



CHAPEL HILL PUBLIC HOUSING UPDATE

Wednesday, September 16, 2020
Faith M. Brodie, Public Housing Director



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History of Public Housing

- Federal Housing Act of 1937
- Chapel Hill Housing Authority May 1962
- Town Department July 13, 1987 (N.C.G.S. 157- 4.1)

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Funding Sources



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

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2020 Staff & Functions



- **RENT COLLECTION**
 - *Accountant & Housing Officer II*
- **MAINTENANCE**
 - *1 Supervisor, 1 Lead Mechanic, 1 Admin Assistant, 6 Mechanics*
 - *(2 vacancies: 2nd Lead Mechanic; 1 Maintenance Mechanic)*
- **MANAGEMENT & REPORTING**
 - *Director, Operations Manager, Management Analyst, Office Assistant*
- **SECTION 3, COMMUNITY SERVICE, AND ADMISSIONS**
 - *Housing Officer I*

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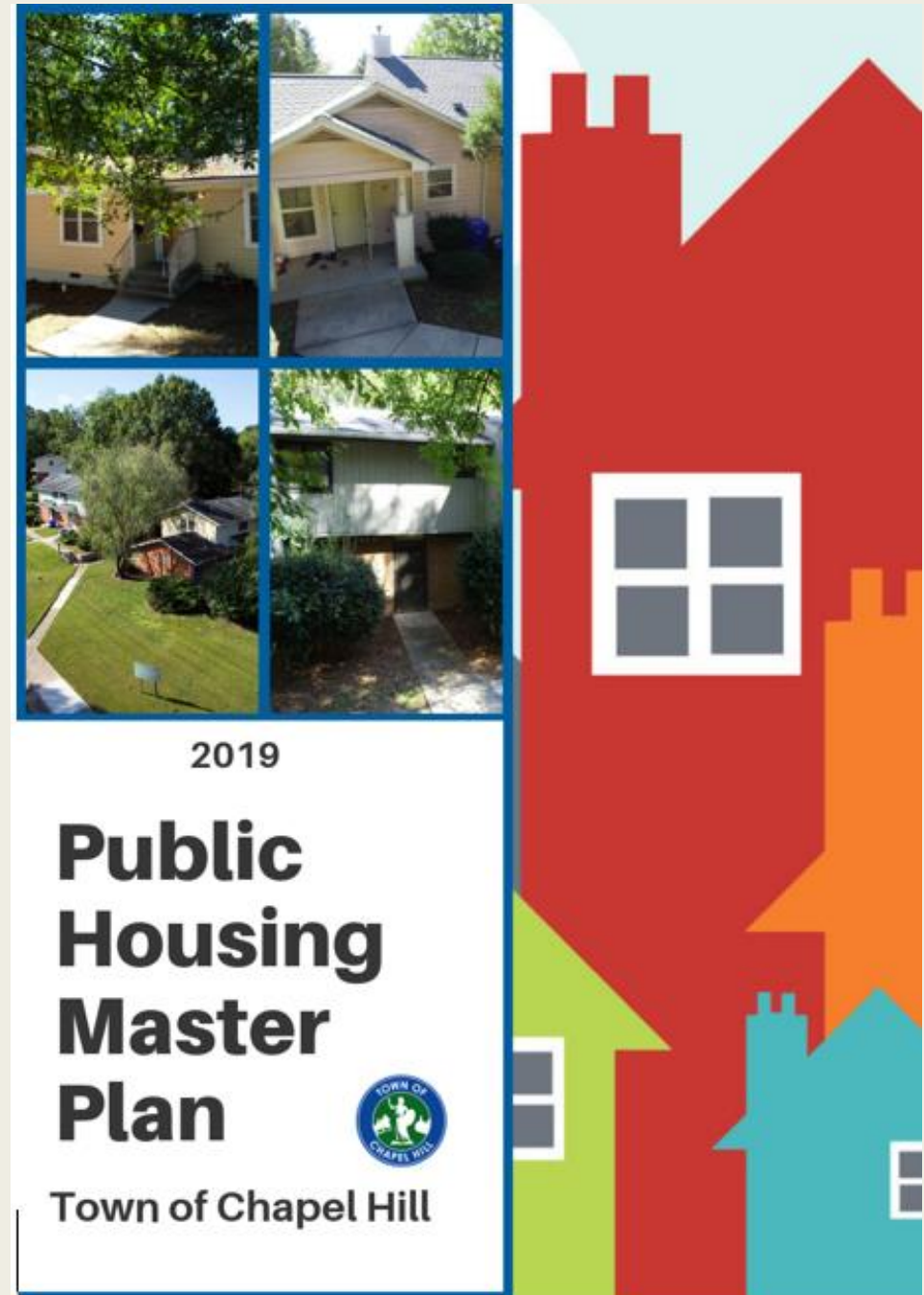
Benefits of Being a Town Department

- Availability of Town equipment and access to department staff
- Allows residents a forum to share concerns, needs, and suggestions for improvement
- Condition of units exceeds minimum housing code standards
- Centralization of human resources, financial, and legal services
- Better stewardship of funding

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HOW WE DO BUSINESS:

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



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HOW HUD EVALUATES HOW WE DO BUSINESS



PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

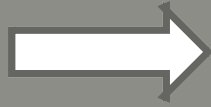
The system that HUD uses to assess a PHA's performance in managing its low-rent public housing programs or its **AMPs** (Assessment Management Projects aka "Project")

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

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

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



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



What is its Purpose? To assess the Project's management operations capabilities.

Emphasizes and measures the Project's performance in keeping available units occupied. **The higher the occupancy rate, the higher the score.**



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

The CFP also measures occupancy at the beginning of the fiscal year and **deducts points for any vacancies not HUD approved.**

We are assessed twice for occupancy rates.

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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	
PHAS Total Score	58	100
Designation Status:	Troubled	
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”);

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Elements of the Recovery Agreement

- Council increase its' knowledge & understanding of HUD's PHA programs
- Council, 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 more timely manner
- Improve the time it takes to expend Capital Grant Funds
- Reduce Tenant Account Receivables

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Compliance with the Recovery Agreement

- Council has received “Lead the Way” training information
- Council will receive information on all upcoming training by HUD
- Public Housing will make quarterly reports to Council
- Capital Funding has been obligated and expended within time limits
- All deficiencies identified by HUD during inspections have been corrected
- Vacancies are being tracked and a monthly report submitted.
- Plans for Trinity repositioning continue
- Hired 2nd contractor to reduce time to prepare a unit for new tenant
- Impacts of COVID and reduced employment has negatively affected the collection of rents.
- Reduce Tenant Account Receivables – extended repayment agreements.

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NEXT STEPS

- Submitted Disposition/Demolish application for Trinity to HUD (this will remove them from our vacancy report)
- Q2 report to share our efforts 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
 - Engagement efforts

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Questions

1. What questions do you have?
2. What would you like to see added or deleted from Quarterly Reports moving forward?

