



# CHAPEL HILL PUBLIC HOUSING

Wednesday, September 16, 2020

Faith M. Brodie, Public Housing Director



# History of Public Housing

- Federal Housing Act of 1937
- Chapel Hill Housing Authority May 1962
- Town Department July 13, 1987 (NCGS 157-4.1)

# Benefits of Being a Town Department

- Availability of Town equipment and services used by Housing department in lieu of contracting with private vendors
- Allows residents a forum to share concerns, needs, and suggestions for improvement
- Condition of apartments exceeds minimum housing code standards
- Centralization of human resources, financial, and legal services
- Improves better stewardship of funding

# Funding Sources



- HUD Operating Subsidies
- Capital Grant Funds
- Rental Income
- Annual Contributions Contract (ACC)

# 2020 Staff & Functions



## ■ RENTAL COLLECTION

- *Accountant & Housing Officer II*

## ■ MAINTENANCE

- *1 Supervisor, 1 Lead Mechanic, 1 Admin Assistant, 6 Mechanics*
- *(2 vacancies: 2<sup>nd</sup> Lead Mechanic; 1 Maintenance Mechanic)*

## ■ MANAGEMENT DUTIES

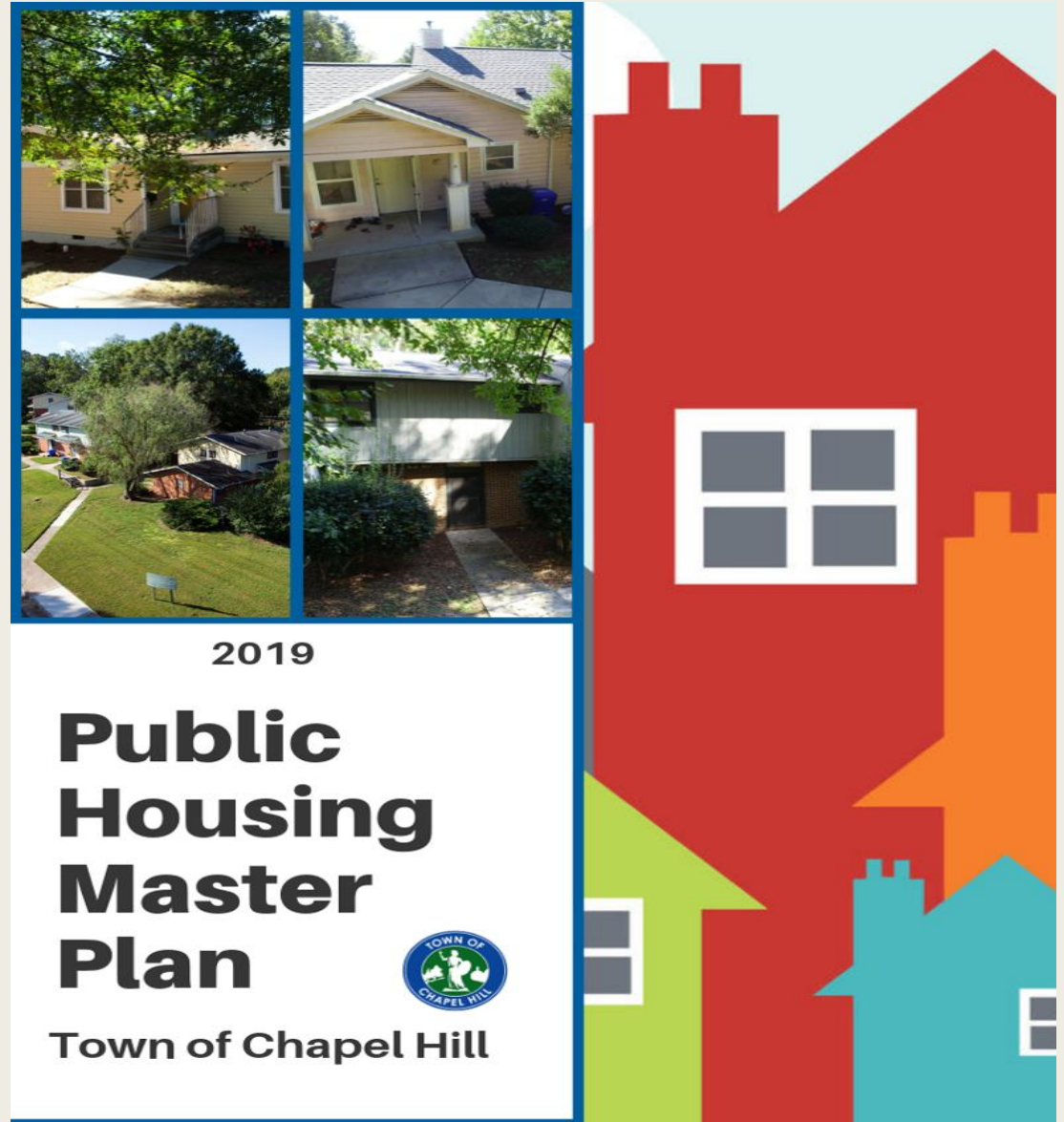
- *Director, Operations Manager, Management Analyst, Office Assistant*

## ■ SECTION 3, COMMUNITY SERVICE, AND ADMISSIONS

- *Housing Officer I*

# OUR BUSINESS:

- Housing Maintenance, Preservation & Creation
- Community Programming and Engagement
- Operational Excellence – the organizational structure



# COVID-19 and Changes in Public Housing

- Food Distribution relocated from Public Housing neighborhoods to adjust for increase in number of participants.
- To reduce increased exposure, Maintenance Mechanics responded to emergency work orders only from March to September.
- Three distributions of mask to Public Housing Residents and Food Bank participants (4,500 mask)

## Town of Chapel Hill Public Housing



**Before COVID-19**

\*Data collected Jan. 31, 2020



289

**Number of Households**

\$374

**Average Household Rent**

64%

**Percentage of Households with Employment Income**

6%

**Percentage of Households with No Income**

**During COVID-19**

\*Data collected Sep. 3, 2020



291

\$248

43%

11%



# HOW HUD EVALUATES HOW WE DO BUSINESS



## PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

The Public Housing Assessment System, or PHAS, is the system that HUD uses to assess a PHA's performance in managing its low-rent public housing programs or its AMPs (Assessment Management Projects aka "**Project**").

HUD uses a **100-point scoring system** based on four categories of indicators:

- PASS (Physical Assessment Subsystem) – **40 points**
- FASS (Financial Assessment Subsystem) – **25 points**
- MASS (Management Assessment Subsystem) – **25 points**
- CFP (Capital Fund Program) – **10 points**



## **MASS (Management Assessment Subsystem) – 25 points**

## **CFP (Capital Fund Program) – 10 points**


What is its Purpose? The purpose of the management operations indicator is to assess the AMP's and PHA's management operations capabilities.

Occupancy: Emphasizes and measures the AMP's performance in keeping available units occupied. The higher the occupancy rate, the higher the score.

What is its Purpose? The purpose of the Capital Fund program assessment is to examine the period of time it takes a PHA to obligate the funds provided to it from the Capital Fund program.

Occupancy Rate – Measures occupancy rate at fiscal year end after adjusting for HUD approved vacancies.

# Management Assessment Subsystem





## MASS Scoring

Occupancy Rate	• 16 points
Tenant Accounts Receivable	• 5 points
Accounts Payable	• 4 points
<b>Total MASS</b>	<b>25 points</b>

\*\* Prior to COVID-19, we were showing improvement in the other two areas: tenant account receivables & accounts payable

# Chapel Hill Public Housing PHAS

PHAS Indicators	Score	Maximum Score
Physical	25	40
Financial	25	25
Management 	3	25
Capital Fund 	5	10
Late Penalty Points	0	
<b>PHAS Total Score</b>	<b>58</b>	<b>100</b>
<b>Designation Status:</b>	<b>Troubled</b>	
Published 03/31/2020	Initial published	10/30/2019

# Troubled Status = Recovery Agreement

**WHEREAS**, on the basis of an annual PHAS score, the PHA has been designated Troubled or Substandard for financial, physical and/or management indicators, or other such deficiencies as HUD has identified; and

**WHEREAS**, the Act requires HUD to enter into agreements that establish performance targets, set out strategies for meeting targets, provide for incentives and sanctions for effective implementation of the strategies leading to recovery of performance and attain an improved status of at least a Standard Performer; and

**WHEREAS**, the recovery of performance is intended to lead to a sustainable sound fiscal management and good governance; and

**WHEREAS**, the parties desire to correct all HUD-identified deficiencies through the implementation of this Recovery Agreement, (“Agreement”);

# Elements of the Recovery Agreement

- Board increase its knowledge & understanding of HUD's PHA programs
- Board, Director, and Staff participate in HUD trainings
- Prioritize capital Funding
- Correct deficiencies identified in HUD inspections
- Track vacancies – monthly report to HUD
- Present repositioning plan for Trinity Court
- Improve Unit Turn around time
- Improve revenues by collecting rents in a timely manner
- Improve the time it takes to expend Capital Grant Funds
- Reduce Tenant Account Receivables

# Compliance with the Recovery Agreement

- Council has received “Lead the Way” training information
- Council will receive information on all upcoming HUD training
- Public Housing staff will make quarterly update reports starting February 2021.
- Capital Funds have been properly obligated and expended
- All deficiencies identified by HUD inspectors have been corrected
- Vacancies are being tracked and reported
- Plans for Trinity repositioning continue
- Hired 2<sup>nd</sup> contractor to reduce time to prepare a unit for a new tenant
- Impacts of COVID and reduced employment has negatively affected the collection of rents
- Reducing tenant account receivables – extended repayment agreements

# NEXT STEPS.....

- Submitted Disposition/Demolition application for Trinity to HUD (this will remove Trinity from our vacancy report and **improve our score**)
- Q2 (February 2021) Quarterly report will share our progress in the areas of:
  - *Physical maintenance/improvements*
  - *Financial – liquidity and current assets*
  - *Management Assessment – accounts receivables and expenditures*
  - *Capital Fund Management – amounts received, upcoming projects*
  - *Tenant statistics and waiting list information*



1. What questions do you have for us?

2. What would you like to see added or deleted from our Quarterly Reports?