



PUBLIC HOUSING ANNUAL REPORT

Including FY21 Q4: April- June

Our quarterly reports are designed to provide an overview of the Town’s Public Housing Department. Consistent with the United States Housing & Urban Development (HUD)’s rating, we also include information as it pertains to the Public Housing Assessment System (**PHAS**).

PHAS was created by **HUD** to evaluate the overall condition of each housing agency to obtain results that are objective, uniform, and verifiable.

Chapel Hill’s listed PHAS score is based on the Oct. 2019 Real Estate Assessment Center (**REAC**) inspection. Due to the COVID conditions, there has not been a graded assessment since that time. HUD conducted a 2021 **Habitability Inspection** on July 27 and 29, but that did not affect the existing PHAS score.

Our October 2019 scores:	-Management: 5 (out of 25)
	-Capital Fund: 5 (out of 10)
	-Physical Condition: 19 (out of 40)
Total Score:	54 out of 100
Status:	Troubled Status

Graded as a Troubled Status resulted in a requirement for us to design and fulfill a **Recovery Agreement** with HUD. Our Recovery Agreement contained the following corrective actions:

- All Elected Officials and Senior Leadership Staff participating in HUD’s “Lead the Way” training;
- Increasing the quantity and quality of external contractors;
- Improving the expenditure of our capital funds;
- Evaluating maintenance staffing and performance; and
- Evaluating previous REAC reports for strategies to improve Capital Fund and maintenance costs.

These are our evaluation tools referred to as **PHAS Indicators**. Public Housing leadership added a fifth indicator, Community Engagement, to identify opportunities for further connections with tenants. The five indicators are listed below, as well as their evaluation measures and steps taken to positively influence those measures.

INDICATOR	HUD EVALUATION MEASURES	ACTIONS TAKEN TO IMPROVE SCORE
Physical Condition	▪ Physical inspections	▪ Building improvements ▪ Repairs
Financial Condition	▪ Management of funds	▪ Monitor and process all invoices to ensure they are paid within 30 days

Management	<ul style="list-style-type: none"> ▪ Tenant Accounts Receivable ▪ Occupancy Rate ▪ Accounts Payable 	<ul style="list-style-type: none"> ▪ Account for reductions in rent due to loss of income during pandemic ▪ Offer timely rent payment incentives ▪ Maintain all payable accounts within current status; paid within 90 days
Capital Fund	<ul style="list-style-type: none"> ▪ Obligation of HUD funds ▪ Occupancy Rate 	<ul style="list-style-type: none"> ▪ Obligate funds to specific projects – Create timeline to show exactly which properties will be improved ▪ Decrease time units are vacant
Community Engagement*	<ul style="list-style-type: none"> ▪ Created indicators to develop and analyze community engagement efforts. 	<ul style="list-style-type: none"> ▪ Continue Monthly newsletter ▪ Coordinate weekly Food Bank ▪ Facilitate Resident’s Council ▪ Survey residents reference programming interest

*added by Public Housing leadership to maintain and improve connections with tenants.



OUR “NEW NORMAL” DEALING WITH COVID PANDEMIC

- Continued pre-screening process (employees, tenants, and applicants)
- Distributed face guards to Public Housing staff
- Continued abbreviated monthly safety inspections
- Responded to Emergency Work Orders only (maintained record of Routine Work Order Request)
- Staggered staffing at Administrative Office



PHYSICAL CONDITION

QUARTER 1: JULY to SEPTEMBER 2020

- Responded to 184 Emergency Work Orders; 167 (90%) closed within 24 hours.
- Responded to Pest Control as needed; halted regular inspections for safety of residents and staff.
- New contract with landscape company for Public Housing properties
- Repair contracts completed or in progress:
 - Rebuilding of fire damaged units at Oakwood (E1 and E2)

QUARTER 2: OCTOBER to DECEMBER 2020

- Responded to 179 Emergency Work Orders; 173 (98%) closed within 24 hours.
- Responded to monthly Pest Control and air conditioner filter changes.
- Continued residential entry level inspections.
- Repair contracts completed or in progress:
 - Repair of brick wall at Sykes St. playground
 - Reroofing of Craig/ Gomains and Lindsay St. (19 buildings)
 - Continued rebuilding of fire damaged units at Oakwood (E1 and E2)

QUARTER 3: JANUARY to MARCH 2021

- Responded to 152 Emergency Work Orders; 148 (96%) closed within 24 hours.
- Responded to monthly Pest Control and air filter changes.
- Repair contracts completed or in progress: Oakwood burn units, sidewalk repairs

- Continued rebuilding of fire damaged units at Oakwood (E1 and E2)
- New sidewalk at Oakwood (D unit)
- 4 abandoned units reclaimed and repaired for leasing.
- Replaced flooring and completed asbestos remediation in 509C at Craig/Gomains
- Resurfaced bathtubs at Airport Gardens (21 bathtubs)

QUARTER 4: APRIL TO JUNE 2021

- Resolved 128 Emergency Work Orders, closing 92% within 24 hours.
- Maintained ledger of needed routine repairs.
- Completed safety inspections for all AMP II neighborhoods in preparation for the HUD Habitability Inspections; including smoke alarm checks, light bulb replacements, air filter changes and minor repairs.
- 30 Unit Turnovers completed
- Repair contracts completed or in progress: fencing around playground at S. Estes, renovation of units with fire damage at Oakwood.



FINANCIAL CONDITION/ OPERATING FUND

- Liquidity Rate and Money Owed to Vendors have improved;
- However, Adequacy of Reserves rate decreased

Quarter 1	10%
Quarter 2	52%
Quarter 3	26%
Quarter 4	117%



MANAGEMENT

QUARTER 1: JULY to SEPTEMBER 2020

- Tenant Account Receivable: 94% of accounts receivable paid
- Occupancy Rates: 6 vacant units at the end of the quarter, all being prepared to lease.

QUARTER 2: OCTOBER to DECEMBER 2020

- Tenant Account Receivable: 98% of accounts receivable paid
- Occupancy Rates: 7 vacant units at the end of the quarter
 - 2 units under repair due to fire damage, 5 being prepared to lease

QUARTER 3: JANUARY to MARCH 2021

- Tenant Account Receivable: 99% of accounts receivable paid
- Occupancy Rates: 8 vacant units at the end of the quarter
 - 2 units under repair due to fire damage, 6 being prepared to lease.

QUARTER 4: APRIL TO JUNE 2021

- **Tenant Account Receivable:** 94% of accounts receivable paid

- **Occupancy Rates:** 5 vacant units at the end of the quarter
 - 2 units being completed from fire damage, 3 being prepared to lease
- Transfer of 3 households to appropriate bedroom-sized unit based on deconcentration plan’s findings
- Unit Turnaround Process Improvement team created; held 4 meetings and collected data on last 15 unit turnarounds to analyze.



CAPITAL FUND

- Funds used for development, preservation, financing, modernization, and management improvements.
- 100% allocation of funds to identified projects.
- Summary of Capital Fund Grant balances per quarter*.
 - *4th Quarter balance does not reflect acceptance of FY22 grant. We report those funds in FY22Q1:

Quarter	Current Encumbrances	Available Balance
4	\$270,457.89	\$2,058,460.59
3	\$260,031.55	\$2,137,648.83
2	\$333,313.41	\$2,182,249.84
1	\$304,688.85	\$2,363,794.71

- Quarter 3 Projects: Virtual Staff Retreat, Ballentine Associates-Affordable Housing Development analysis, Re-glazing bathtubs, asbestos testing, and abatement, reroofing at Craig Gomains.
- **Quarter 4 Projects: Asphalt and pavement evaluation in collaboration with Public Works. Replaced fencing around playground area in South Estes neighborhood.**



COMMUNITY ENGAGEMENT

QUARTER 1: JULY to SEPTEMBER 2020

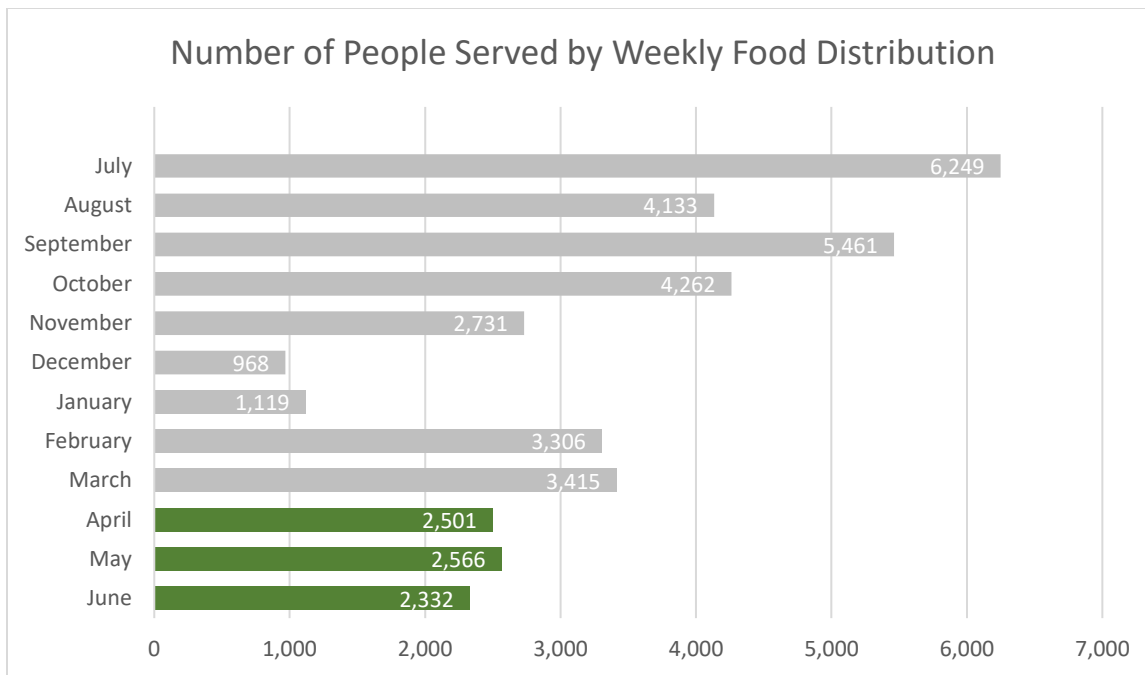
- Mailed monthly newsletter to tenants.
- Continued operation of weekly food distribution.

QUARTER 2: OCTOBER to DECEMBER 2020

- Mailed monthly newsletter to tenants.
- Mailed 2021 Calendars to tenants including information on community resources.
- Mailed invitations to the new Resident Council to residents
- Partnered with Piedmont Health Services to administer COVID tests and flu shots.
- Distributed over 2,500 masks to tenants.
- Continued operation of weekly food distribution.

QUARTER 3: JANUARY to MARCH 2021

- Mailed monthly newsletter to tenants.
- Held monthly Resident Council Meetings in January, February, and March
- Continued re-certification of Tenant’s employment and family size.
- Continued operation of weekly food distribution.



Quarter 4: Community Engagement

- 296 Newsletters mailed each month
- 25 Newsletters sent electronically to community partners
- Resident Council convened each month
- Over 7,000 people served at weekly Food Bank Distribution
- 204 income and family size recertifications completed
- Wellness Committee information shared with tenants
- Office Assistant met regularly with Everbridge, a public communication platform created to allow for communication with tenants via automated calls and alerts.
- COVID Vaccination & Testing information sponsored by Piedmont Health shared with all tenants
- National Night Out event held in 3 Public Housing neighborhoods, staff, police and fire department present
- Distribution of Emergency Preparedness bags to $\frac{1}{4}$ of Public Housing households (other $\frac{3}{4}$ distributed in FY22 Q1)
- Two community engagement meetings held with Community Housing Partners for Trinity Re-Imagined project; a third is scheduled for December 2021.

**** NOTES AND DEFINITIONS**

HUD- U.S. Department of Housing and Urban Development

PHAS- Public Housing Assessment System- An assessment tool used by HUD to measure Public Housing Agencies uniformly and consistently.

PHAS Indicators - Four areas of Public Housing Agency operations that are inspected and rated; they are physical condition, financial condition, management, and capital fund.

Habitability Inspection: HUD conducted inspections; does not result in “grade” but does allow PHA to make corrections to any identified needs.

Liquidity- The ratio between cash and current liabilities.

- The higher the ratio, the better the score.

Adequacy of Reserves-the ratio between unrestricted resources and average monthly operating expenses

- The higher the ratio, the better the score.

Unrestricted Resources- Access to anything that can be turned into cash (unrestricted cash, tenant’s security deposits, unrestricted investments)

Monthly Operating Expenses- dwelling rent expense, operating expense, and extraordinary maintenance (divided by 12 for a monthly average)

Adjusted Operated Income-the ratio between operating income and annual debt service.

Accounts Payable-the ratio between total vendor accounts payable and monthly operating expense.

- The lower the ratio, the higher the score
- Accounts payable-(both > and < than 90 days)/Monthly operating expenses