households served, creating a significant number of households who would be denied an opportunity at a voucher.

**Gentrification**
Commenters pointed out that Tier 1 includes several neighborhoods that are experiencing rapid market change, including gentrification, and that SAHA's SAFMR proposal does not address these situations. A suggestion was made to include the National Association for Latino Community Asset Builders (NALCAB) vulnerability analysis into the SAFMR discussion.

**Response:**
SAHA agrees with this observation, but would point out that the HUD SAFMR proposal does not address these conditions either. When Phase 2 implementation discussions take place, this will be a key topic: How do we ensure that the most up-to-date market data is applied to SAFMR, and what other policy decisions need to take place to be able to set exception payment standards in certain areas? Staff is reviewing the NALCAB analysis, which in general, indicates areas that have seen significant demographic change from 2011-2015.

**OTHER COMMENTS ON OTHER TOPICS**

**Alazan**
Comments recommended one to one replacement for proposed Westside Choice.

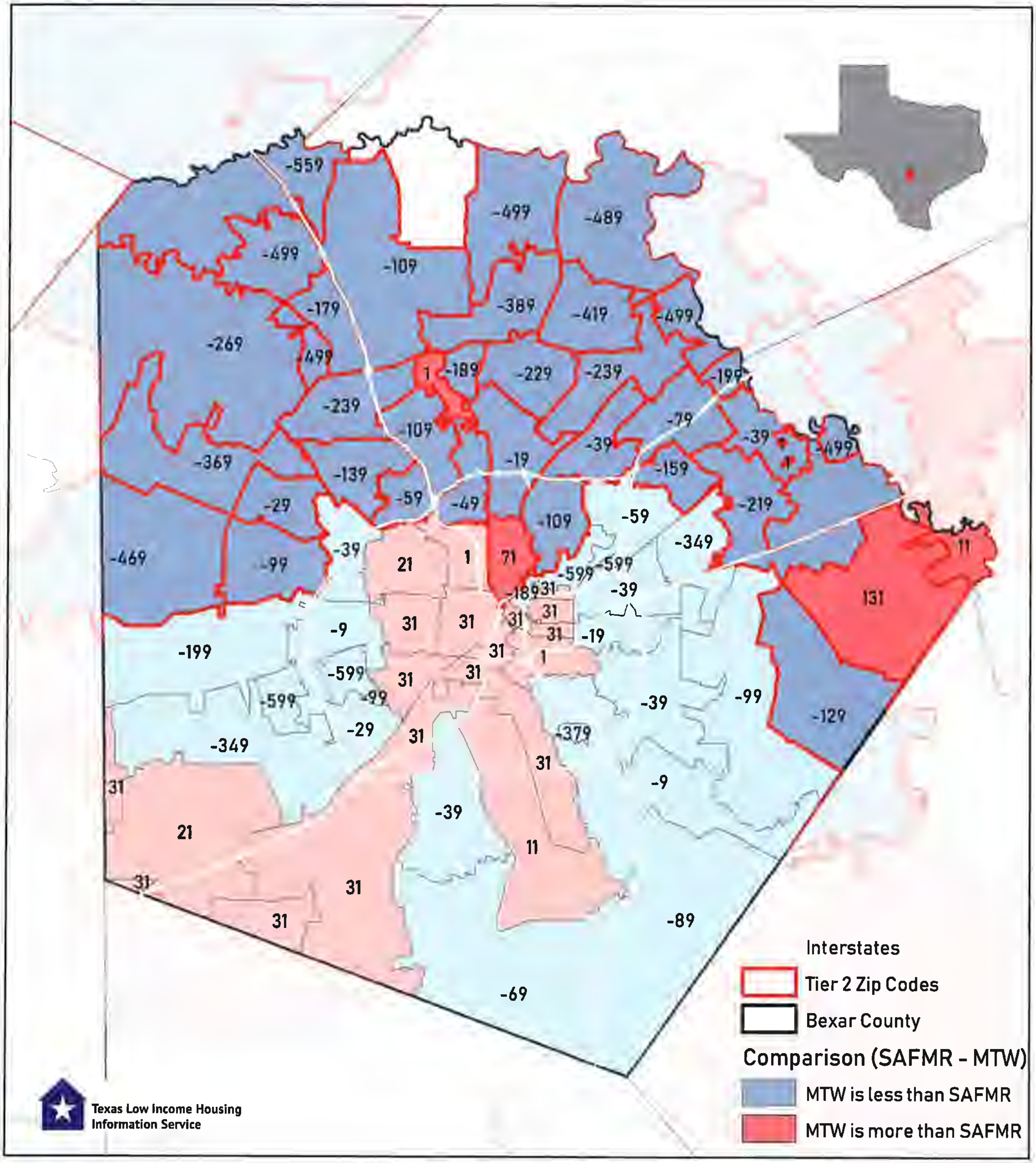
**Response:**
Yes, that is a program requirement and has been included in the proposal.

**Tiny Homes Project**
Comments included recommendation not to tie rent to the student's GPA, and not require them to serve community hours.

**Response:**

SAHA is working with Alamo Colleges, and specifically St. Philip’s College, on the Tiny Homes proposal. These two program elements were suggested by St. Philips. SAHA staff will review the proposals with program partners. Staff is also considering incorporating other incentives to the program such as Family Self Sufficiency (FSS) and scholarship opportunities.

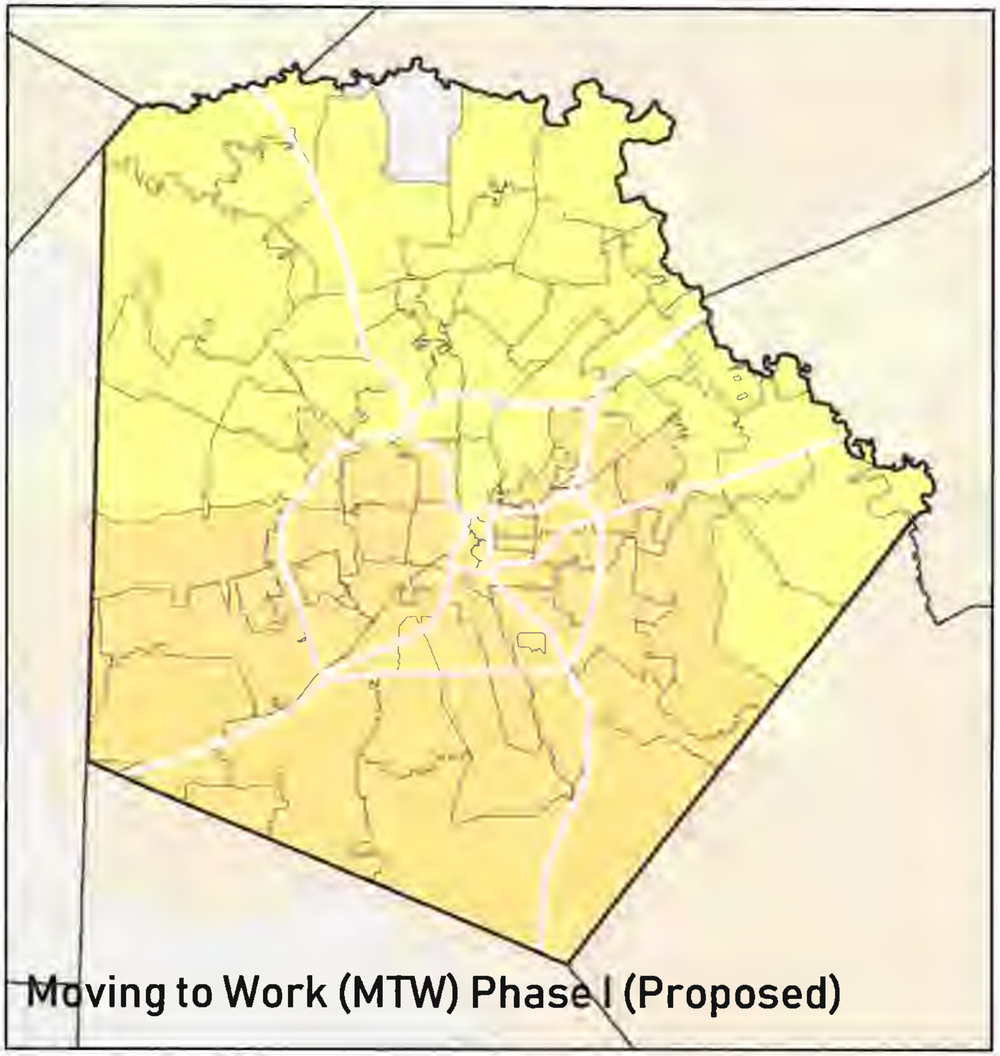
# Difference between MTW and SAFMR Rent Subsidy San Antonio, TX (2-bedroom Unit)

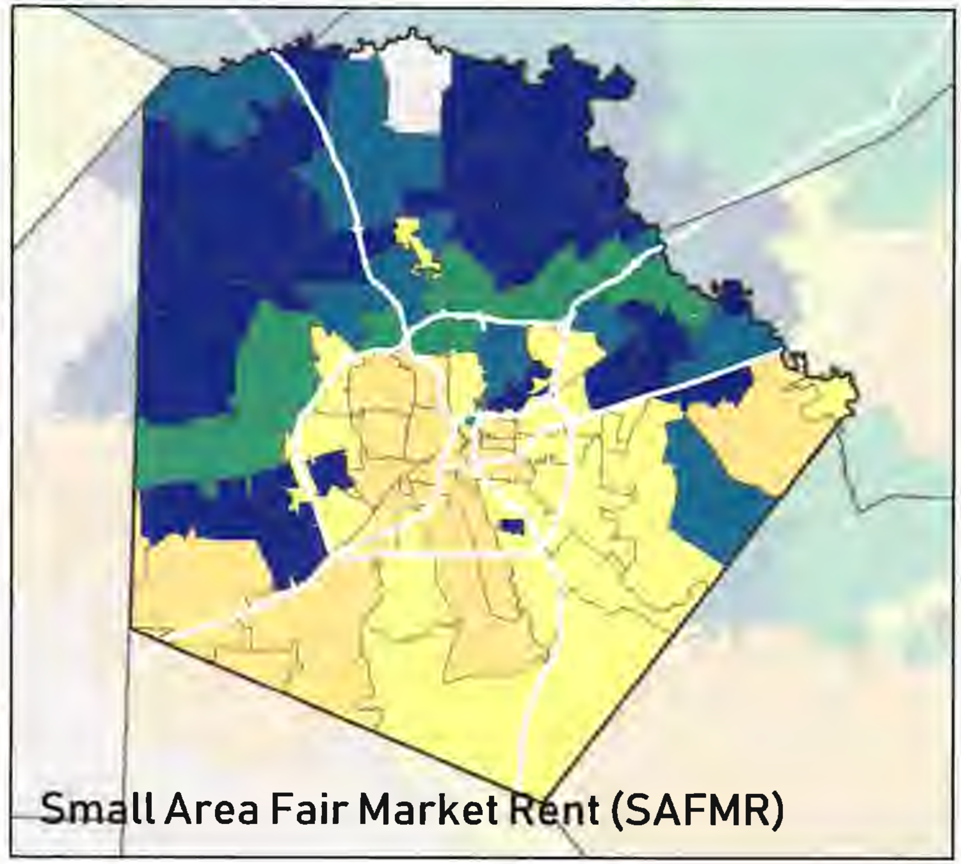



Source: San Antonio Housing Authority, 2018, Housing and Urban Development, 2018

# SAHA MTW Plan 2018 Payment Schedule Comparison

Texas Low Income Housing Information Service




**Rent Subsidy (Percent of FMR)**

- 90% FMR ($901 for a 2BR)
- 100% FMR ($1001 for a 2BR)

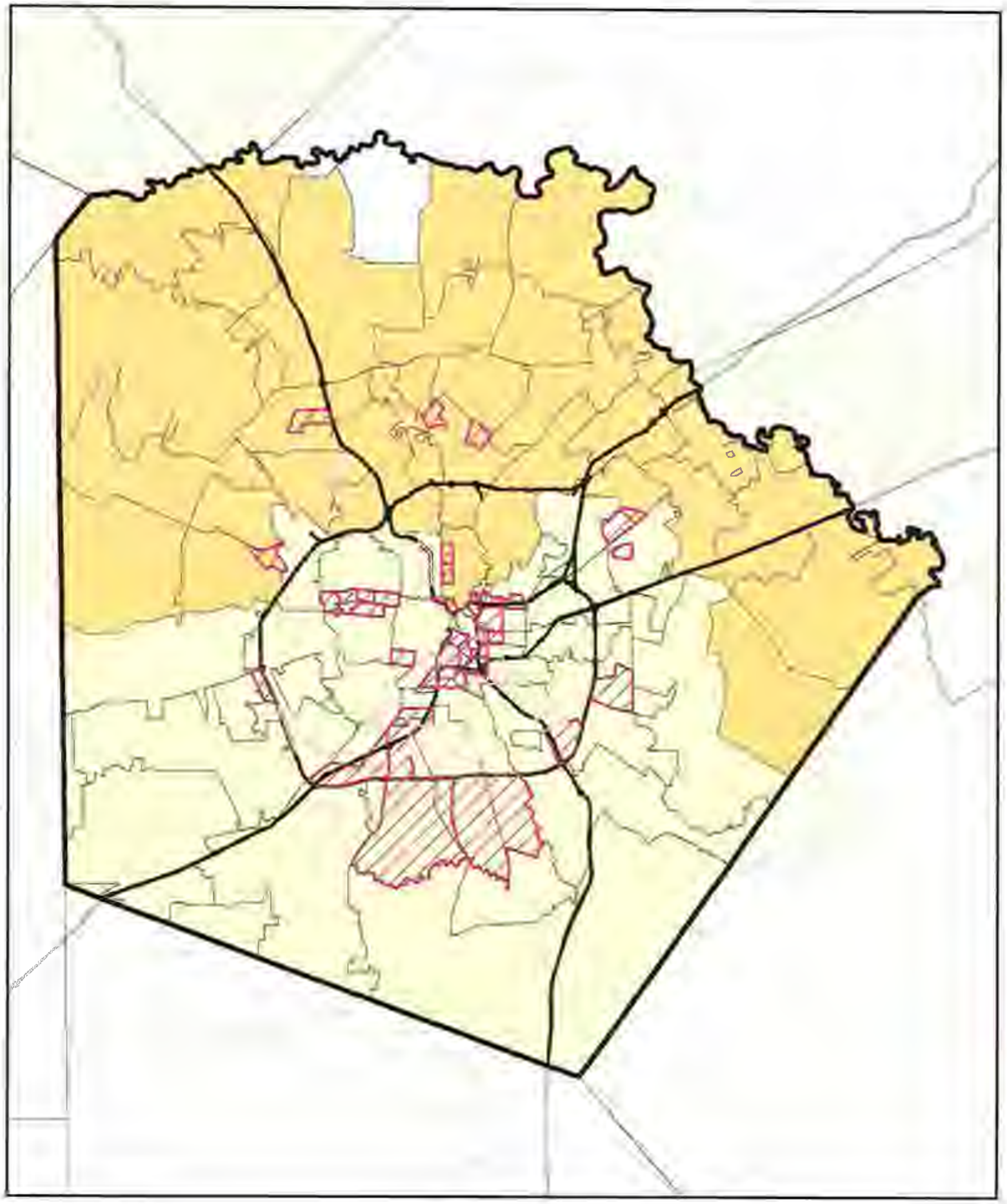
**Rent Subsidy (Percent of FMR)**

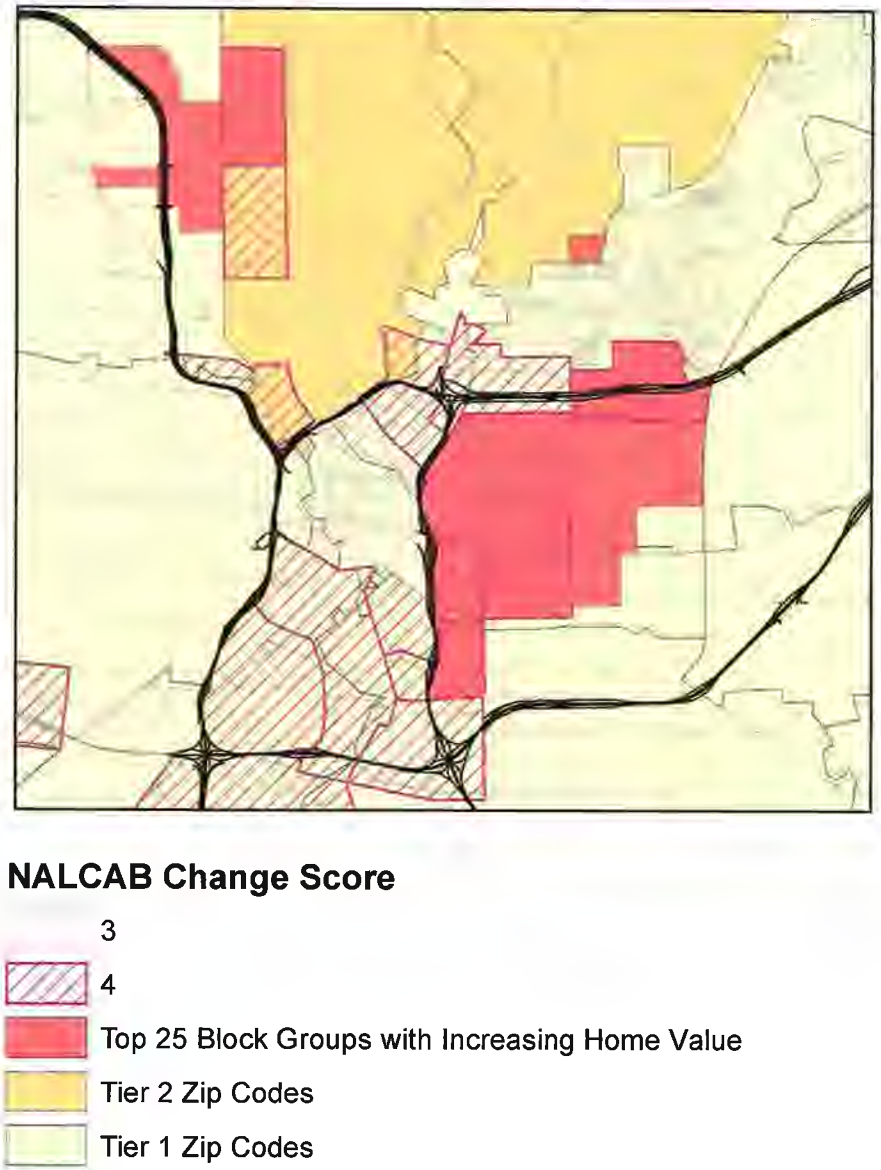
- 80-90% FMR ($800-900 for a 2BR)
- 90-100% FMR ($900-1000 for a 2BR)
- 100-110% FMR ($1000-1100 for a 2BR)
- 110-120% FMR ($1100-1200 for a 2BR)
- More than 120% FMR (Over $1200 for a 2BR)

Source: HUD 2018, NHGIS 2018, SAHA 2018

# Areas of Significant Neighborhood Change in San Antonio

Texas Low Income Housing Information Service






Source: San Antonio Housing Authority, 2018, NALCAB, 2018

**Small Area Fair Market Rent Workshops**
**March 28-30, 2018**

Attendees: Ilene Garcia, Texas Rio Grande Legal Aid (TRLA); Levar Martin, National Association for Latino Community Asset Builders (NALCAB); Sandra Tamez, San Antonio Fair Housing Council; Cecil F. King, The Center for Health Care Services (CHCS); Daniel V. Pineda (UHS), Lynn Knapik (Realtor / Mayor's Task Force Working Group), Alberta Harris (United Way), Rebecca Villarreal (SAMMinistries), Stephanie Smith (Federal Reserve Bank), Coleman Wolf (Highlands Commercial Property), and Sylvia Esparza (City of San Antonio - Department of Planning and Community Development )

SAHA Staff: Richard Milk (SAHA) and Rosario Plascencia (SAHA)

1. **What is SAFMR?**
    a. Provided overview of MAFMR vs. SAFMR
    b. Emphasized SAFMR is only one tool in the toolbox

    Discussion:
    - Consensus that MAFMR was not covering enough in high cost areas
    - Most participants agreed that SAFMR for each zip code could be confusing to the voucher client and also confusing to manage

2. **What are the goals of SAFMR?**
    a. Reviewed HUD goals: 1. Deconcentrate Vouchers and 2. Increase access to Opportunity and discussed two additional goals SAHA added: 3. Improve Life Outcomes and 4. Integration of Neighborhoods

    Discussion:
    - Participants pointed out that Goals 1-4 do not address: racial integration, or seven protected classes (including locally protected classes: sexual orientation, veteran status, age, and gender) or captured if households end up in neighborhoods of their choice that meet their priorities.
        - This feedback was integrated into the plan
    - There was concern that many landlords in Tier 2 neighborhoods would not be willing to participate in the voucher program.
        - Participants suggested and offered to help with: New Landlord engagement sessions/outreach, information sessions for (current and new landlords, businesses, and partner organizations), engaging San Antonio Board of Realtors, and re-branding Voucher program to tackle its negative community perception
    - When categorizing neighborhoods of opportunity, participants, in addition to Dr. Walter's indicators, also suggested looking at:
        - Access to Medical Care, Transportation, Infrastructure, and access to Library/Community Centers

**Alignment of Goals:** There was strong alignment of goals between SAHA and participant organizations :

- **Deconcentration:** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, COSA/Department of Planning and Community Development
- **Opportunity:** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, COSA/Department of Planning and Community Development
- **Education:** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, SAMMinistries, COSA/Department of Planning and Community Development, Fed Bank
- **Employment:** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, SAMMinistries, COSA/Department of Planning and Community Development, Fed Bank
- **Health:** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, COSA/Department of Planning and Community Development
- **Integration and Inclusion (including Racial integration) :** TRLA, NALCAB, Fair Housing Council, CHCS, UHS, COSA/Department of Planning and Community Development

3. **Policy Recommendations and Transition period**
   Discussion:
   - Transition period will allow natural attrition to guide how quickly SAHA moves to full SAFMR implementation.
   - Participants emphasized the need to provide mobility counseling.
     - Participants suggested other partner organizations who might be interested: NALCAB, Fair Housing Council, LISC
   - There was concern that a household living in Tier 1 would see their voucher decreased right away. Households are already struggling. Coming up with the difference will be detrimental.
     - SAHA's phased approach includes a hold harmless/tenant protections to mitigate this.
   - There was discussion on which areas should be considered Tier 2. It was recommended that Government Hill and the Pearl be included in Tier 2 so that households wanting to move into or stay in these areas have a voucher that corresponds with that market.
   - Participants worry that Voucher program is complicated already (delayed first payment, rent calculations, delayed communication with clients) and encouraged SAHA to consider how to address these challenges prior to and/or along with implementation of SAFMR.
   - Participants had a few questions regarding implementation:
     - How will this affect comparables?
     - Will SAFMR limit the zipcodes a household can go into? No, households will always have a choice. Now there are two Tiers and households will have two shopping estimates to make their decisions with.

**4. Next Steps**

Discussion:

- Most partner organizations saw the SAFMR work sessions as a step in the right direction. They want to continue engaging with SAHA at this level.
- Participants expressed interest in keeping up with SAHA proposals and changes. When they call program staff, not all staff knows about proposed changes. Participants asked that SAHA brief program staff on proposed changes and create vehicles that allow external partners to receive updates.
- Participants wanted to know if SAHA had received voucher client feedback.
    - SAHA did host workshops for voucher households. There was mixed feedback. Some households welcomed the changes and saw how it could benefit them to move while others were worried this would force them to move if they did not want to.
- All participants were invited to MTW Housing Choice Alliance. A few, who are not already participating, expressed interest in joining: Lynn Knapik, Alberta Harris, Sylvia Esparza, and Rebecca Villareal.

**PUBLIC COMMENTS/QUESTIONS RELATED TO AGENCY PLANS**

**FY2019-1 Local Small Area Fair Market Rent (SAFMR) Implementation**

1) What is the exact service boundary for SAHA? (Do you have a shapefile or pdf of this, preferably a shapefile?)

**Response: SAHA operates the voucher program in Bexar County. There are areas in which the Agency prohibits the use of vouchers. This information can be found in the Participant Guide on our website at http://saha.org/images/Participant_Guide.pdf, pgs. 9-13.**

2) Which zip codes will be included in Tier 2 (for the submarket payment areas)? From looking at the small map of Bexar county on page 30 of the MTW plan, it seems like there are 38 zip codes. Are there others? I was hoping to get a complete list.

**Response: Below is a table with the Tier 2 ZIP codes, this table has also been added to section 3 under the FY2019-1 Local Small Area Fair Market Rent (SAFMR) Implementation activity description. Two ZIP codes have been added to Tier 2 to account for rapidly changing markets.**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 78006 | 78109 | 78209 | 78229 | 78239 | 78250 | 78256 | 78261 |
| 78015 | 78124 | 78212 | 78230 | 78240 | 78251 | 78257 | 78266 |
| 78023 | 78148 | 78213 | 78231 | 78247 | 78253 | 78258 | ~~78208~~ |
| 78101 | 78152 | 78216 | 78232 | 78248 | 78254 | 78259 | ~~78215~~ |
| 78108 | 78154 | 78217 | 78233 | 78249 | 78255 | 78260 | |

**UPDATE TO RESPONSE:** The two zip codes originally added to Tier 2 have been reassigned back to Tier 1. Based on additional feedback, there are a number of ZIP codes in addition to these two that might warrant a higher payment standard due to the pace at which the market is changing and/or to coordinate support for place-based redevelopment or revitalization initiatives (such as Choice Neighborhood).

To accommodate this, the proposal now establishes an exception overlay that will act as a mechanism for responding to rapidly changing markets. This overlay is designed to allow the agency the flexibility to adjust payment standards throughout the year as necessary/appropriate-- changes will be approved by the Board. The overlay could include the entire ZIP codes or smaller geographies such as census blocks, tracts, and/or locally defined neighborhoods. Areas would be selected based on timely market information and other local information that would support the need for a higher payment standard.

Currently, the Agency has identified seven (7) ZIP codes (all in Tier 1) that are believed to be experiencing major market changes according to analysis of data from the local appraisal district -- signifying that both the available small area fair market rents and opportunity indicators may not be accurately reflecting the neighborhood conditions. These seven ZIP codes identified in the exception overlay will initially have a payment standard set according to Tier 1's payment schedules; however, once new market data becomes available in August/September 2018, the Agency may adjust the payment standards for these areas. Any modifications would be subject to board approval.

3) What is the methodology for determining the 37 ZIP codes designated as Tier 2?
**Response: There are two aspects to this analysis:**

**(1) HCV concentration: The 2015 American Community Survey 5-year estimates were used to collect the total number of renter occupied households, by ZIP Code. A Bexar County-wide average was calculated by dividing the total number of renter households by the total number of HCV households. That County average turned out to be 4.99 percent. The same ratio was also calculated for each ZIP Code. ZIP Codes with a lower ratio than the county (4.99%) were classified as below county average, and all ZIP Codes with a higher ratio were classified as above county average.**

**(2) Opportunity: Eight variables were used to represent opportunity: income, crime, housing quality, access to parks, school quality, access to grocery stores, access to childcare, and environmental conditions. To keep the methods simple and easy to implement, the averages of the z-scores of all eight variables were computed to produce one opportunity score for each ZIP Code.**

**Tier 2 Definition: If a ZIP Code scores above the County average on opportunity, and below the County average in concentration, then that ZIP Code is classified as Tier 2.**

**As a reminder, this 2-Tier system is Phase 1 of 2 Phases, as described in the draft Plan. Phase 1 provides a broad brush to implement an initial SAFMR using data that is readily available today. Phase 2 will use research findings to guide the development of a more detailed SAFMR map.**

4) What will the process be for informing existing voucher tenants of the option to move during Phase 1?
**Response: SAHA will host MTW Plan briefings starting next week to provide an overview for landlords, voucher households and public housing households. All families who elect to move during the year will be notified of the pilot program and provided two shopping estimates, one for each of the Tiers.**

5) Do all existing voucher holders renew their leases annually, or are some on different schedules?
**Response: Currently, landlords sign annual leases with their residents, and most have an automatic renewal or a month to month clause.**

6) What system is SAHA using to determine who fills the 50 available spots in Phase 1? Is it just first come, first served?
**Response: System proposed is first come first served. Should a household not execute a lease in Tier 2 a slot will be made available for the next household.**

7) How is the 50 person cap being used? (It can't be considered a sample that would inform SAHA on what percentage of voucher holders would like to move, so what is the purpose of this cap in informing Phase 2?)
**Response: The cap is primarily used to monitor how many households actually lease up in Tier 2. This is important because SAHA is not receiving any additional funding for SAFMR, so the cap is a safeguard to make sure the agency retains enough funding to support the current number of households. The agency will also be able to estimate overall demand from how quickly slots are filled. If the agency finds that existing funding can support additional households moving to Tier 2, then the cap will be adjusted higher.**

8) How does SAHA/their consultant plan to determine how many voucher holders would likely move during Phase 2?
**Response: This will be determined by the research that is currently underway. SAHA anticipates that the modeling will take into account how many residents typically move every year, recent changes to housing markets, stated household priorities, financial impact to households, as well as any impact on number of households served by the agency.**

9) Are there any plans to survey current tenants on whether or under what circumstances they would relocate to a "higher opportunity" area?
**Response: Yes, the agency is working on a Housing Locator project that includes a phone app to help residents find areas that meet their personal opportunity areas as well as follow-up research on whether they were actually able to move to those areas. This project is headed by Dr. Walter, and SAHA has tested the app with a small number of residents. Currently the researchers are trying to secure additional funding so that the locator can have better data feeds on actual units for rent. In addition, the Agency will be exploring the use of surveys as part of Phase 2 and part of ongoing evaluation of the activity, including clients who chose not lease in Tier 2.**

10) How are the cost estimates in the 3rd section of the plan determined? (It says for 50 voucher holders, the additional cost would be $439, while for 1700, it would be $1.2. Why are these numbers so close together? This seems strange. Can we see a cost breakdown of how this was determined?)
**Response: The $1.2M reflects the monthly HAP cost for the clients moving into the higher opportunity areas. The increase is approximately $2.4M per year.**

- **Current HAP cost $1M**
- **HAP cost in higher opportunity areas $1.2M, increase of $200k per month ($2.4M annually)**
- **$489k based on per unit cost of $733 per month**

**The draft MTW Plan will be updated to reflect this calculation more clearly.**

11) Who is the consultant working with SAHA on determining the Phase 2 approach?
**Response: Dr. Rebecca Walter, University of Washington. Dr. Walter started working with SAHA when she was at UTSA and continues to work with the agency after her move to Washington in 2017.**

12) What is the time frame for instituting Phase 2?
**Response: Phase 2 starts in FY2019-2020 plan year, upon HUD approval of MTW Plan. SAHA will start planning for Phase 2 as early as September 2018.**

13) How will the information gained in Phase 1 influence the conclusions made for the Phase 2 rent schedule? (In a sense, why is there a Phase 1 unless it helps figure out how to make Phase 2 run more smoothly?)
**Response: Phase 1 information -- including how many residents move and where, housing market data, landlord engagement, stated versus actual household priorities, financial impact to households, as well as any impact on number of households served by the agency -- will all be used to design any changes for Phase 2.**

14) Will tenants be notified of the option to move ONLY if they state to SAHA that they would like to move, or will they be told about the program automatically when their lease period is ending? (In other words, some tenants may be prompted to move only after hearing about this opportunity)
**Response: There will be multiple opportunities for communication, including a broad campaign to inform everyone about the new policy changes, whether they're currently considering moving or not (we're hosting info sessions for residents and landlords starting the week of March 19); as well as automatic, household-specific information (households will receive two shopping estimates instead of one, to better evaluate their options).**

15) How many leases (on average) come up for renewal each month? (Is it just a twelfth of the total number of voucher holders served by SAHA? (Sorry if this is an obvious question)
**Response: SAHA averages 500 leases/recertifications per month.**

16) Has Dr. Walter started work on any aspect of the analysis that will produce the alternative local submarkets? (I've read some of her work and it's clear she knows SA and vouchers well.)
**Response: Yes, Dr. Walter and her team are currently collecting rent data now. One of the challenges to doing this work is that rental data is often proprietary and not free. Her team is collecting data from multiple sources to ensure their data is comprehensive. As you mention, Dr. Walter has considerable experience with affordable housing, including previously teaching and researching at UTSA, as well as serving on the City of San Antonio's Housing Commission.**

17) What information will be collected or methodology used in the designation of local submarket areas? Will this be based on the experience of any other PHAs,or on research or other studies conducted by non-PHA entities (including Dr. Walter herself)?
**Response: Yes, SAHA is in communication with MTW and non-MTW agencies that have implemented local submarket payment standards, and is learning from as many different sources as possible, including Houston, Chicago, Baltimore, Seattle, and Dallas, as well as Chetty's research and the Moving to Opportunity study. And, more importantly, our own residents -- one of the key ideas behind the Housing Locator App is to get a better understanding of household priorities and decision-making processes. Dr. Walter's team is currently gathering data on the local rental market using multiple data sources and advanced techniques and will be exploring alternative groupings of different geographies including ZIP codes and census tracts. The idea is to come up with a reasonable number of submarkets (others that have done this are using 5-10) that accurately reflect the variances in our local market while still being manageable to administer and easy for residents and landlords to follow.**

18) Why is the research starting only in September 2018?
**Response: Actually, research is well underway -- what starts in September is the planning process (based on the research that will be completed by then) for the Phase 2 details. Those details will need to be elaborated and made available for public comment by February 2019 at the latest.**

19) How much is SAHA paying for the research? From where in the budget does this come from?
**Response: Dr. Walter and her team are diligent about securing research grants to pay for their work. To date, SAHA has not paid for any research. Here is a list of all Dr. Walter's work in partnership with SAHA.**

20) How was it determined that SAHA needed to use alternative local submarkets? What data or research was this based on?
**Response: SAHA has noted that this was an option that other agencies were pursuing and that HUD has recognized. Dr. Walter's first analysis included a close look at HUD's proposed SAFMR figures and found some mismatch with local market conditions. The Agency has not made a decision to move away from HUD's published SAFMRs or ZIP codes as it is important to see the results of the full market analysis to determine (a) if the HUD SAFMRs are accurate enough, (b) if ZIP codes make the most sense, and (c) if ZIP codes can be grouped together in 5-10 submarkets.**

21) What are the biggest concerns SAHA has in implementing SAFMRs "straight out of the box"?
**Response: The biggest challenges are (1) as an MTW agency, we will not be receiving additional funding to cover the expected increase in costs during the transition from MAFMR to SAFMR, (2) as an MTW agency we have an obligation to serve the same number of households under our MTW baseline, and (3) as an MTW agency we are committed to our self-sufficiency strategies and do not want to negatively impact residents through increased tenant rent shares.**

22) WIll existing data and analysis (such as the report done by NALCAB on San Antonio housing markets and vulnerable populations) be used in the determination of alternative rental submarkets?
**Response: Yes, there is a great opportunity here to align SAFMR with the Mayor's Housing Task Force recommendations, NALCAB analysis, SATomorrow, VIA's network planning, and other concurrent planning efforts.**

23) How and when are HCV recipients surveyed about their housing goals? How often are these interviews updated?
**Response: These questions will be asked as part of the new Housing Locator app. So residents will enter their answers to help formulate a map of neighborhoods that match their criteria. Any client who notifies SAHA they wish to move must attend a briefing at which time they will be asked to participate in the survey.**

24) How were the factors contributing to the "opportunity" index derived? Was this based on existing research, best practices, SAHA tenant housing goals, etc?
**Response: Dr. Walter and SAHA staff have done extensive reviews of existing opportunity research. The opportunity index used in this MTW Activity includes elements from HUD's AFFH tool as well as others that appear to be good indicators of opportunity. Specifically, the**

**average z scores for eight indicators including: income, crime, housing quality, access to parks, school quality, access to grocery stores, access to childcare, and environmental conditions were computed to produce one index that was then divided into three categories (high opportunity, mixed opportunity, and low opportunity) using the quantile method in ArcGIS.**

25) What will constitute "proportional concentrations" of voucher holders across all tiers, a benchmark mentioned on page 25)?
**Response: It's one way to measure concentration -- and would need to be evaluated alongside other planning goals mentioned above -- but essentially it's a comparison of the proportion of vouchers in submarkets to the proportion of vouchers in the larger market (County or Metro). At Bexar County scale, 5% of renter-occupied housing units are subsidized through the voucher program. Submarkets with more than 5% vouchers would then be considered over-concentrated, and those with less than 5% would be under-concentrated.**

26) On page 26, it states,"Under the current regulations, 47% of current participants would see an average increase in their share of rent of $46 per month.". How was this figure calculated?
**Response: This analysis has been updated based on the latest HUD guidance. Payment standards will not decrease by more than 10% by year. Additionally, the MTW Plan proposes a "Hold Harmless" policy that protects existing voucher households from any decrease in payment standard while they remain on their current HAP contract. Households that establish new contracts in Tier 2 may see an increase in tenant contributions, depending on the contract rent charged by the landlord.**

27) What is the income breakdown of the proposed Alazan Courts redevelopment? How many voucher holders will be served? (It only mentions that 24% of households will be over 60% AMI)
**Response: Over 1200 units will be created in the proposed redevelopment. Here is the income mix detail:**

| Public Housing Replacement Units (ACC/PBV) | | LIHTC (< 80% AMI) | | Market | | Total Units |
|---|---|---|---|---|---|---|
| Units | % | Units | % | Units | % | |
| 501 | 39% | 517 | 40% | 276 | 21% | 1,294 |

28) What is the HCV scorecard mentioned on page 6? Can I obtain a copy of this?
**Response: The HCV Scorecard is SAHA's overall scoring system to measure the performance of the Housing Choice Voucher Program. The scorecard is presented to the Board in September.**

Texas Low Income Housing Information Service

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April 3, 2018

***Submitted via Email***

Richard Milk
San Antonio Housing Authority
818 South Flores
San Antonio, TX 78204
mtw@saha.org

**RE: Comments on the Proposed SAHA Moving To Work Plan**

Mr. Milk,

The following comments are submitted on behalf of Texas Low Income Housing Information Service (TxLIHIS), also known as "Texas Housers" regarding the proposed 2018 San Antonio Housing Authority (SAHA) Moving to Work (MTW) Plan. Texas Housers is a research and advocacy organization working statewide to further the goals of fair housing and equitable disaster recovery. Our comments regarding the MTW Plan are based on an understanding of the legacy of racial and economic segregation in this country and a vision of expanding housing choice for low income Texans.

Our primary concern is regarding the establishment of payment standards for voucher holders. Texas Housers strongly support the adoption of the Small Area Fair Market Rent (SAFMR) rule and HUD's inclusion of the San Antonio-New Braunfels metro area in this program. The disparities within the San Antonio city limits are among the worst in the country, and this has real consequences for households and communities. Housing Choice Voucher (HCV) households tend to be segregated in neighborhoods with high concentrations of low income households and people of color, which have often experienced decades of disinvestment and unequal access to essential infrastructure and amenities. These voucher holders are at an extreme disadvantage in terms of securing a place to live, but like all San Antonio residents, they deserve to find a quality home in the neighborhood that they choose, that meets their needs.

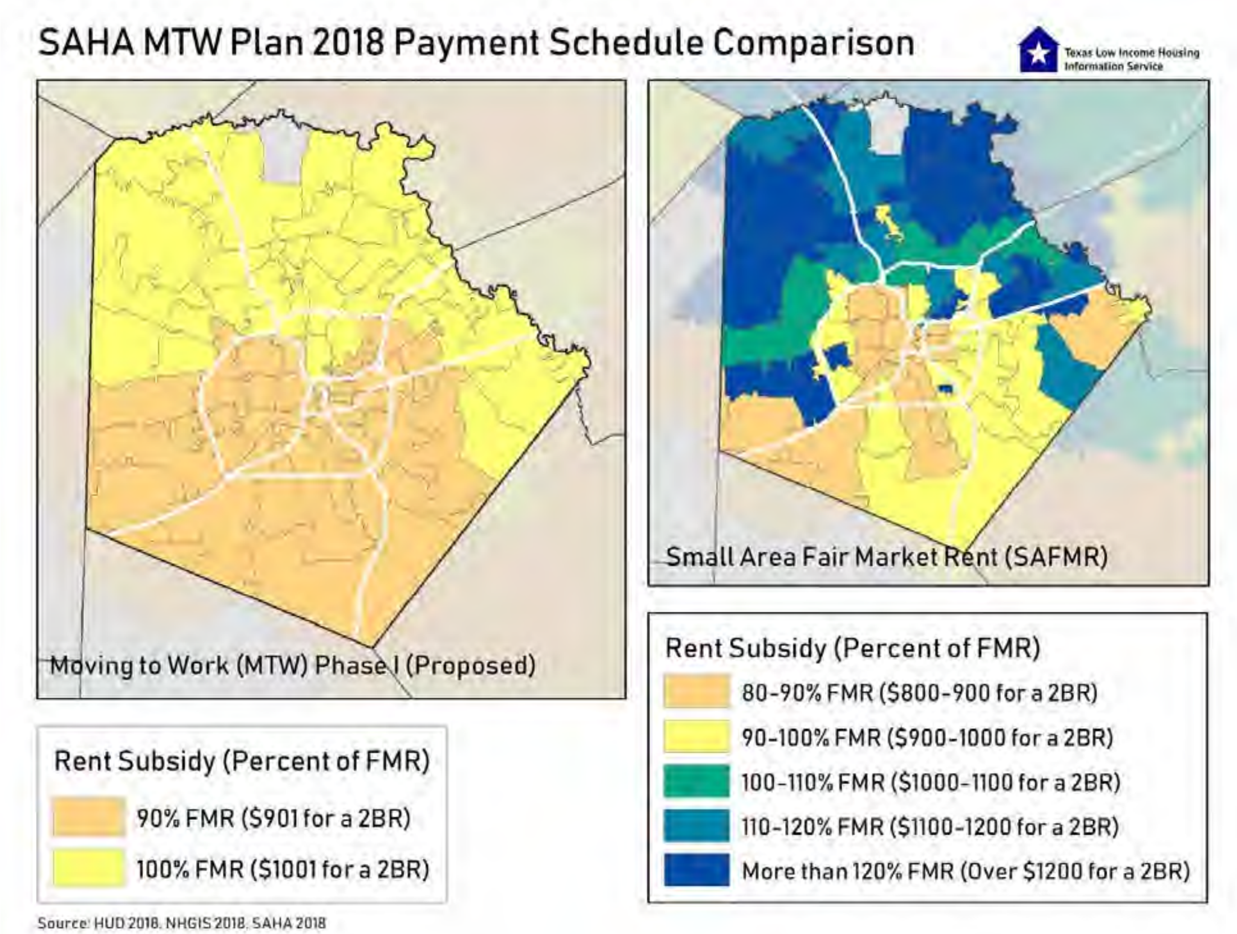
We would also like to comment on two other aspects of the plan: the tiny homes designed for Alamo College students and the public housing waiting list policies.

Please find our comments organized under three headings below:

**I) DEVELOPMENT OF LOCAL SUBMARKET PAYMENT STANDARDS FOR HCV HOLDERS**

**a) SAHA should not delay the implementation of SAFMRs.**

San Antonio-New Braunfels is included in the list of 24 metro areas that are required by HUD to implement Small Area Fair Market Rents. San Antonio is included on this list because of a combination of severe voucher concentration in low-income neighborhoods and sufficient availability of rental housing in areas that are currently out of reach financially for voucher holders. These determinations provide a strong initial basis for the San Antonio Housing Authority to pursue the implementation of SAFMRs and one that shouldn't be ignored without valid justification.




SAHA's MTW designation allows the housing authority some flexibility in the implementation of the otherwise-mandatory SAFMR rule, but the intention of this designation is not to forego the rule entirely without any attempt to put it into effect. In HUD's words, "An MTW PHA is exempt from the requirement to use SAFMRs if that agency has an alternative payment standards policy in its HUD-approved Annual MTW Plan". If, on the other hand, the plan does not include a HUD-approved alternate payment schedule, the PHA will not be allowed to delay SAFMR implementation.

It is our contention that the two-tiered Phase I outlined by SAHA does not constitute a good-faith attempt at an alternate payment schedule. The minimal increases proposed for Phase I do not advance the deconcentration of voucher holders in any meaningful way, *especially* when the 50 participant cap is considered. In Phase I, Tier 2 voucher subsidies are only going up to 100% FMR - about $1000 for a 2 bedroom unit - even in the most expensive areas of the city. This means in only 5 of the 37 tier 2 (“opportunity”) zipcodes will these proposed subsidies go as high as SAFMR. This modest increase isn’t enough to rent housing in these Tier 2 areas, where rents are much higher and housing more competitive.

According to HUD rules, If a PHA feels the need to request a suspension or temporary exemption of its SAFMR requirement, “the request must be based on a documented finding of an adverse rental housing market condition specific to the area or PHA”. Examples of situations in which HUD may consider these waivers include, but aren’t limited to: “current vacancy rates falling below four percent (insufficient supply); a sudden influx of families into the metropolitan area (demand shock); a sudden loss of rental units (supply shock); a rapid increase in the PHAs per unit costs (PUC) causing the PHA to experience a funding shortfall (supply or demand shocks)”. If these are factors influencing SAHA’s decision to pursue a waiver, this has not been documented in the MTW plan.

The second phase, in which the results of studies will purportedly be used to assemble a local payment schedule, remains unclear. Rather than testing the use of SAFMRs, or some limited iteration thereof, while an alternate schedule is developed, SAHA is putting off changes that are necessary to facilitate housing choice - an essential component of the statutory purpose of MTW that is long overdue. This third component of the MTW statutory purpose receives too little consideration in the 2018 Plan. Delaying the use of an alternate local submarket structure, preferably based on Small Area FMRs, will mean low income renters continue to remain economically segregated within the San Antonio area.

**b) Capping participation at 50 households is not a sufficient advancement of housing choice.**

SAHA serves 65,000 individuals and has waiting lists many thousands of households long. By limiting the number of participants who are able to relocate to Tier 2 areas to only 50 households, the MTW plan is not making impactful strides toward deconcentrating voucher holders.

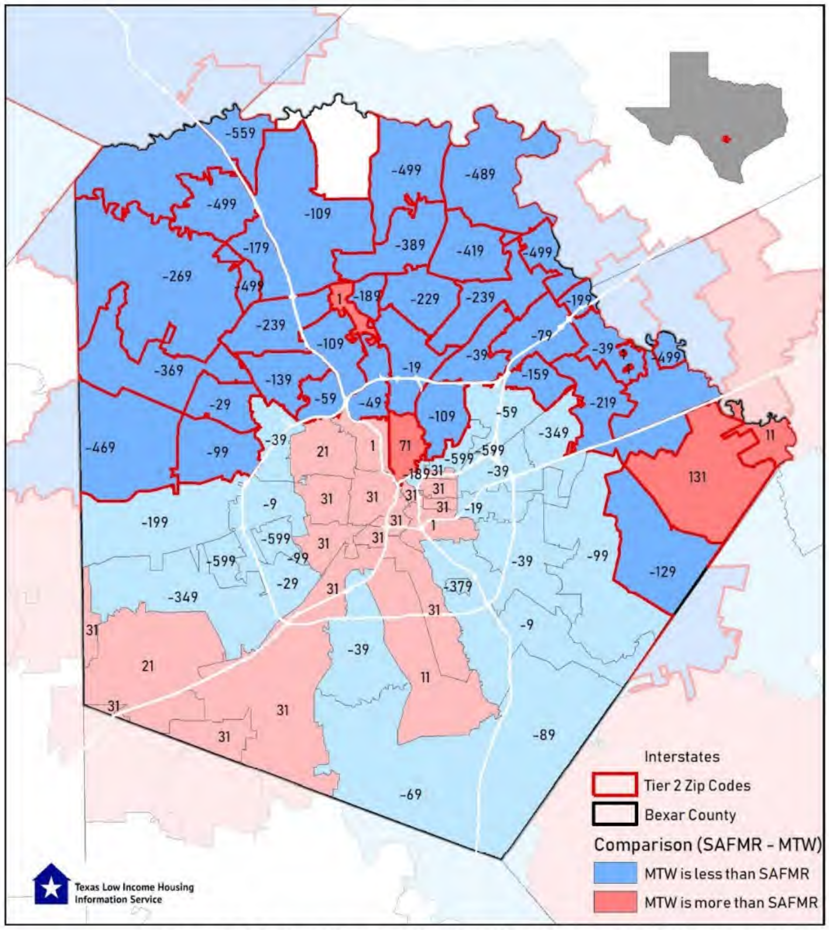
Furthermore, SAHA intends to allow tenants to relocate to Tier 2 on a first come, first served basis. Because an average of around 500 SAHA tenants are recertified each month, depending on demand, the 50 slots could ostensibly be occupied within a matter of weeks. Many households who could benefit from participation could find themselves left out of consideration.

**c) Decreases in voucher subsidies should be phased in gradually to avoid cutting off subsidies to lower-cost areas.**

*Because Phase I doesn’t include any decrease in subsidies, this consideration will be relevant to the development of Phase II.*

In zip codes that will face decreases in voucher subsidy payments as calculated according to the SAFMR rule, there should be limitations on how quickly subsidies can drop off. For example, for new voucher tenants, subsidies could decrease in the first year to 95%, followed by 5% per year until they reach the SAFMR amount. (In Bexar County, there are few zip codes where the SAFMR subsidy amounts are less than 90% of FMR. The lowest SAFMR payment would be 86% of the metro fair market rent, and most zip codes would not see a significant drop in subsidy.)

Difference between MTW and SAFMR Rent Subsidy
San Antonio, TX (2-bedroom Unit)




Source: San Antonio Housing Authority, 2018, Housing and Urban Development, 2018

The reason for this phased-in approach is to ensure that housing choices are made available in all areas of the city, including areas where voucher holders are currently concentrated. While the rent decrease in areas with proposed SAFMRs that are less than the current SAHA voucher payout standard is modest, it will be in the interests of tenants and SAHA to avoid “shocking” landlords that accept vouchers with a decreased rent.

**d) Administrative exemptions should be authorized up to 120% SAFMR in cases where this is required to secure adequate housing for a tenant with a disability.**

Because of the difficulty of finding housing that meets the needs of disabled tenants, it is important to create avenues for administrative subsidy increases. This will increase the likelihood that these voucher households will be adequately served by the housing secured through the use of this subsidy program.

**e) The affordability cap increase is not a reasonable method of increasing housing choice.**

It may be true that an increase in the allowable rent cap for voucher holders will enable some families to obtain housing that better suits their needs. However, taken in conjunction with the above proposal to very modestly increase subsidies only in Tier 2 areas, this is a dangerous proposition for households already shouldering immense rent burdens.

50% is an extremely significant portion of one's income, leaving little room for transportation, food, and other essentials, not to mention emergencies. While families wanting to pay more to live in the area of their choice should be allowed administrative waiver upon receiving financial counseling and other necessary information, this should not be considered a widely acceptable practice. Raising tenant rent portions is not a substitute for increasing voucher subsidies to levels that allow households to access higher-rent areas without further threatening their economic security.

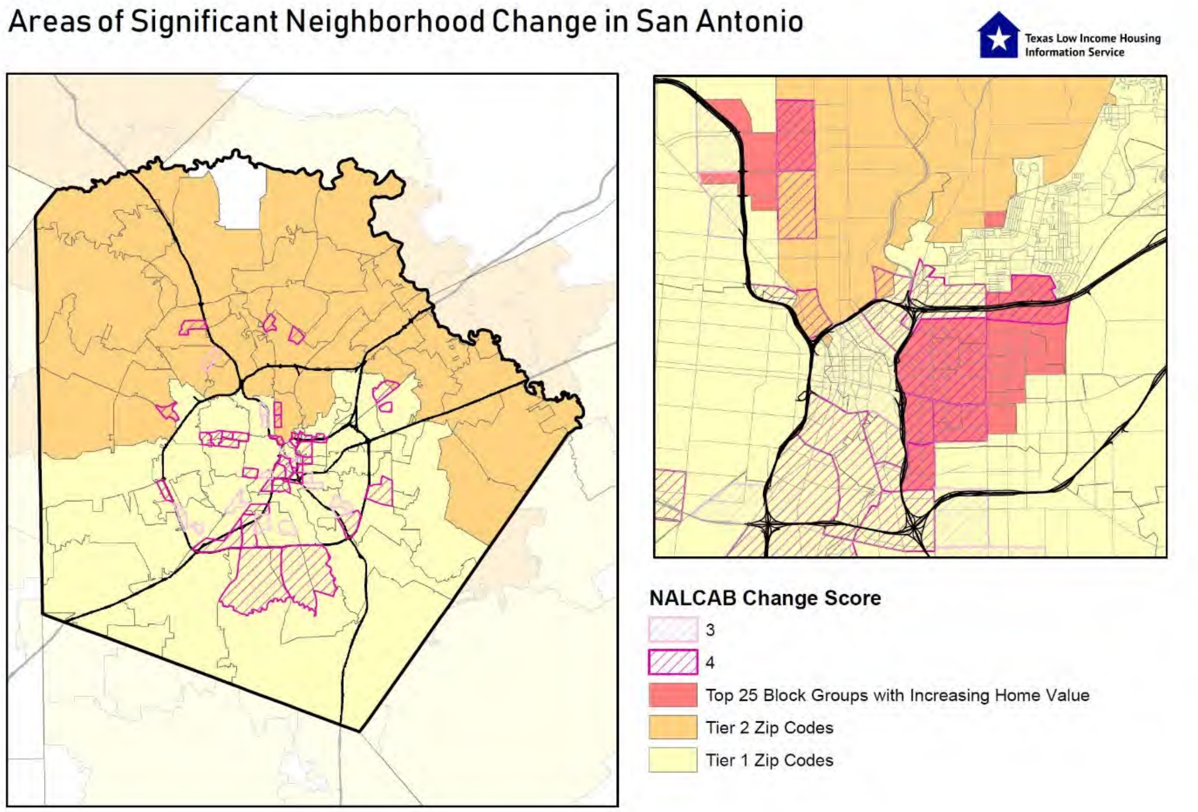
**f) Areas of rapid neighborhood change and gentrification must be considered in the establishment of alternate local payment standards.**

Tier 2 is composed of zipcodes with medium or high opportunity and below-average voucher concentration. These are essential considerations for improving voucher mobility and deconcentration. However, rapid neighborhood change and gentrification need to be taken into account when determining any local submarket payment schedules.

Even when SAFMRs offer an increased rent payment in higher income neighborhoods, the schedule tends to lag behind the actual rents in a given area, since they are published annually based on past data. It is necessary to consider areas of the city where the housing market is extremely overheated and also where vulnerable populations are at risk of displacement. Part of the MTW objective for greater housing choice includes the ability to stay in one's neighborhood as it undergoes gentrification and reinvestment.

There are readily available studies of neighborhoods that have been identified as undergoing rapid change in income, demographics and investment. There are large concentrations of voucher holders in block groups with some of the fastest appreciation rates, such as Dignowity Hill, Denver Heights, Jefferson Heights. Many of these areas are close to downtown and transit routes. With continued investment and neighborhood change, some of these neighborhoods will likely become very convenient, amenity-rich and expensive places to live. Allowing voucher holders who have put down roots in these communities the ability to remain as their neighborhoods experience increased investment is essential.

## Areas of Significant Neighborhood Change in San Antonio




According to research done by the National Association for Latino Community Asset Builders (NALCAB), the 25 San Antonio block groups with the highest increases in home value are all located just east and north of Downtown. (See the areas indicated in dark pink above.) Only three of these block groups are considered part of Tier 2, where subsidy payments reach 100% FMR.

Another useful measure is NALCAB's Neighborhood Change Analysis, which identifies census tracts experiencing changes faster than the city as a whole not only in housing costs, but also in median income, percentage of residents with college degrees, and the percentage of non-Hispanic White residents. (Refer to the hatched areas shown in dark and light pink on the maps above.) Out of census tracts with the top neighborhood change ratings, 78% are located in Tier 1. This means that they are not seeing any increase in rent subsidy during the Tier 1 stage.

Maintaining these payment standards at 90% FMR risks exacerbating the displacement of low income households in these areas as neighborhood change progresses and escalates. Based on SAHA voucher data from 2015, around 15% of SAHA voucher holders live in these gentrifying areas, and unless payment schedules reflect recent neighborhood change, they will be likely to face displacement and reduced housing options.

In these areas, it would be prudent to offer a higher payout standard that is based on current rental market conditions. This will allow voucher holders the option of staying and/or locating in rapidly-gentrifying areas, which are often close to employment centers, transportation and community networks, and resources.

## II) TINY HOME PROGRAM FOR HOUSING INSECURE STUDENTS:

### a) It is not reasonable to require community service of participating students.

The implementation of a housing program designed specifically to help at-risk students complete their education at Alamo College is commendable. Clearly, the enrollment of about 300 homeless students, or 2.3% of the student population, is very significant, and it is important to take steps to improve their likelihood of educational success.

However, while this program may look impressive or heartening on paper, in reality, it places yet another obstacle in front of these already-burdened students. This program is intended for homeless students or youth aging out of foster care who require housing stability in order to successfully obtain their Associate's Degree. They have considerable obstacles in front of them. An additional community service requirement poses an extra challenge over their peers from higher-income households with greater educational opportunity.

### b) Tying rent to a student's GPA is not realistic and cements existing disadvantages.

The Tiny Home program outlined in the MTW plan ties student rent contributions to their GPA, offering lower payments for higher scores. Again, while this sounds like a motivational strategy, this strategy serves to further entrench socioeconomic disadvantages that have more than likely led to these students' struggles with housing insecurity in the first place.

Educational performance has been tied to socioeconomic status in many studies, and while the specific factors vary by individual, economically disadvantaged students face a huge challenge in surmounting the "achievement gap". Students who have had poor educational opportunity in the past (whether because of the inequality of our school system, housing insecurity leading to frequent relocation, the stress and emotional effects of poverty and precarity, a lack of parental ability to remain involved in the student's early education, or lack of resources to pursue higher education) shouldn't be further penalized through a program that ties their housing costs to educational performance.

## III) CONDITIONS FOR REMOVAL FROM PUBLIC HOUSING WAITING LIST

### a) Failure to respond to a letter within 10 days should not result in removal from the public housing waiting list.

While we do not object to the two conditions for removal added in the 2018 MTW plan, we have concerns about the section which states that applicants will be removed if "The applicant failed to respond within the 10-day period to SAHA's first-class mail correspondence to confirm their continued interest or mail correspondence is returned by the post office during an update of the waiting list".

It is completely within SAHA's right to seek continued contact with households on their waiting lists and to confirm their interest in remaining on the waiting list. However, SAHA must be flexible to the needs and limitations of those facing conditions of housing insecurity. This 10-day deadline is an unreasonable demand, especially for low-income families, who are often forced to move frequently and without ample notice.

As a result, SAHA should increase the maximum response time to 30 days, which would allow more time for the letter to be forwarded or the applicant to be contacted. Upon signing up for the waiting list, households should be encouraged (to the degree they are able) to supply the address of at least one more permanent residence, such as that of a relative or friend, who may be more equipped to locate them after having received a letter from the housing authority.

Again, it is understandable that SAHA aims to keep their waiting lists uncluttered and free of applicants who no longer require assistance, but consideration is necessary when dealing with households already facing challenges. Removal from the public housing waiting list could be disastrous for many households and shouldn't be taken lightly.

Thank you for your consideration of our comments and recommendations, and for your ongoing communication regarding this proposed plan.

Sincerely,

Charlie Duncan

Texas Low Income Housing Information Service

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April 3, 2018

San Antonio Housing Authority
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818 S. Flores Street
San Antonio, Texas 78204

Re: Comments on the Moving to Work- Annual MTW Plan-FY2019

To Whom It May Concern:

These comments are submitted in response to the request for comments on SAHA's Moving to Work-Annual MTW Plan-FY2019 (Draft MTW Plan).

**Section III- Proposed MTW Activities**

1. FY2019-1: Local Small Area Market Rent (SAFMR) Implementation:

Local Submarket Payment Standards

SAHA should be required to immediately comply with its obligation to implement Small Area Fair Market Rents (SAFMR) in the San Antonio-New Braunfels HUD Metro Area.[1] HUD should not approve any waiver requested by SAHA regarding this matter.

The MTW local submarket payment standards policy in the Draft MTW Plan does not advance the goals of deconcentrating vouchers and increasing housing choices for Section 8 program participants. Instead, SAHA's extremely limited policy will only reinforce existing patterns of housing segregation and it will have a substantial negative impact on Section 8 program participants. It is our contention that SAHA's proposed SAFMR policy does not comply with federal or state Fair Housing laws.

SAHA seeks a waiver that would allow it to wait years before implementing a SAFMR policy. SAHA should not be granted this waiver. If a waiver is granted, it will result in a discriminatory effect on SAHA Section 8 voucher holders who will not be able to afford to move to less poor and less segregated neighborhoods.

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[1] *See generally* "Establishing a More Effective Fair Market Rent System; Using Small Area Fair Market Rents in the Housing Choice Voucher Program Instead of the Current 50th Percentile FMRs," 81 Fed. Reg. 221 (November 16, 2016).

As a recipient of HUD funds, SAHA has a duty to affirmatively further the aims of the federal Fair Housing Act (FHA).[2] It is important to note that, in addition to failing to affirmatively further fair housing choice, practices with an unjustified discriminatory effect–including the perpetuation of segregated housing patterns–violate the FHA.[3] Accordingly, SAHA should critically examine its practices with an eye towards ensuring that its practices do not perpetuate segregated housing patterns on the basis of race or other protected classes under the FHA, and that its practices affirmatively further fair housing.

SAHA's Draft MTW Plan's approach to SAMFR implementation and explanation for this proposed approach fall short with respect to critically examining policies to ensure they promote fair housing objectives. The Draft MTW Plan discusses how San Antonio is economically segregated; however, the Draft MTW Plan's discussion of SAFMR does not address racial segregation in the greater San Antonio area.[4] This omission is significant because San Antonio's housing market is racially segregated. The Draft MTW Plan does not explain how the proposed SAFMR tiers would address racial segregation in housing in San Antonio and in the greater region.

Moreover, SAHA seeks to implement a policy that will result in continued severe Section 8 voucher concentration in areas of poverty in San Antonio. It is important for SAHA to immediately implement HUD's standard SAFMR policy because SAHA's current system is essentially steering large numbers of voucher families into poor and very poor neighborhoods.

Failing to acknowledge racial segregation prevents SAHA from developing policies that will meaningfully address residential segregation on the basis of race and other classes protected by the FHA (e.g., persons with disabilities, families with children), in addition to the economic segregation of voucher households. Furthermore, it is not clear what precise metrics were used to determine which areas belonged to which of the tiers that SAHA devised. SAHA's MTW Phase I tiers merely make general references to areas of opportunity and the relative concentration of voucher holders.

SAHA should not be granted the waiver it is requesting regarding the timing of the implementation of a SAFMR policy. SAHA claims it needs more data to implement SAFMRs.

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[2] 42 U.S.C. § 3608(e); *see also* 42 U.S.C. § 5304(b)(2) (States and local governments that receive HUD Community Development Block Grant funds must certify that they will affirmatively further fair housing.); *PHA Certifications of Compliance with the PHA Plan and Related Regulations including Required Civil Rights Certifications*, Paragraph 6 (certification that the PHA will affirmatively further fair housing).

[3] *See generally* 24 C.F.R. § 100.500; *id* at § 100.500(b) ("A practice has a discriminatory effect where it actually or predictably results in a disparate impact on a group of persons or creates, increases, reinforces, *or perpetuates segregated housing patterns* because of race, color, religion, sex, handicap, familial status, or national origin.") (emphasis added).

[4] While involving another planning process (the Analysis of Impediments), the case *United States ex rel. Anti-Discrimination Center of Metro N.Y., Inc. v. Westchester Cnty.*, 495 F.Supp.2d 375 (S.D.N.Y. 2007), may be instructive. *See Westchester,* 495 F.Supp.2d, at 376 (concluding that local government entities certifying that they will affirmatively further fair housing "must consider the existence and impact of race discrimination on housing opportunities and choice" in their respective jurisdictions within the context of the Analysis of Impediments process). Westchester County, in its Analysis of Impediments, focused identifying barriers to fair housing choice by examining income discrimination, but did not consider race. *Id.* at 377.

However, free, zip code based data is available from HUD. SAHA can use the data to calculate SAFMRs. SAHA's punitive policy of making most program participants wait two years to have better housing choices is not an acceptable policy choice. Instead of complying with the law that was first proposed in November 2017, SAHA is asking for more time to develop local sub-markets. We support the exploration of local sub-markets in the future, but SAHA is required by law to implement the SAFMRs now. By delaying the implementation of the SAFMR policy, SAHA is denying program participants their fair housing rights. Section 8 program participants will be denied the opportunity to live in higher opportunity areas that have lower levels of racial and ethnic segregation. It is our contention that SAHA's proposed SAFMR policy would violate the Fair Housing Act, and that their policy does not comply with the HUD SAFMR requirement.

The two-phase policy that SAHA wants to implement fails to address the issue of housing choice as it impacts housing segregation in San Antonio. The first phase of SAHA's proposed plan involves two tiers. Tier 1 encompasses the Northside of Bexar County and the Tier 2 encompasses the Southside of Bexar County. This two-tiered approach does not take into account the rental costs for different neighborhoods and parts of Bexar County. So this approach in no way approximates the SAFMR policy that SAHA was supposed to begin using this year.

Moreover, both of the SAHA tiers use metropolitan fair market rents (MAFMR). Using MAFMR guarantees that program participants will not be able to live in neigborhoods of their choice because a voucher set at a payment standard of 100% will not give the voucher holder the purshasing power to rent in areas of higher opportunity. Essentially, the two-tiered plan will keep the status quo pretty much the same for years. Patterns of segregation that exist in San Antonio and Bexar County will be reinforced by the SAHA two-tier policy. SAHA's plan does not comply with the SAFMR requirement.

The comparison of SAHA's current payment schedule under Tier 1 and Tier 2 and the amounts SAHA is obligated to pay under SAFMRs attached as Exhibit A clearly demonstrate that the incremental changes proposed by the tiered system do nothing to expand voucher choice in San Antonio. If the proposed subsidy amount under Tier 2 is compared to what the voucher family would receive under SAFMRs for an efficiency, there is at least a $100 dollar gap in more than half of the 37 zip codes preventing families from moving into these higher opportunity areas. This disparity increases as the number of bedrooms increases.

By using a rent policy that includes two tiers, SAHA's policy is calculated to not have any meaningful impact on housing choice for program participants because using the two-tier formula with a 90% and 100% MAFMR payment standard will result in rent amounts that will not be sufficient to pay for rents in higher opportunity areas. At the same time, the same voucher is overvalued in a lower opportunity area if the landlord calculates rent based on the value of the Section 8 voucher. Using the the MAFMR rate to determine voucher payment standards artificially increases the market rents that can be charged for dwellings in lower opportunity areas.

SAHA does not face the same issue as other PHAs when lowering the payment standards in certain lower-rent parts of the San Antonio area. Under the current payment schedules used by SAHA, the payment for a studio is $584 while the lowest tier of SAFMR for a studio is $560. Thus, the lowering of the payment schedules in accordance with SAFMRs is negligible.

SAHA's phase one plan will only include fifty Section 8 existing program participants. It will not include new program participants. Allowing only fifty existing program participants to participate in phase one will negatively impact other SAHA Section 8 program participants. These participants will be denied the opportunity to have a voucher that is worth more money and that they would be able to use to live in a higher opportunity area where market rents are higher than what their current vouchers can buy because their current vouchers are set at a 90% payment standard using MAFMR. SAHA's proposed policy limits a program participant's ability to use their voucher in less segregated, higher opportunity areas, and thereby reduces housing choice and mobility among Section 8 voucher participants.

Unlike SAHA's proposed plan, HUD's SAFMR rents are based on individual zip codes, resulting in rent amounts that give voucher holders more choice in where they can rent a dwelling. Under HUD's prescribed SAFMR standards, participants can use their vouchers in higher opportunity areas of town. At the same time, the Section 8 subsidies paid by the housing authority will decrease because rents will be lower in lower opportunity areas. If SAHA implemented the standard HUD mandated SAFMRs, it could save money because SAHA would be spending less in subsidies for rentals located in lower opportunity areas. SAHA's plan ignores the potential savings that using a standard SAFMR policy could yield.

The Draft MTW Plan states that the effect of the implementation of SAFMRs on SAHA's budget is uncertain by vaguely referring to having "***potentially*** long-term cost implications on HAP expenditures."[5] SAHA is also using their status as a MTW agency and pointing to the fact that they cannot get reimbursed for higher voucher costs if they implement the standard HUD SAFMRs even though other MTW housing authorities have successfully done it.

However, SAHA has not addressesed whether they have enough money in its voucher reserves to cover the costs of immediately implementing HUD's SAFMR regulation. In January 2018, the United States Government Accountability Office released a report regarding the need to better monitor Moving to Work Agencies.[6] The report stated that "HUD has not implemented a process to monitor MTW reserves or agencies' plans for such reserves, which led to agencies accruing relatively large amounts of unused funds that could be used for vouchers."[7] SAHA could utilize its reserves to set-off any initial costs in implementation. To the extent that SAHA has voucher reserves, SAHA should consider using money from the voucher reserves to cover any higher costs of immediately implementing HUD's SAFMR policy. SAHA should prioritize decreasing the concentration of Section 8 vouchers in poor and segregated neighborhoods and allow families to have the choice of living in rapidly gentrifying neighborhoods and neighborhoods of opportunities.

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[5] Draft Plan at 26 (emphasis added).

[6] See generally UNITED STATES GOVERNMENT ACCOUNTABILITY OFFICE, ""*Improvements Needed to Better Monitor the Moving to Work Demonstration, Including Effects on Tenants*" January 2018, available at https://www.gao.gov/assets/690/689583.pdf.

[7] *Id.* at 2.

The January Guidance allows HUD to suspend a SAFMR designation from a metropolitan area or temporarily exempt a PHA in a designated SAFMR area from use of the SAFMRs.[8] However, in both cases, "the request must be based on a ***documented*** finding of an adverse rental housing market condition specific to the area or PHA requesting a suspension or temporary exemption."[9] SAHA has not provided specific documented data on the number of families that would want to move using the increased payment standards and its effect on the SAHA budget. During the public hearing SAHA staff explained that they currently only have anecdotal data on how many families would move using the increased payment standards and its effect on their budget. They stated that data surrounding the implementation of SAFMR needs to be fleshed out more and the results of Dr. Rebecca Walter's study will not be available until August 2018. As a result, HUD should deny any relief requested by SAHA for its failure to provide any evidence to support a documented finding of an adverse condition.

SAHA does not qualify for an exemption from HUD regarding SAFMRs based on its status as a MTW agency. When a MTW PHA does not have an alternative payment standard policy in its HUD-approved Annual MTW Plan, it is required to use SAFMRs as outlined in the final rule.

In giving special treatment to MTW agencies, HUD acknowledges that many MTW agencies have already adopted policies to make it easier for HCV families to move into high-opportunity neighborhoods. For example, in fiscal year 2016, the Atlanta Housing Authority ("***AHA***") established 23 sub-market payment standards in the City of Atlanta and additional payment standards in areas of opportunity in the AHA service area that extends 10 miles outside of the City of Atlanta.[10] For MTW agencies like Atlanta using innovative programs to increase housing choice for low-income families, we understand the decision behind continuing the alternative payment schedules already in place.

SAHA has not used an alternative payment standard in the past. Instead, SAHA has set its payment standard at the minimum of 90% of the published MAFMR in accordance with HUD guidelines. The Draft MTW Plan states that SAHA "is authorized to adopt and implement any reasonable policy to establish payment standards for tenant-based assistance that differ from the currently mandated program requirements." We disagree with this assessment. The January Guidance, in no uncertain terms, addresses the limited circumstances in which MTW agencies can avoid implementation of SAFMR, and SAHA does not qualify for an exemption. Because SAHA has never previously adopted alternative payment schedules, it cannot rely on flexibility under its status as a MTW agency.

Moreover, in the MTW Plan, SAHA states that implementation of SAFMRs "would force the agency to serve fewer households, making it non-compliant with its MTW baseline statutory requirement."[11] Does SAHA mean that it would serve fewer current program participants or

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[8] January Notice at Section (9).

[9] January Notice at Section 9(c) (emphasis added).

[10] Atlanta Housing Authority, "FY 2017 MTW Annual Plan For Fiscal Year Beginning July 1, 2016" October 26, 2016, available at https://www.atlantahousing.org/wp-content/uploads/2018/03/aha-fy-2017-mtw-annual-plan_boardapproved_revised-amended_2016-1026.pdf.

[11] Draft MTW Plan at 27.

future program participants? How is SAHA going to fund the expenditures under the Phase I-Two Tiered policy? Why couldn't SAHA choose to fund implementation of SAFMRs now? If SAHA has money in its voucher reserves to cover any increased costs of implementing the standard SAFMRs, SAHA could meet its MTW baseline statutory requirements.

SAHA has an obligation to increase housing choice. Instead, SAHA is seeking to maintain the status quo by giving fifty families a subsidy that would not be sufficient to allow them to move to areas of higher opportunity.

Additionally, the MTW Plan states that "[t]he implementation of multiple payment standards will have an upfront administrative burden. However, the January Guidance allows for SAHA to group the zip codes into zones as long as the rent is within 90% to 110% of the SAFMR for that zip code. SAHA could have 12 zones, for example, instead of the 130 different zip codes, to limit the administrative burden. Grouping zip codes would result in lower implementation costs.

SAHA has VASH vouchers for which it will implement SAFMRs. It would be more efficient to include all SAHA Section 8 vouchers in the SAFMR implementation process.

SAHA's policy does not include mobility counseling. The SAHA policy should include mobility counseling for Section 8 program participants.

Proposed affordability cap increase from 40% to 50%

The affordability cap should not be raised to 50%. Raising the cap above 40% will burden families with spending too much of their income on housing costs. At a 50% affordability cap, families will not have enough income left over after paying their rent to afford other necessities such as paying for utilities, and other necessities. Increasing the amount of rent that families must pay will lead to evictions, terminations from the Section 8 program, and homelessness. A 50% affordability cap would make rents unaffordable, and this would severely harm program participants and promote housing instability in San Antonio. At most, the housing affordability cap should be increased to 42% not 50%. Increasing the affordability cap while also using a MAFMR rent payment standard to calcuate rent will place an unreasonable and unaffordable rent burden on Section 8 program participants.

2. FY2019-Tiny Homes for Homeless/Youth Aging out of Foster Care-

Section III of the Draft MTW Plan describes the use of tiny homes as a means of providing housing to students. While we support efforts to house low-income students who are pursuing higher education, we are concerned that using a metric such as GPA to determine rent portion is potentially problematic from a fair housing perspective. Our concern stems from the potential for protected class groups to be disproportionately charged more for rent based on a metric that is unrelated to one's financial need. The current framework could result in a disparate impact on members of protected classes. For example, for students with learning disabilities, GPA may not be the best way to measure academic success; as a result, these students may have lower GPAs (and thus be charged more rent) when compared with persons who do not have disabilities. While current participants in the program should be held harmless (i.e., their rental portion should not increase), we urge SAHA to reevaluate the method by which rents in this program are determined.

SAHA should not calculate a program participant's rent amount based on their GPA. Ostensibly, the program is supposed to be about providing housing stability for students. Using a student's GPA to determine their rent will not help achieve this goal. Instead it will create unreasonable barriers to success and it will cause housing instability for students. Rent amounts will be inherently unstable because a student would never know what their rent will be until they receive their report card. The nonsensical idea of this approach means that if a student chooses to take a very difficult class where they would benefit from learning information that can help them get a job after graduation, and if the student is only able to get an average grade in the class, then SAHA will punish that student for being industrious enough to enroll in a difficult class. Grades are not always a reflection of a student's effort or future success. Even a good student can get a lower grade they don't deserve. SAHA should reconsider this arbitrary and unreasonable policy. SAHA should not use GPAs to determine rent amounts. Rent amounts should be calculated based on financial need.

Requiring students to complete 64-80 community service hours per semester will reduce the amount of time students have for part-time work, and to study. SAHA does not offer any data to support their idea of requiring community service as part of the tiny house project. SAHA's proposal is not supported by any research that shows that this requirement would benefit the student. The imposition of what is essentially a forced work requirement where the student receives no pay for the hours they work is an arbitrary,burdensome,and unreasonable requirement. It also creates another obstacle to a student's academic success.

Requiring students to be enrolled in at least 12 hours of coursework to be eligible for assistance is an unreasonable requirement. What if a student can't afford to pay tuition for 12 hours of coursework? What about students who may be the victims of domestic violence and may temporarily need to drop below the required 12 hours of coursework? What about a student who is disabled and who becomes too ill to finish all 12 hours of coursework ? Should that student also be punished by being evicted because they didn't complete 12 hours of coursework? Such a punitive policy would not create housing stability for students. SAHA's 12 hours of coursework requirement would discriminate against students who fall within the protected categories of gender, and disability.

How will SAHA fund these tiny houses? Will SAHA own the houses? What is the long term plan for the houses? Will they be sold and to who? Will nonprofit commuity organizations eventually be eligible to purchase the land and the tiny houses ? What benefits will the surrounding community receive from this project?

How big will the tiny houses be? There is no information about what standards these houses will meet. Will the houses be big enough to provide safe living conditions for the students who live there? Why were tiny houses chosen for this activity rather than an apartment complex or dorm for students? In the short run who will benefit financially from the construction of these tiny houses?In the long run who will benefit from this tiny house project?How long will the Tiny

House project be in existence? What are the plans for selling the land and houses at the conclusion of the Tiny House project?

4. FY2019-4: Third Party Agreements-

This SAHA proposal should not be implemented. SAHA should definitely have to get HUD's approval before it encumbers public housing property. This requirement is essential especially because SAHA is an MTW agency. MTW agencies have significantly less federal oversight than non MTW housing authorities. HUD's guidance and oversight before SAHA encumbers public housing property is essential to sound public policy.

Merely saying that SAHA does not want to wait until HUD approves something is missing the point that HUD has a vital role to play in giving SAHA information, guidance and tools to help SAHA make better decisions that comply with federal rules and laws. SAHA mentions cost as a factor, however, the costs of undoing or dealing with bad decisions can sometimes far outweigh the cost of doing things the right way to begin with. SAHA has to consult with HUD because SAHA is not a private corporation. SAHA fails to list any specific "innovative approach" that was hindered because SAHA had to get HUD's pre approval before it encumbered public housing property. SAHA's proposal is unreasonable because it disregards basic norms of administrative procedures that are in place to ensure that SAHA decisions are given the proper oversight before they are implemented. SAHA's proposal promotes lack of transparency regarding SAHA's decisions to encumber public housing property.

**Assisted Housing Program- FY2018-19 Administrative Plan Revisions:**

3.3.C- This section states that an applicant will be denied for an arrest within the past five (5) years for drug-related or violent criminal activity that resulted in a conviction.

The criminal history look back period for purposes of admission to SAHA's assisted housing program should not be five years. The criminal history look back period should be changed to two years for certain offenses such as but not limited to drug-related criminal activity, and assault.

Studies have shown that a criminal record is not statistically predictive of a future problematic tenancy. *See* Edward S. Casper & Doric Clark, *Service Utilization, Incidents and Hospitalizations Among People with Mental Illnesses and Incarceration Histories in a Supportive Housing Program*, 28 PSYCHIATRIC REHAB. J. 181 (2004); Daniel K. Malone, Assessing *Criminal History as Predictor of Future Housing Success for Homeless Adults with Behavioral Health Disorders,* 60 PSYCHIATRIC SERVS. 224 (2009); Jack Tsai & Robert A. Rosenheck, *Incarceration Among Chronically Homeless Adults: Clinical Correlates and Outcomes,* 12 J. FORENSIC PSYCHOL. PRAC. 307 (2012). SAHA should change its five year ban for certain offenses to a two year ban. Given the importance of stable housing to preventing recidivism, SAHA should change its policy to a shorter look back period when evaluating applicants for admission to SAHA's assisted housing program.

4.3.E- Early Engagement Program- Failure to attend an Early Engagement Briefing-

Applicants should not be denied admission for failing to attend an Early Engagement briefing. SAHA has not stated whether or how it would notify program participants that attending an Early Engagement briefing is mandatory and required for program admission. The revised language also does not say whether a program participant can ask to reschedule their attendance at an Early Engagement briefing. This section makes no mention of how SAHA will provide reasonable accommodations to disabled program applicants if they cannot attend the Early Engagement briefing. Not attending a program briefing is not a proper basis to deny admission to program applicants.

10.1.B- Denial of Moves –

SAHA should not deny a family the right to move if the program participant has not been terminated from the Section 8 program. Denying a family the right to move without first giving the family an opportunity to respond to allegations and request a hearing, and have a hearing, would violate due process. If the program participant has not been terminated from the Section 8 program SAHA must allow the family to move if SAHA has mailed the participant a Notice of Intent to Terminate Program Assistance; or if the participant has vacated the unit in violation of the lease; or if the participant has been evicted from the unit.

12.1.D- Mandatory Termination of Assistance:

This section should not be adopted as written. A court does not release a judgment during the course of a case. A judgment cannot be released until the Judgment is final. A Judgment is not final until a judge signs a Judgment and no appeal is filed. So a tenant cannot get a release of judgment during an appeals process as this section suggests. This section should be revised to read: Program participants who obtain a Release of Judgment should be re-instated in the Assisted Housing Program. Program participants should also be re-instated in the Assisted Housing Program if the program participant wins their eviction case, if the case is dismissed, or where the Plaintiff (landlord) in an eviction case fails to get a final eviction Judgment against the program participant.

**Public Housing- FY2018-19 Admissions and Continued Occupancy Policy (ACOP) Revisions**

3.1.L- Absence of Entire Family-

There may be situations where a reasonable accommodation request may need to be granted in certain circumstances. We therefore ask that the language be updated to reflect the fact that SAHA will consider reasonable accommodations on a case-by-case basis.

(iv) This section should include language that a program participant can request that a SAHA employee assist them in making a reasonable accommodation request to SAHA if the program participant is disabled and they will be or have been away from the rental unit for more than 45 consecutive days.

3.3C- Other Permitted Reasons for Denial of Admission-

There should be a two year look back period rather than a five year look back period when considering the applicant's criminal history. HUD guidance has identified how categorical exclusions can raise fair housing concerns. In order to make clear that SAHA is considering criminal history on a case-by-case basis, in subpart 3.3.C.(i) in both plans, SAHA should change the language to state that the "...family may be denied admission subject to an individualized assessment unless otherwise required by federal law." We ask that the "will be denied" be changed to a "may be denied" to demonstrate that SAHA has considerable discretion in admissions decisions.

5.2.B- Number of Rental Unit Offers

Program applicants should be given more than a one unit offer. There are potentially many valid reasons why a family would need more unit offers than a one unit offer. Demanding good cause after the first offer creates an unnecessary obstacle for new program participants and an administrative burden for SAHA. Every family should be offered at least two units before they have to demonstrate good cause to be offered another rental unit. This section should include language that a disabled program applicant can request a reasonable accommodation whereby they can receive more unit offers based on a reasonable accommodation request.

8.1.E.- Security Deposits

We ask SAHA to include a provision in its proposed ACOP changes to the section on Security Deposits (8.1.E.) that states that survivors of domestic violence, dating violence, sexual assault, and stalking will not be assessed charges for damages to the unit caused by a perpetrator of domestic violence, dating violence, sexual assault, or stalking.

12.3.B -Type of Resident Requested Transfers:

Split family transfers should be granted for separation and divorce. Resident requested transfers for neighbor disputes and deconcentration should also still be granted. Granting these types of transfers helps to amicably resolve disputes. These transfer requests implicate fair housing rights. Refusing to grant these transfers will harm program participants by refusing to address real concerns voiced by the program participants.

There is no basis for not approving these transfers. Proposed ACOP Section 12.3.B removes the ability of a resident to request a transfer for neighbor disputes. However, we ask that SAHA clarify that in the event of harassment of tenants by another tenant, including sexual harassment or harassment based on membership in a protected class, that SAHA would allow the tenant experiencing harassment to request a transfer, and that such requests should not be confused with disputes between neighbors.

16.3.B -Family Debts to SAHA-

SAHA should offer applicants repayment agreements. SAHA should offer families repayment agreements when the amount owed is over $3,000.00. SAHA should not attempt to collect alleged debts that are over four years old.

Additional ACOP comments:

Limited English Proficiency

Both the ACOP and Administrative Plan should state in their respective sections regarding LEP policies that minor children will not be allowed to act as interpreters.

VAWA

The existing ACOP does not appear to have been updated to reflect the provisions of the Violence Against Women Reauthorization Act of 2013 (VAWA 2013). For example, the existing ACOP should add references to "sexual assault" to the list of VAWA crimes referenced throughout the existing ACOP so as to be consistent with the updates included in VAWA 2013.[12] We also note that HUD has recently issued guidance, specifically Notice PIH-2017-08 (HA), that applies to PHAs (and HCV owners) that includes important guidance regarding implementation of VAWA 2013. Furthermore, the ACOP should be updated to reflect HUD's 2016 VAWA Rule.[13]

> Section 3.3.G(2)(e) of the existing Administrative Plan includes a definition of "stalking" that differs from the definition included in HUD regulations. *See* 24 C.F.R. § 5.2003.
>
> SAHA should ensure that "sexual assault" is included in the list of VAWA crimes within the Administrative Plan. For example, in 13.1.C(7) of the Administrative Plan, sexual assault is not referenced.

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[12] *See generally* 34 U.S.C.A. § 12491.

[13] HUD, Violence Against Women Reauthorization Act of 2013: Implementation in HUD Housing Programs, 81 Fed. Reg. 80,724 (Nov. 16, 2016) (24 C.F.R. Parts 5, et al), available at: https://www.gpo.gov/fdsys/pkg/FR-2016-11-16/pdf/2016-25888.pdf.

Both the Administrative Plan and ACOP should note that when discussing the notice of VAWA rights and the VAWA self-certification form, that these documents will be provided consistent with SAHA's language access obligations.[14]

Criminal History Review

Section IV of the MTW Plan outlines the Restorative Housing Pilot Program. We note that in discussing the criminal history review, SAHA says that it categorically excludes certain probationers (i.e., "Probationers with a criminal history that includes narcotics distribution, violent felonies, or multiple burglary offenses at any time will be ineligible.") from the program. However, categorical exclusions without an individualized assessment (other than those exempted by the FHA at 42 U.S.C. § 3607(b)(4) (regarding *convictions* for illegal manufacture or distribution of a controlled substance)) may violate the FHA to the extent that members of protected classes are excluded from accessing housing due to this policy.[15]

We ask SAHA to change its policy to include an individualized assessment for all probationers who apply for the pilot program, instead of categorical exclusions other than what is otherwise *required* by federal law. Furthermore, on page 74 of the MTW Plan, SAHA notes that "Probationers who are evicted due to an *arrest* or violation will be ineligible to apply for the Pilot in the future." As HUD has determined, arrests alone cannot form the basis for eviction from public or federally-assisted housing.[16]

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[14] 34 U.S.C.A. § 12491(d)(2)(D) (documents shall be provided in multiple language, consistent with HUD LEP Guidance); 24 C.F.R. § 5.2005(a)(3).

[15] *See e.g.*, HUD, Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions, 6 (Apr. 2016).

[16] HUD PIH 2015-19, Guidance for Public Housing Agencies (PHAs) and Owners of Federally-Assisted Housing on Excluding the Use of Arrest Records in Housing Decisions, at 3 (Nov. 2, 2015) ("HUD has reviewed relevant case law and determined that the fact that an individual was arrested is not evidence that he or she has engaged in criminal activity. Accordingly, the fact that there has been an arrest for a crime is not a basis for the requisite determination that the relevant individual engaged in criminal activity warranting denial of admission, termination of assistance, or eviction."); *see also HUD Criminal Records and Fair Housing Guidance* at 5 ("A housing provider with a policy or practice of excluding individuals because of one or more prior arrests (without any conviction) cannot satisfy its burden of showing that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest.")

Sincerely,

TEXAS RIOGRANDE LEGAL AID

C. Ilene Garcia
Attorney at Law

Kate Rainey
Attorney at Law

Sandra Tamez, Executive Director
Fair Housing Council of Greater San Antonio

Renee Williams, National Housing Law Project

LSC

# Exhibit A

| Tier 1 Amounts Proposed by SAHA | Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|---|
| | $584 | $721 | $901 | $1,189 | $1,444 |

# Tier 1

**SAFMR Payment Amounts**

| | Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|---|
| 78002 | $570 | $710 | $880 | $1,170 | $1,420 |
| 78003 | $640 | $790 | $980 | $1,300 | $1,580 |
| 78009 | $560 | $690 | $870 | $1,240 | $1,500 |
| 78010 | $610 | $750 | $940 | $1,240 | $1,500 |
| 78039 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78052 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78054 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78055 | $600 | $740 | $920 | $1,220 | $1,480 |
| 78063 | $600 | $740 | $920 | $1,210 | $1,470 |
| 78064 | $600 | $690 | $920 | $1,180 | $1,380 |
| 78069 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78070 | $860 | $1,060 | $1,320 | $1,750 | $2,130 |
| 78073 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78112 | $640 | $790 | $990 | $1,310 | $1,590 |
| 78113 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78114 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78115 | $670 | $830 | $1,040 | $1,370 | $1,660 |
| 78121 | $710 | $880 | $1,100 | $1,450 | $1,760 |
| 78123 | $600 | $740 | $930 | $1,230 | $1,490 |
| 78130 | $720 | $870 | $1,080 | $1,460 | $1,750 |
| 78131 | $730 | $900 | $1,130 | $1,490 | $1,810 |
| 78132 | $680 | $840 | $1,050 | $1,380 | $1,680 |
| 78133 | $720 | $890 | $1,110 | $1,470 | $1,780 |
| 78140 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78143 | $600 | $740 | $930 | $1,220 | $1,480 |
| 78147 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78150 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78155 | $560 | $690 | $870 | $1,150 | $1,390 |
| 78156 | $670 | $830 | $1,040 | $1,370 | $1,660 |
| 78160 | $680 | $830 | $1,040 | $1,370 | $1,670 |
| 78161 | $600 | $740 | $930 | $1,220 | $1,480 |
| 78163 | $730 | $900 | $1,130 | $1,490 | $1,810 |
| 78201 | $580 | $720 | $900 | $1,190 | $1,440 |
| 78202 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78203 | $560 | $690 | $870 | $1,150 | $1,380 |

**SAHA Payment Amount - SAFMR**

| Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|
| $14 | $11 | $21 | $19 | $24 |
| ($56) | ($69) | ($79) | ($111) | ($136) |
| $24 | $31 | $31 | ($51) | ($56) |
| ($26) | ($29) | ($39) | ($51) | ($56) |
| $24 | $31 | $31 | ($51) | $64 |
| $24 | $31 | $31 | $39 | $64 |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($16) | ($19) | ($19) | ($31) | ($36) |
| ($16) | ($19) | ($19) | ($21) | ($26) |
| ($16) | $31 | ($19) | $9 | $64 |
| $24 | $31 | $31 | $39 | $64 |
| ($276) | ($339) | ($419) | ($561) | ($686) |
| $24 | $31 | $31 | $39 | $64 |
| ($56) | ($69) | ($89) | ($121) | ($146) |
| $24 | $31 | $31 | $39 | $64 |
| $24 | $31 | $31 | $39 | $64 |
| ($86) | ($109) | ($139) | ($181) | ($216) |
| ($126) | ($159) | ($199) | ($261) | ($316) |
| ($16) | ($19) | ($29) | ($41) | ($46) |
| ($136) | ($149) | ($179) | ($271) | ($306) |
| ($146) | ($179) | ($229) | ($301) | ($366) |
| ($96) | ($119) | ($149) | ($191) | ($236) |
| ($136) | ($169) | ($209) | ($281) | ($336) |
| $24 | $31 | $31 | $39 | $64 |
| ($16) | ($19) | ($29) | ($31) | ($36) |
| $24 | $31 | $31 | $39 | $64 |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| $24 | $31 | $31 | $39 | $54 |
| ($86) | ($109) | ($139) | ($181) | ($216) |
| ($96) | ($109) | ($139) | ($181) | ($226) |
| ($16) | ($19) | ($29) | ($31) | ($36) |
| ($146) | ($179) | ($229) | ($301) | ($366) |
| $4 | $1 | $1 | ($1) | $4 |
| $24 | $31 | $31 | $39 | $64 |
| $24 | $31 | $31 | $39 | $64 |

| | SAFMR Payment Amounts | | | | | SAHA Payment Amount - SAFMR | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Efficiency** | **1B** | **2B** | **3B** | **4B** | **Efficiency** | **1B** | **2B** | **3B** | **4B** |
| 78204 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78205 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78206 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78207 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78208 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78210 | $580 | $720 | $900 | $1,180 | $1,430 | $4 | $1 | $1 | $9 | $14 |
| 78211 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78214 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78215 | $710 | $870 | $1,090 | $1,440 | $1,740 | ($126) | ($149) | ($189) | ($251) | ($296) |
| 78218 | $630 | $770 | $960 | $1,270 | $1,550 | ($46) | ($49) | ($59) | ($81) | ($106) |
| 78219 | $610 | $750 | $940 | $1,230 | $1,500 | ($26) | ($29) | ($39) | ($41) | ($56) |
| 78220 | $590 | $730 | $920 | $1,210 | $1,470 | ($6) | ($9) | ($19) | ($21) | ($26) |
| 78221 | $570 | $710 | $890 | $1,170 | $1,420 | $14 | $11 | $11 | $19 | $24 |
| 78222 | $610 | $750 | $940 | $1,240 | $1,510 | ($26) | ($29) | ($39) | ($51) | ($66) |
| 78223 | $590 | $730 | $910 | $1,210 | $1,460 | ($6) | ($9) | ($9) | ($21) | ($16) |
| 78224 | $610 | $750 | $940 | $1,240 | $1,500 | ($26) | ($29) | ($39) | ($51) | ($56) |
| 78225 | $570 | $700 | $870 | $1,150 | $1,400 | $14 | $21 | $31 | $39 | $44 |
| 78226 | $560 | $690 | $870 | $1,150 | $1,380 | $24 | $31 | $31 | $39 | $64 |
| 78227 | $590 | $730 | $910 | $1,210 | $1,460 | ($6) | ($9) | ($9) | ($21) | ($16) |
| 78228 | $570 | $700 | $880 | $1,160 | $1,410 | $14 | $21 | $21 | $29 | $34 |
| 78234 | $970 | $1,200 | $1,500 | $1,980 | $2,410 | ($386) | ($479) | ($599) | ($791) | ($966) |
| 78235 | $830 | $1,020 | $1,280 | $1,680 | $2,040 | ($246) | ($299) | ($379) | ($491) | ($596) |
| 78236 | $970 | $1,200 | $1,500 | $1,980 | $2,410 | ($386) | ($479) | ($599) | ($791) | ($966) |
| 78237 | $560 | $690 | $870 | $1,150 | $1,390 | $24 | $31 | $31 | $39 | $54 |
| 78238 | $610 | $760 | $940 | $1,250 | $1,510 | ($26) | ($39) | ($39) | ($61) | ($66) |
| 78242 | $600 | $750 | $930 | $1,230 | $1,490 | ($16) | ($29) | ($29) | ($41) | ($46) |
| 78243 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78244 | $810 | $1,000 | $1,250 | $1,640 | $2,000 | ($226) | ($279) | ($349) | ($451) | ($556) |
| 78245 | $710 | $880 | $1,100 | $1,450 | $1,760 | ($126) | ($159) | ($199) | ($261) | ($316) |
| 78246 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78252 | $810 | $1,000 | $1,250 | $1,650 | $2,010 | ($226) | ($279) | ($349) | ($461) | ($566) |
| 78263 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78264 | $630 | $770 | $970 | $1,270 | $1,530 | ($46) | ($49) | ($69) | ($81) | ($86) |
| 78265 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78268 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78269 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78270 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78278 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78279 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78280 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78283 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78288 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78291 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |
| 78292 | $650 | $800 | $1,000 | $1,310 | $1,600 | ($66) | ($79) | ($99) | ($121) | ($156) |

**SAFMR Payment Amounts**

| | Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|---|
| 78293 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78294 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78295 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78296 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78297 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78298 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78299 | $650 | $800 | $1,000 | $1,310 | $1,600 |
| 78606 | $640 | $820 | $1,000 | $1,360 | $1,750 |
| 78623 | $730 | $900 | $1,130 | $1,490 | $1,810 |
| 78638 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78648 | $720 | $870 | $1,080 | $1,460 | $1,750 |
| 78655 | $720 | $870 | $1,080 | $1,460 | $1,750 |
| 78666 | $740 | $890 | $1,090 | $1,460 | $1,760 |
| 78670 | $660 | $810 | $1,010 | $1,340 | $1,620 |
| 78676 | $800 | $950 | $1,160 | $1,560 | $1,880 |
| 78850 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78883 | $610 | $760 | $950 | $1,250 | $1,520 |
| 78884 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78885 | $610 | $750 | $940 | $1,240 | $1,500 |

**SAHA Payment Amount - SAFMR**

| Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($66) | ($79) | ($99) | ($121) | ($156) |
| ($56) | ($99) | ($99) | ($171) | ($306) |
| ($146) | ($179) | ($229) | ($301) | ($366) |
| $24 | $31 | $31 | $39 | $64 |
| ($136) | ($149) | ($179) | ($271) | ($306) |
| ($136) | ($149) | ($179) | ($271) | ($306) |
| ($156) | ($169) | ($189) | ($271) | ($316) |
| ($76) | ($89) | ($109) | ($151) | ($176) |
| ($216) | ($229) | ($259) | ($371) | ($436) |
| $24 | $31 | $31 | $39 | $64 |
| ($26) | ($39) | ($49) | ($61) | ($76) |
| $24 | $31 | $31 | $39 | $64 |
| ($26) | ($29) | ($39) | ($51) | ($56) |

| Tier 2 Amounts Proposed by SAHA | $649 | $801 | $1,001 | $1,321 | $1,604 |
|---|---|---|---|---|---|

# Tier 2

**SAFMR Payment Amounts**

| | Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|---|
| 78006 | $760 | $930 | $1,170 | $1,480 | $2,050 |
| 78015 | $1,010 | 1250 | $1,560 | $2,030 | $2,590 |
| 78023 | $830 | 1020 | $1,270 | $1,680 | $2,040 |
| 78101 | $730 | $900 | $1,130 | $1,490 | $1,800 |
| 78108 | $970 | $1,200 | $1,500 | $1,980 | $2,410 |
| 78109 | $790 | $980 | $1,220 | $1,620 | $1,960 |
| 78124 | $640 | $800 | $990 | $1,310 | $1,590 |
| 78148 | $670 | $830 | $1,040 | $1,370 | $1,660 |
| 78152 | $560 | $690 | $870 | $1,150 | $1,380 |
| 78154 | $780 | $960 | $1,200 | $1,590 | $1,930 |
| 78209 | $720 | $880 | $1,110 | $1,460 | $1,770 |
| 78212 | $610 | $750 | $930 | $1,230 | $1,500 |
| 78213 | $680 | $840 | $1,050 | $1,380 | $1,670 |
| 78216 | $660 | $820 | $1,020 | $1,350 | $1,640 |
| 78217 | $670 | $830 | $1,040 | $1,370 | $1,660 |
| 78229 | $690 | $850 | $1,060 | $1,400 | $1,690 |
| 78230 | $720 | $890 | $1,110 | $1,470 | $1,780 |
| 78231 | $650 | $800 | $1,000 | $1,320 | $1,610 |
| 78232 | $790 | $980 | $1,230 | $1,620 | $1,960 |
| 78233 | $700 | $860 | $1,080 | $1,420 | $1,730 |
| 78239 | $750 | $930 | $1,160 | $1,530 | $1,860 |
| 78240 | $740 | $920 | $1,140 | $1,510 | $1,830 |
| 78247 | $810 | $1,000 | $1,240 | $1,640 | $1,990 |
| 78248 | $770 | $950 | $1,190 | $1,570 | $1,910 |
| 78249 | $810 | $990 | $1,240 | $1,640 | $1,990 |
| 78250 | $670 | $830 | $1,040 | $1,370 | $1,660 |
| 78251 | $710 | $880 | $1,100 | $1,450 | $1,760 |
| 78253 | $960 | $1,170 | $1,470 | $1,950 | $2,370 |
| 78254 | $890 | $1,090 | $1,370 | $1,800 | $2,190 |
| 78255 | $970 | $1,200 | $1,500 | $1,980 | $2,410 |
| 78256 | $770 | $950 | $1,180 | $1,560 | $1,890 |
| 78257 | $720 | $890 | $1,110 | $1,460 | $1,780 |
| 78258 | $900 | $1,120 | $1,390 | $1,840 | $2,230 |
| 78259 | $920 | $1,130 | $1,420 | $1,870 | $2,270 |
| 78260 | $970 | $1,200 | $1,500 | $1,980 | $2,410 |
| 78261 | $960 | $1,190 | $1,490 | $1,960 | $2,380 |
| 78266 | $970 | $1,200 | $1,500 | $1,980 | $2,410 |

**SAHA Payment Amount - SAFMR**

| Efficiency | 1B | 2B | 3B | 4B |
|---|---|---|---|---|
| ($111) | ($129) | ($169) | ($159) | ($446) |
| ($361) | ($449) | ($559) | ($709) | ($986) |
| ($181) | ($219) | ($269) | ($359) | ($436) |
| ($81) | ($99) | ($129) | ($169) | ($196) |
| ($321) | ($399) | ($499) | ($169) | ($806) |
| ($141) | ($179) | ($219) | ($299) | ($356) |
| $9 | $1 | $11 | $11 | $14 |
| ($21) | ($29) | ($39) | ($49) | ($56) |
| $89 | $111 | $131 | $171 | $224 |
| ($131) | ($159) | ($199) | ($269) | ($326) |
| ($71) | ($79) | ($109) | ($139) | ($166) |
| $39 | $51 | $71 | $91 | $104 |
| ($31) | ($39) | ($49) | ($59) | ($66) |
| ($11) | ($19) | ($19) | ($29) | ($36) |
| ($21) | ($29) | ($39) | ($49) | ($56) |
| ($41) | ($49) | ($59) | ($79) | ($86) |
| ($71) | ($89) | ($109) | ($149) | ($176) |
| ($1) | $1 | $1 | $1 | ($6) |
| ($141) | ($179) | ($229) | ($299) | ($356) |
| ($51) | ($59) | ($79) | ($99) | ($126) |
| ($101) | ($129) | ($159) | ($209) | ($256) |
| ($91) | ($119) | ($139) | ($189) | ($226) |
| ($161) | ($199) | ($239) | ($319) | ($386) |
| ($121) | ($149) | ($189) | ($249) | ($306) |
| ($161) | ($189) | ($239) | ($319) | ($386) |
| ($21) | ($29) | ($39) | ($49) | ($56) |
| ($61) | ($79) | ($99) | ($129) | ($156) |
| ($311) | ($369) | ($469) | ($629) | ($766) |
| ($241) | ($289) | ($369) | ($479) | ($586) |
| ($321) | ($399) | ($499) | ($659) | ($806) |
| ($121) | ($149) | ($179) | ($239) | ($286) |
| ($71) | ($89) | ($109) | ($139) | ($176) |
| ($251) | ($319) | ($389) | ($519) | ($626) |
| ($271) | ($329) | ($419) | ($549) | ($666) |
| ($321) | ($399) | ($499) | ($659) | ($806) |
| ($311) | ($389) | ($489) | ($639) | ($776) |
| ($321) | ($399) | ($499) | ($659) | ($806) |

# Written Comments received April 3

**SAHA Response to Texas Low Income Housing Information Service (TLIHIS) Comments**

1. SAFMR
    a. If these comments are a good indication, TLIHIS and SAHA share important policy goals: to increase housing choices for low-income households. However, this set of comments does not fully address the implementation consequences of the strong tenant protections that SAHA is proposing to put into place. It is inaccurate to say that SAHA is proposing to delay implementation of Small Area Fair Market Rents (SAFMR). The proposal advances SAFMR deconcentration and opportunity goals as quickly as possible without negatively impacting existing residents and without decreasing the number of households served every year.
    b. The comments appear to interpret the one-year transition period as an implementation delay. There is no such delay: as proposed in the MTW Plan, advancement of SAFMR policy goals begins during the transition period. Starting July 2018, every move from Tier 1 to Tier 2 will deconcentrate vouchers and increase access to opportunity -- advancing both of the key policy goals that SAFMR is designed to accomplish. SAHA's approach starts with a map of these policy goals, a two-tier map that shows above and below average voucher concentration and opportunity. This map will go into effect at the beginning of the transition period. SAHA will also provide, during this initial year, voucher subsidy incentives (higher payment standards) for households to move from high-concentration / low-opportunity areas to low-concentration / high-opportunity areas. The one-year transition period is consistent with default HUD SAFMR timelines, and necessary to minimize negative outcomes when transitioning from one long-established process (MAFMR) to a new one (SAFMR).
    c. Program changes proposed for the transition period are designed to be temporary first steps. SAHA does not expect nor claim that a one-year transition period will result in dramatic improvements in household life outcomes. Such outcomes -- better employment, education, or health -- take years to play out. Instead, the focus during the transition period can best be characterized as "first, do no harm" to households who could lose subsidy, while simultaneously starting a process of voucher deconcentration and increase in access to neighborhoods of opportunity.

The first year will also provide time and space for policy discussions around opportunity and new program partnerships around mobility.

d. SAHA has received numerous helpful ideas during the comment period for this MTW Plan, and has incorporated many of these ideas into the latest draft MTW Plan. These include:
    i. Replaced a 50-household cap with a $1.5 million dollar limit on Tier 2 HAP. This allows for more direct monitoring of financial constraints, while potentially allowing a greater number of households to move to Tier 2.
    ii. Dropped Tier 1 FMR to 80% of MAFMR for new residents. This frees up additional subsidy to support a greater number of households moving to Tier 2.
    iii. Added an exception overlay to address rapidly-changing zip codes and place-based revitalization initiatives. Zip codes added to this overlay include existing Choice Neighborhood, Brooks Development Authority, and others areas based on the top block groups experiencing increases in property appraisals from 2011-2016 as identified in NALCAB's recent vulnerability analysis.

e. SAHA is interested in the proposal to allow administrative exemptions (up to 120%) for disabled residents. It raises a policy question that staff will develop (with stakeholders) during the transition period: how should opportunity be defined, given the range of needs and priorities expressed by residents? Alternatively, SAHA already grants higher payment standards for disabled residents who find a unit that meets their needs, so implementing this proposal may not require new policy.

f. Regarding the proposed increase in affordability cap from 40% to 50%, SAHA agrees that this proposal, in itself, is insufficient to increase housing choices. However, allowing for flexibility above the 40% limit seems like an important piece of the puzzle. This will be one of the factors studied during the transition year, particularly through any hardship policy outcomes. If it turns out that households rely on this flexibility to an excessive extent (too often or for large dollar amounts), then SAHA will revisit this.

2. Tiny Homes
    a. The MTW Plan has been amended to reflect that specific program details, whether generated by SAHA or project partners, will be reviewed as project reaches final phases.
    b. While SAHA is open to discussing any draft proposals, the Agency is committed to its strategic goal to empower and equip residents to achieve economic stability and will align the final program details with its self-sufficiency strategies which include supporting education success.

3. Waiting List Removal

a. Staff have previously tested the use of client emails in addition to mailed letters and the response rate was less than 10%. Some PHAs only use emails while most surveyed continue to only use mailed letters. Staff is exploring other methods of communicating with clients, including email, text, and portals.

## SAHA Response to Texas Rio Grande Legal Aid (TRLA) Comments

1. SAFMR
   a. The comments appear to interpret the one-year transition period as an implementation delay. There is no such delay: as proposed in the MTW Plan, advancement of SAFMR policy goals begins during the transition period. Starting July 2018, every move from Tier 1 to Tier 2 will deconcentrate vouchers and increase access to opportunity -- advancing both of the key policy goals that SAFMR is designed to accomplish. SAHA's approach starts with a map of these policy goals, a two-tier map that shows above and below average voucher concentration and opportunity. This map will go into effect at the beginning of the transition period. Also during the transition period, SAHA will provide voucher subsidy incentives (higher payment standards) for households to move from high-concentration / low-opportunity areas to low-concentration / high-opportunity areas. The one-year transition period is consistent with default HUD SAFMR timelines, and necessary to minimize negative outcomes when transitioning from one long-established process (MAFMR) to a new one (SAFMR).
   b. Program changes proposed for the transition period are designed to be temporary first steps. SAHA does not expect nor claim that a one-year transition period will result in dramatic improvements in household life outcomes. Such outcomes -- better employment, education, or health -- take years to play out. Instead, the focus during the transition period can best be characterized as "first, do no harm" to households who could lose subsidy, while simultaneously starting a process of voucher deconcentration and increase in access to neighborhoods of opportunity. The first year will also provide time and space for policy discussions around opportunity and new program partnerships around mobility.
   c. The proposed two-tier map is drawn based on the two policy goals advanced by SAFMR: (1) deconcentration of vouchers and (2) increased access to opportunity. Tier 1 comprises zip codes that have higher than average voucher concentration (compared to overall County average) and/or lower than average opportunity (based on indicators that Dr. Rebecca Walter proposed). Conversely, Tier 2 is zip codes that have lower than average concentration *and* higher than average opportunity. The map does not use SAFMR values to determine any boundaries, but is solely based on those two policy goals. There are a couple of reasons for using this map instead of an SAFMR-based map. The primary reason is that we can more clearly communicate the program's progress toward its stated policy goals by mapping actual policy baselines and outcomes. Secondary reasons include dated SAFMR values, our understanding of SAFMR as a proxy indicator

for opportunity, and the need for time to transition administrative processes from a single MAFMR value to multiple SAFMR values. This particular map is useful during the transition period because it establishes a solid and straightforward starting point for policy discussion and program development -- and starts households moving in the right geographical direction. The two-tier map will be replaced by more detailed maps during year 2. These second-generation maps will incorporate the latest market data, policy goals, and stakeholder input.

d. SAHA agrees that the transition period map and payment standards are not designed to maximize the number of households moving to high-cost neighborhoods (Tier 2). Instead, SAHA is maximizing the number of households that can move to Tier 2 while protecting existing households from a drop in voucher subsidy, and while maintaining the capacity to serve the same number of households. Over time, as the number of households executing new contracts with decreased subsidy in low-cost areas increases, a growing number of households will be able to move to higher-cost areas.

e. SAHA has received numerous helpful ideas during the comment period for this MTW Plan, and has incorporated many of these ideas into the latest draft MTW Plan. These include:
    i. Replaced a 50-household cap with a $1.5 million dollar limit on Tier 2 HAP. This allows for more direct monitoring of financial constraints, while potentially allowing a greater number of households to move to Tier 2.
    ii. Dropped Tier 1 FMR to 80% of MAFMR for new residents. This frees up additional subsidy to support a greater number of households moving to Tier 2.
    iii. Added an exception overlay to address rapidly-changing zip codes and place-based revitalization initiatives. Zip codes added to this overlay include existing Choice Neighborhood, Brooks Development Authority, and others areas based on the top block groups experiencing increases in property appraisals from 2011-2016 as identified in NALCAB's recent vulnerability analysis.

f. One argument made in these comments is that SAHA could save money if it implemented the standard HUD SAFMR. The logic provided is that rents and subsidy would decrease in lower-cost areas. On the one hand, this argument is incorrect within the one-year timeframe that the MTW Plan covers, since HUD requires some tenant protection in low-cost areas. Even if SAHA were to implement the standard HUD SAFMR, SAHA could only decrease payment standards gradually (maximum of 10% per year) and would need to provide a 12-month notice to existing residents. Essentially, SAHA's cost savings would be no different from the current MTW Plan proposal (which excludes new residents from tenant protection). On the other hand, this argument underestimates (over a multiple-year time span) the impact on households in low-cost areas. As voucher subsidy decreases, it is not safe to assume that rents will automatically decrease. Landlords set rent based on a number of factors, and may decide to maintain rent levels even as voucher subsidy diminishes. This is particularly true because voucher subsidy will not decrease at all for certain households, and will decrease slowly for others. (HUD allows payment standards to decrease by a maximum of 10% per year.) In cases where the landlord decides to maintain rent levels, households will be forced to make a difficult decision: come up with additional funds to make up the lost subsidy, or move to another unit.

g. Contrary to the assertion made in these comments, no MTW agency has yet adopted SAFMR without MTW-related flexibilities and adjustments. The one example cited by previous commenters, Pittsburgh, recently issued a statement describing the agency's intent to pursue an MTW activity. This makes sense, given that, unlike non-MTW agencies, MTW agencies are not provided any reimbursement funding to implement SAFMR.
h. One comment states that SAHA should include mobility counseling as part of SAFMR. Indeed, SAHA's research and understanding of best practices appears to indicate that the successful achievement of SAFMR goals requires effective mobility counseling. Similarly, the literature suggests that a third-party, not the housing authority, is usually best situated to provide that mobility counseling -- both in terms of funding availability and service delivery. SAHA is committed to work, during the transition period, with stakeholders and policy makers to develop a sustainable solution that provides quality mobility counseling to voucher households who seek to move to neighborhoods of their choice.
i. SAHA continuously upholds its commitment to fair housing law and practice, in all programs. The MTW Plan has been updated to include explicit policy goals related to all protected classes, including race. While SAHA does not expect a single voucher program to undo generations of segregated housing patterns, especially in one transitional year, the proposed SAFMR activity is designed to make higher-cost neighborhoods more accessible than they are today to voucher households, without denying housing choice to households in lower-cost neighborhoods. The transfer of subsidy from low-cost to high-cost vouchers will have a beneficial impact on many households, but SAHA is being careful to ensure that households who do not wish or are unable to move are not forced to do so due to rapidly falling voucher subsidy.

2. Tiny homes
    a. The MTW Plan has been amended to reflect that specific program details, whether generated by SAHA or project partners, will be reviewed as project reaches final phases. While SAHA is open to discussing any draft proposals, the Agency is committed to its strategic goal to empower and equip residents to achieve economic stability and will align the final program details with its self-sufficiency strategies which include supporting education success.
    b. The comments are accurate to point out that program details are not included in the MTW Plan. The purpose of the MTW Activity is to secure specific flexibilities related to time-limited housing assistance and allocation of project based

vouchers, even as program details are being worked out by Alamo Colleges and SAHA. Later updates will provide greater detail.

3. Third Party Agreements
    a. SAHA's internal controls are regularly audited and reported to the public and the Board, as well as HUD. The proposed MTW Activity would streamline projects without hindering transparency or oversight.