

**THE HOUSING AUTHORITY OF FORT MILL**

**MOVING-TO-WORK**

**APPLICATION**

**2020**

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## Vision for PHA's Local MTW Program

The Housing Authority of Fort Mill has long waited for the Moving-To-Work program to become a reality for a small agency. Fort Mill is located just south of the border to Charlotte, North Carolina and growing in leaps and bounds, despite retaining the small-town feel. The jurisdiction covers not only the Town of Fort Mill, but the city of Tega Cay and the community of Indian Land in neighboring Lancaster county. The employment possibilities are many, with everything from office work to manufacturing. Even more job opportunities are available across the state line in Charlotte, NC.

The Housing Authority of Fort Mill envisions that the participants of the Section 8 Housing Choice Voucher program will not only use the assistance but feel a part of the program and the community as a whole. York County District 4 (Fort Mill) schools are ranked highest in the state. Clients with children want to keep their kids in schools here and to become contributors to the community overall. They feel that living in the Fort Mill area has allowed them to improve their lives.

The Housing Authority of Fort Mill has only one coordinator for the Section 8 Housing Choice Voucher program and due to restrictions on funding the hours of this coordinator have been reduced to 32 hours a week. The amount of paperwork that is sometimes required for each client is daunting and each hour worked needs to be spent wisely, not only in verifying income, but in helping the clients obtain self-sufficiency.

Self-sufficiency does not always mean owning a home, however being able to pay your monthly bills alone with some savings is an obtainable self-sufficiency goal. Clients have stated that they would benefit from financial counseling which the Housing Authority non

profit affiliate can provide to help clients improve their credit, as well as the possibility of saving to purchase a home.

The Housing Authority always strives to provide fair housing to everyone. The staff will reach out to the schools as the primary information source for all races and ethnicities in the Fort Mill area. Posters and applications will be provided and in constant contact with the advisory staff.

## 2. Plan for Future Community / Resident Engagement

All current residents have been invited to participate in the resident meetings. Further meetings will be scheduled bi-annually with the residents to discuss the moving-to-work changes and challenges.

New ways to process information is also currently being established by providing a resident / applicant portal for certification material. Technology will be used to keep everyone informed as well as providing the Section 8 residents with newsletters from the Housing Authority.

The Housing Authority Board of Commissioners meet on the first Monday of the even months (bi-monthly). Clients or community members are welcome to attend these meetings.

The Housing Authority currently has a website that is going to be updated and information will be maintained frequently. The Housing Authority also has a Facebook page that is maintained and updated very often.

There will be a continued search for more ways to engage residents. A planned effort will be made to reach out to the local schools and the Department of Social Services to include

individuals from all backgrounds. The staff will continue to receive training in Fair Housing Regulations. Residents will also be invited to attend Fair Housing trainings, compensated for by the Housing Authority.

### 3. PHA Operating and Inventory Information

The Housing Authority of Fort Mill completed the conversion to a RAD November 2014 and provides 141 income-based housing through multifamily PBRA units. These residents are also eligible for choice mobility within the Section 8 program after being housed for a period of two years. Due to the low turnover in the Section 8 program this has been approximately four households a year since 2016 and only three have leased up and only one within the Fort Mill area. Demographically there should not be a big change. The current families within the Multifamily program include 37 elderly, 29 disabled, and 64 families with children. The vacancy rate is less than 3% and would be less if not replacing floors and kitchen cabinets when tenants moveout. There is always a wait list of more than 100 families and a turnover of 15.8 average households a year over the last five years.

The Housing Authority of Fort Mill is allocated for 154 vouchers. Currently, there are 130 families leased under the voucher program. The agency pays for 16 portability vouchers in other jurisdictions and administers 30 portability vouchers living in Fort Mill. Currently under the Housing Choice Voucher program consists of 23% elderly, 26% disabled, and 51% of working or non-working families.

Also, located in Fort Mill is public housing operated by South Carolina Regional 1 Housing Authority. This is only 28 units.

The Housing Authority intends on reaching out to more landlords with possible incentives of \$500 lease up bonus to encourage landlord participation with the voucher program to help break the stigma of Section 8 tenants, as well as just doing community outreach. Fort Mill has only three low income tax credit apartment complexes, however there are 19 other apartment complexes which do not accept Section 8 vouchers. Most of the 19 complexes rent at a rate more than the Housing Authority's Payment Standard, but not all. The goal is to add these landlords, as well as more private owners to our list.

The Housing Authority had a market study done in 2017 that showed a need of 2242 rental assisted units in the Fort Mill area, with a projection of approximately 290 families being added yearly at that time. The schools are the best representation of this growth with the school enrollment being 9921 in the school 2009 – 2010 year to currently 17,056 this year; this is a growth of 72%.

#### 4. Plan for Local MTW Program

The Housing Authority of Fort Mill's goal is to reach the highest level of effectiveness, not only for the Agency, but also for the residents that are being served. It is felt that the annual recertifications for fixed income families and the verification of certain types of income are redundant and are not the most productive use of time. Proof of assets, such as bank statements and life insurance policies are generally a waste of time since they must have a \$5000 value before any type of value is assumed. A self-certification for everyone that has a stated asset value of \$20,000 or less will eliminate most of these verifications either done by staff or required by residents to obtain. Obtaining verifications for monthly, annual, and interim recertifications are the bulk of working hours for the Section 8 coordinator. Fixed income families will go to a triennial recertification process. Working families also need to be able to work and have some

deductions while seeking self-sufficiency. Further changes may be adopted as time continues to simplify the process and achieve the same result. Medical deductions will eventually be removed by increasing the threshold gradually and decreasing the amount of total tenant payment. While reviewing each current tenant's file, it was found that childcare is a large deduction for many working families. The Housing Authority will change to using a standard deduction based on averages currently paid by tenants.

Inspections are currently being done on an annual basis. As a cost reduction, landlords and tenants can certify that repairs from an annual inspection are completed. Reinspections are still required for all initial inspections. The Housing Authority may seek to move to a biennial inspection but will continue to conduct them annually to clarify that all residents are living in a safe and healthy home. When inspections are held, the Housing Authority not only sees where the landlord may be at fault but also what the resident does not report to their landlord.

The use of a Flat Utility Allowance based on bedroom size will be of great benefit for the Housing Authority. There are two electric companies, two natural gas companies, four water companies, operating in the agency's jurisdiction. There are also many different types of dwelling units. In most cases, calculation of the new utility allowance only changes a client's HAP by a few dollars.

An effort is going to be made to reduce the rent burden by decreasing the percentage of income paid by participants over a four-year period. This would also decrease the amount for deductions being allowed, but the overall outcome should be profitable to working tenant by a small amount. Non-working families (excluding elderly and disabled) will see an increase in the amount they will have to pay or eventually termination will occur if they do not secure employment.

Efforts will be made to provide non-working families with education and the proper resources, such as through the Department of Social Services and the local colleges, so they may hopefully improve their lifestyle. Working families will receive direction to Financial Counselors to improve their credit if they choose to do so.

One of the largest reviews to occur will be for working families to determine if an interim certification is necessary. The goal is to help the working families to become self-sufficient and not reporting a small raise would be advantageous to them to possibly save funds. The only reason to report a change would be due to a hardship, such as losing your job. This would have stipulations though. If someone loses a job through no fault of their own, they will have 6 months to find a job. If they lose a job due to their own fault, they would

Eventually there will be a merger of the small area fair market rents to become a general payment standard, which would increase some areas, but will also decrease some. This would give a better choice if landlords are willing to lease to residents. Incentives to landlords are also an inclusion to bring them to our list of possibilities but does not relieve the burden of the landlord to suitably screen their tenants.

#### 5. Proposed Use of MTW Funds

The Housing Authority of Fort Mill no longer has Section 9 – Public Housing Funds. All the funds that will be used are Section 8. The RAD property is owned by the Housing Authority and there are funds that may be used until the MTW plan is in full operation after all phase ins have occurred. The Housing Authority will request that the intermingling of funds from HAP to Admin be allowed to assist with landlord incentives and possibly other tenant incentives such as transportation.



## 6. Evidence of Significant Partnerships

The Housing Authority of Fort Mill currently has a working relationship with the Department of Social Services here in York County, which will increase by coordinating education programs, as well as benefits. Affinity Health Center in Rock Hill also works with the Housing Authority's non-profit in housing some of their clients, so a relationship is already built there and the possibility of internships as well as volunteer service may be available. A strong sense of community values and local companies securing the stability of our town and surrounding neighborhoods. Carolina Community Action also is an outlet to help individuals receive training and education.

The resources that are available in-kind may also come from the Fort Mill Rotary and the Fort Mill School District to provide training and possible internships.

York Technical College and Winthrop University will be contacted and brochures regarding educational tracts and financing will be made available to all residents.

## 7. Significant Dates and Milestones for the PHA's Local MTW Program

The fiscal year for the Housing Authority of Fort Mill ends on June 30, so a projected start date for the Moving-To-Work program is July 1, 2021. Hopefully, notice will be received in January 2021 of approval so there is five to six months to make changes. The first of these changes will be the adaptation of the housing software that is currently being used; SACS. Secondly the five year plan will have to be revised. Third, the Section 8 administrative plan will have to be changed as well to adopt the rules of the Moving-To-Work. The Board of Commissioners must also approve this plan. There will also be a 30 day comment period, with

another resident's meeting in April or May of 2021. All of the new recertification must be done and completed by May 31 to be effective for July 1, 2021.

The first year will be the primary announcement of the program to all the residents as well as wait list applicants. No new residents (including ports) that are not employed working 30 hours or more a week or classified as elderly/disabled. A rent change percentage will occur that should drop everyone's rent by approximately \$15.00 in most cases, along with the use of a Flat Utility Allowance. The first-year percentage will be 29% of income for tenant total payment with the same deductions and an average for utilities to create the Flat Allowance.

The second year will then be 28% of income for the total tenant payment. All households (excluding disabled /elderly) will have a minimum of ten hours a week at minimum wage or whatever their prior zero income proclamation was (whichever is higher). The minimum rent will increase from \$50 to \$75, as well as the medical / medical expense threshold will rise from 3% to 5%. The dependent deduction will be \$240 per dependent and the elderly / disabled deduction will be \$200.

The Housing Authority will make significant partnerships with the Department of Social Services and the local colleges and provide any information that is obtained to all current residents.