

ATTACHMENT B.1 – REVISION OF PHA PLAN ELEMENTS

A. Financial Resources

The table below summarizes HHA’s preliminary, estimated 2022 financial resources to further its mission of providing quality affordable housing to eligible households. HHA is pleased to report that it secured Moving to Work (MTW) designation in FY 2021, following extensive public comment, Board approval and HUD review processes. HHA intends to utilize the financial flexibility permitted pursuant to HUD’s MTW Operations Notice to maximize the use of available resources to fulfill its mission.

Annual operating budgets for FY 2022 will be prepared during the August to November 2021 time frame for approval by the HHA and affiliate Boards.

Houston Housing Authority 2022 Estimated Financial Resources

Source	Estimated Amount
Housing Choice Voucher Program	169,493,676
Mainstream Voucher Program	1,834,264
Mod Rehab Voucher Program	2,731,661
Continuum of Care Program	2,753,527
Emergency Housing Voucher Program	7,630,956
Section 8 New Construction	1,189,363
Public Housing Operations Including RAD	28,026,890
Capital Fund Program	7,329,317
Resident Service Grants	614,734
Central Office	6,563,746
Business Activity	27,798,878
Real Estate Component Units	22,948,820
State and Local Grants	1,188,553
TOTAL	280,104,385

B. Rent Determination

HHA’s policies related to rent determination are included in the Public Housing Admissions and Continued Occupancy Policy (ACOP) and Housing Choice Voucher Program Administrative Plan (HCV Administrative Plan). As part of the Annual Plan process, HHA has proposed modifications to both the ACOP and HCV Administrative Plan, including incorporating streamlining changes allowable under existing HUD regulations and notices. Summaries of proposed changes and the revised policy documents are included as an attachment to this Annual Plan.

As noted, HHA has been designated a Moving to Work agency by HUD as part of Cohort 2 of the MTW Expansion initiative. Under Cohort 2, HHA will participate in a national rent reform evaluation that will impact both the public housing and Housing Choice Voucher programs. As part of the process for applying for MTW designation, HHA developed a proposed alternative MTW rent policy, conducted an extensive resident/community engagement process to review the policy and secured HHA Board of Commissioners approval.

HHA projects that initial implementation of the MTW rent reform evaluation process will commence in FY 2022 after all Board and HUD approvals have been obtained. Prior to implementation, HHA will work as needed with HUD and its national evaluation team to review and finalize all applicable policies and processes related to MTW rent reform including, but not limited to, those related to selecting “control” and “treatment” groups for the evaluation. HHA will then prepare and distribute for public comment an MTW Supplement to the PHA Annual Plan that describes all of the elements of the new MTW rent reform policy and process. The MTW Supplement will also include other MTW waivers for which HHA will seek public comment, HHA Board and HUD approval.

C. Substantial Deviation/Significant Amendment or Modification

Definition of Substantial Deviation and Significant Amendment or Modification

HHA considers any of the following to be a substantial deviation from the agency’s 5-Year Plan and a significant amendment or modification to the agency’s Annual Plan. If any of the listed criteria are met, HHA will submit a revised Plan(s) that satisfies all public process requirements. Changes made to comply with new or revised HUD rules do not constitute significant deviation or modification from the Plans presently submitted. Revisions made to work items and activities contained in the Plan to accommodate the loss of PFS subsidy or capital funds received from HUD as a result of inadequate appropriations shall not be considered substantial deviation or significant modification from the present plans.

5-Year Plan

- Complete deletion of a stated overall goal.
- Addition of an overall goal.
- Revisions to the HHA mission statement that deviates from the present commitments.

Annual Plan

- Elective changes to rent, admissions, or tenant selection policies.
- Creation of new waiting lists, including site-based or sub-jurisdiction lists.
- Additions of non-emergency work items (items not included in current Capital Plan Annual Statement or 5-Year Action Plan).
- Changes in use of replacement reserve funds under the Capital Fund.
- Any additions of activities or revisions to the demolition, disposition, designation, homeownership or conversions activities currently listed in the Plan.

Rental Assistance/Section 18 Related Substantial Deviation

As part of the Rental Assistance Demonstration (RAD), HHA is redefining the definition of a substantial deviation from the Annual Plan to exclude the following Section 18 and/or RAD-specific items:

- The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance.
- Changes to the Capital Fund budget produced as a result of each approved RAD conversion regardless of whether the proposed conversion will include use of additional Capital Funds.
- Changes to the Relocation Plan and processes for each approved RAD conversion.
- Changes to the construction and rehabilitation plan for each approved RAD conversion.
- Changes to the financing structure for each approved RAD conversion.
- Changes to the Section 18 Disposition Plan and/or application for units identified in this Plan.

ATTACHMENT B.2 – NEW ACTIVITIES

A. HOPE VI/Choice Neighborhoods

Funding provided through HUD's Choice Neighborhoods program provides an opportunity to develop and implement comprehensive revitalization plans that address the needs of older HHA public housing developments, the neighborhoods in and around these developments, and the residents that live in public housing and the neighborhood. Choice Neighborhoods is a highly competitive grant program through which HUD provides Planning and Implementation grant funding in support of the Choice Neighborhoods program goals related to Housing, Neighborhood and People.

HHA, with the City of Houston as Co-Applicant, was awarded an FY 2020 Choice Neighborhoods Planning grant to develop a Transformation Plan for Cuney Homes and the Third Ward neighborhood. Initial planning activities began in FY 2021 and will continue throughout FY 2022 and beyond in accordance with the grant proposal and budget approved by HUD. Upon completion of the Transformation Plan, HHA may elect to apply for a Choice Neighborhoods Implementation grant.

In FY 2022, HHA may apply for a Choice Neighborhoods Planning Grant for Kelly Village (TX005000014) or other eligible public housing developments. Built in 1939, Kelly Village is located in Houston's historic Fifth Ward.

B. Mixed Finance/Modernization or Development

In FY 2022, HHA will continue an ambitious development and preservation initiative to revitalize and/or preserve affordability of the existing housing portfolio and to expand the availability of affordable housing units throughout the City. HHA will continue to collaborate with and may designate additional, qualified development partners and sites selected in accordance with HHA Board-approved procedures. In these efforts, HHA utilizes all available and appropriate funding/financing tools and strategies including Low Income Housing Tax Credits (LIHTC), Mixed Finance Development, Rental Assistance Demonstration (RAD) conversions, Public Facilities Corporation (PFC) designation related development, Project Based Vouchers (PBV), MTW funding, Community Development Block Grant, FEMA and other sources.

HHA will continue to evaluate and pursue where feasible the acquisition or development of ACC public housing units (Faircloth) as part of the overall development initiative. All development activities require review and approval by the HHA Board of Commissioners and are subject to HUD and/or other regulatory review and approval.

Development projects in the planning or development phases undertaken by HHA and/or its development partners include: (See also additional projects described in the RAD narrative below.)

- In 2018, HHA completed new construction of 154 units – including 36 public housing ACC

units - located on a site at 306 Crosstimbers in Independence Heights. The planned Phase II of Independence Heights will have 300+ units.

- New construction of approximately 31 ACC public housing units located on a site in the Fifth Ward near the intersection of Lyons and Worms, referred to as New Kelly. This is a moderately scattered site where contiguous units will be constructed on 3-4 segments of a block.
- New construction in multiple phases of up to 925 units of which 229 will be placed under PBV contract at 800 Middle Street. HUD has approved the site and the use of Clayton Homes disposition proceeds for this activity. The PBV units will provide replacement housing for Clayton Homes residents, who will be given first preference for occupancy of the new units.
- New construction of approximately 435 mixed-income units at Jensen Street, of which 51% will be affordable to low and moderate income households and 85 will be placed under PBV contract. HUD has approved the site and the use of Clayton Homes disposition proceeds for this activity. The PBV units will provide replacement housing for Clayton Homes residents, who will be given first preference for occupancy of the new units.
- Rehabilitation of 6000 Telephone Road an approximately 200 unit (HUD Section 202) senior living facility with 9% Tax Credits.
- Acquisition of 25 ACC public housing units at Mansions at Turkey Creek.

HHA has also received grants from the Texas General Land Office (GLO) to develop tax credit and mixed-finance units using CDBG disaster recovery funds. HHA anticipates more disaster recovery money and intends to pursue a number of new mixed finance developments using CDBG disaster recovery funds in FY 2022 and beyond. Sites at the intersection of Crosstimbers and N. Main, a site on North Shepard at the intersection of Veterans Memorial near the METRO park and Ride, and replacement units on Lyons Avenue (Kelly II) are in planning stages for development with some public housing units.

As part of its mission to expand affordable housing, HHA is reviewing several opportunities to purchase land in opportunity areas including Census Tract 4312.02 and to acquire units at existing tax credit developments whereby 10-20% of units therein would be converted to ACC public housing units. HHA may commit public housing operating reserves, including but not limited to the proceeds from the disposition of public housing properties, with HUD approval, under the Operating Fund Financing Program for eligible mixed finance development transactions or Replacement Housing Fund.

C. Demolition/Disposition

Section 18 refers to the regulations and process through which HUD authorizes Housing Authorities to dispose of and/or demolish public housing units. Disposition and/or demolition is oftentimes part of an overall strategy to redevelop or replace public housing units. HHA plans to undertake the following Section 18 demolition/disposition related activities in FY 2022:

- HHA will proceed with the Section 18 disposition of the remaining portions of the Clayton Homes public housing development to TXDOT, pursuant to approvals received from HUD in FY 2021. Relocation of Clayton Homes residents will begin in FY 2021 and is projected to be completed by early FY 2022. The disposition to TXDOT is currently scheduled to occur in the first quarter of 2022. As noted above, PBV replacement housing is being developed at two high opportunity sites for which Clayton Homes residents will receive first preference.
- As noted in prior Annual Plans, HHA plans to submit a Section 18 disposition application for a portion of Kelly Village (TX005000014) including land and approximately 50 units. Subject to HHA Board of Commissioners, HUD and other approvals, a portion of the site will be sold to TXDOT in conjunction with a highway expansion project.
- HHA plans to submit a Section 18 demolition application for a portion of the Irvinton (TX005000007) site (approximately 10 units) which was subject to severe hurricane-related flooding. FEMA will fund the demolition and the planned redevelopment of the 10 units on an alternate site (Forest Green).
- HHA plans to submit a Section 18 disposition application for two small parcels of land at Allen Parkway Village (TX005000002) that do not include any HHA housing units or other residential amenities. One parcel consists of approximately 0.0325 of one acre, and the other consists of approximately 0.0407 of one acre. HHA proposes to dispose of the land to an adjacent property owner in accordance with HUD requirements.
- HHA plans to submit a Section 18 demolition and disposition application in conjunction with the planned redevelopment of the entire Forest Green development (TX005000009). Forest Green suffered extensive hurricane-related flooding and other damages. Plans are currently under development and may involve conversion to project-based assistance under RAD. FEMA funding will support the redevelopment. As noted, additional units may be added as part of the project including replacement units for the 10 Irvinton units that are slated for demolition.
- See also discussion of planned or potential uses of Section 18/RAD blends in the RAD narrative below.

D. Rental Assistance Demonstration Program

In FY 2022, HHA will continue and expand initiatives to ensure the long-term preservation of affordable housing by converting public housing developments to project-based assistance pursuant to HUD's Rental Assistance Demonstration (RAD) program. Through RAD conversion, HHA has the opportunity to access additional private and/or other capital resources if needed to revitalize, redevelop and/or address capital needs while ensuring that existing residents right to return to the converted projects and other resident rights are protected.

RAD conversion allows HHA to transition from the current public housing funding platform to either the Project Based Voucher (PBV) or Project Based Rental Assistance (PBRA) program, which are more stable, predictable and sustainable funding sources. To date, and for the developments noted herein, HHA has elected to convert to the PBV program. HHA or its affiliates will continue to own each converted property, and the PBV program Housing Assistance Payments Contracts will be administered by HHA.

In converting public housing developments, HHA may utilize a blend of RAD program authority and Section 18 disposition authority to the extent allowable under the HUD RAD Notice, HUD PIH Notice 2018-04 and/or other relevant HUD regulations and guidance.

To date, HHA has successfully converted HRI/Victory Place to the PBV program under RAD. In addition, HHA has received RAD CHAPs (Commitment to Enter into a Housing Assistance Payments) award letters for the four (4) public housing developments as noted on the table below.

Property Name	Occupancy Type	Bedroom Sizes					Total Units
		1	2	3	4	5	
Allen Parkway Village (APV)	Family	28	119	111	13	7	278
Sweetwater Point Apartments	Family		11	15			26
Heatherbrook Apartments	Family		23	23	7		53
Historic Oaks of Allen Parkway Village (HOAPV)	Mixed Family & Elderly	179	43				222
TOTAL		207	196	149	20	7	579

Heatherbrook (TX005000008) is a mixed-income housing community located in north Houston. The property was built in 2004 and consists of 176 units on 13.8 acres. Only 53 of the units are public housing, with the remainder being tax credit only and unrestricted units. The project reached the end of its initial tax credit compliance period in 2019.

Sweetwater (TX005000020) is a mixed-income housing community located in the Greater Hobby Area of Houston. The property was built in 2004 and consists of 260 units on 15.0 acres. Only 26 of the units are public housing, with the remainder being tax credit only. The project reached the end of its initial tax credits compliance period in early 2020.

The tax credit investor has departed both partnerships and the properties are wholly controlled by HHA affiliates.

RAD conversion of Sweetwater and Heatherbrook will not require significant capital work or renovations. No changes are currently planned to the total number of units, bedroom size configurations or occupancy types.

RAD conversion of Historic Oaks of Allen Parkway Village (HOAPV- TX005000016)) will involve substantial rehabilitation of a 222-unit mixed-finance LIHTC/public housing rental development located at 1600 Allen Parkway Village. The property consists of 222 total units, including 156 units that serve a designated elderly population (aged 62 and above) and 66 units that are general occupancy. The 156 designated elderly units are located on the Eastern portion of the site in 10 elevator buildings. The 66 general occupancy units are located on the Western portion of the site in 6 two-story buildings consisting of stacked flats and townhouses. HHA has requested that HUD allow for an elderly preference (age 62 and above) for the 66 general population units at HOAPV to better align with the existing 156 designated elderly units. In other words, once the project converts to RAD/Section 18 project-based rental assistance in approximately December 2021, the project would be treated as a unified elderly preference development. No changes to the total number of units or bedroom size configuration are planned. All current HOAPV residents will have the right to return to the converted development. Non-elderly residents currently residing at HOAPV may choose to remain at the site post-conversion or may request a transfer to APV, which is much better suited to families. HHA plans to utilize a blend of RAD program authority and Section 18 disposition authority to effectuate the HOAPV conversion, which is currently projected to involve a 60% RAD/40% Section 18 blend.

Allen Parkway Village (APV- TX005000002), which is a 278-unit family public housing development built in 1999 under the HOPE VI program, shares a campus with HOAPV. RAD conversion of APV will involve renovations simultaneous with HOAPV, though the two properties will have separate financing structures given the historic component at HOAPV and its receipt of state and federal Historic Tax Credits. The two properties are located on unique parcels and have their own community buildings, management offices, and amenities. No changes to the total number of units, bedroom size configuration or occupancy type are planned at APV. All current APV residents will have the right to return to the converted development. HHA plans to utilize a blend of RAD program authority and Section 18 disposition authority to effectuate the APV conversion, which is currently projected to involve an 80% RAD/20% Section 18 blend.

In planning and implementing RAD conversions, HHA is committed to ensuring that residents of each converting project are kept fully informed and that resident notifications, relocation and all other processes impacting existing residents are conducted in accordance with RAD program requirements. In converting to the PBV program, HHA will adopt and implement the resident rights, participation, waiting list and grievance procedures listed in Section 1.6, Attachment 1B of the RAD Notice H-2019-09 PIH-2019-23 Rev. 4, the RAD Fair Housing, Civil Rights, and Relocation Notice - Notice H 2016-17, PIH 2016-17 (HA), PIH-2012-32 and the Joint Housing/PIH Notice H-2014-09/ PIH-2014-17. (See attachments).

HHA is currently compliant with all fair housing and civil rights requirements. HHA is not under a Voluntary Compliance Agreement, consent order or consent decree or final judicial ruling or administrative ruling or decision and assures that compliance will not be negatively impacted by conversion activities.

Pursuant to Section 5.2 of the RAD Fair Housing, Civil Rights and Relocation Notice, HHA certifies that RAD conversion activities will comply with all applicable site selection and neighborhood reviews and that all appropriate procedures have been and will continue to be followed.

HHA currently maintains site-based waiting lists for each public housing development. When a public housing development converts to project-based assistance under RAD, HHA will close the public housing site-based waiting list for that development in accordance with its policies. For RAD converted projects, HHA may operate either a centralized waiting list or site-based waiting lists in accordance with RAD and other applicable HUD requirements

HHA is in the process of developing financing and other technical plans for each of the above-listed projects in preparation for RAD conversion. Upon conversion, HHA’s annual Capital Fund Program (CFP) budget will be reduced based on the pro rata share of the CFP budget attributable to each converted public housing development. The table below provides an annual and five-year estimate of the CFP budget reduction based on current year funding amounts.

Property Name	Estimated Annual CFP Budget Reduction	Estimated Five Year CFP Budget Reduction
Allen Parkway Village	\$ 461,465	\$ 2,307,325
Sweetwater Point Apartments	48,389	241,945
Heatherbrook Apartments	93,272	466,360
Historic Oaks of Allen Parkway Village	290,731	1,453,655
TOTAL	\$ 893,857	\$ 4,469,285

The RAD conversions will impact an existing Energy Performance Contract (EPC) at APV and HOAPV. EPC debt attributable to each site will be incorporated into the RAD Financing Plan and paid off as part of the closings. This will not negatively impact the finances of other HHA properties covered under the EPC.

HHA may also contribute Operating Reserves and/or Capital Funds towards one or more RAD conversions, subject to HUD approval as part of the RAD Financing Plan for each site.

Subject to HHA Board approval, HHA may also apply for additional RAD conversions during FY 2022 or future periods for the public housing developments noted below. HHA will follow all required resident notification, public participation and other applicable requirements as part of future conversions.

Property Name	PIC Number	Total Units
Kelly Village	TX005000014	270

Property Name	PIC Number	Total Units
Forest Green	TX005000009	100
Bellerive Apartments	TX005000013	210
Lyerly Apartments	TX005000012	200
Kennedy Place Apartments	TX005000019	108
Fulton Village Apartments	TX005000011	108
Lincoln Park Apartments	TX005000018	200
Oxford Place	TX005000015	230
Irvinton Villagte	TX005000007	318
Cuney Homes	TX005000005	593

E. Project-Based Vouchers

HHA currently operates a Project-Based Voucher (PBV) program in accordance with HUD regulations and HHA policies as defined in the HCV Administrative Plan. In the future, subject to HHA Board of Commissioners and HUD approval as part of the MTW Supplement, HHA intends to implement allowable PBV waivers to improve program efficiency, streamline administration and support expansion of affordable housing opportunities.

In FY 2022, HHA intends to issue additional competitive PBV Request for Proposals and, subject to HHA Board of Commissioners approval, to award PBV Housing Assistance Payments (HAP) contracts to qualified developments that expand housing opportunities including permanent supportive housing, housing for transition-age youth, and housing in high opportunity areas.

As part of planned RAD conversions, HHA will enter into PBV HAP contracts in FY 2022 or beyond for additional public housing developments including, but not limited to: Heatherbrook, Sweetwater, Allen Parkway Village and Historic Oaks at Allen Parkway Village.

Consistent with the Administrative Plan, and as allowed under PIH Notice 2017-21, HHA may attach PBVs to projects in which HHA has an ownership interest or has control of, without following a competitive process, in cases where HHA is engaged in an initiative to improve, develop, or replace a public housing property or site. Both the Jensen Street and Middle Street developments referenced above, which will provide replacement housing opportunities for Clayton Homes residents, fall into this category.

F. Other Capital Grant Programs

HHA's existing public housing portfolio needs continuous investment, and there is a backlog of unfunded capital needs. The planned redevelopment and RAD conversion activities referenced above are intended to address some of these needs and to ensure the long-term preservation of affordable housing. In addition to these activities, HHA will review all available HUD Capital

Grant program funding opportunities - including, but not limited to, the Lead Based Paint Capital Fund Program, the Housing-related Hazard Capital Fund Program, Emergency Safety and Security Grant - and submit applications where feasible and appropriate in FY 2022.

ATTACHMENT B.3 – PROGRESS REPORT

HHA has established five (5) broad goals and a series of related strategies as a strategic framework that guides agency activities and resource allocation decisions. The following is a brief statement of HHA's recent progress in meeting the mission and goals described in HHA's 5-Year Plan, which was submitted in January 2020. See also prior years' progress reports for additional details.

HHA Goal: Increase the quantity and quality of affordable housing.

Strategy: Apply for additional rental vouchers.

HHA achieved greater than 99% utilization in the HCV program in FY 2020 and is currently working to maximize utilization in FY 2021. In FY 2021, HHA was awarded 750 Emergency Housing Vouchers and is working with the City and Continuum of Care agencies to lease. Also in FY 2021, HHA entered into an \$11 million contract with the City and is currently working to provide one year of rental assistance and security deposits to an additional 1000+ low-income households under the HOME TBRA program. Participating families will be eligible for supportive services through partnerships with local providers. HHA received 112 new Mainstream Vouchers under the CARES Act and has applied for 100 more. HHA also secured \$4.77 million in CARES Act funding to ensure that there are adequate funds for FY 2021 leasing.

Strategy: Acquire and develop new affordable housing.

Following an extensive HUD review and approval process, HHA completed the acquisition in 2021 of two new land parcels East of Downtown (800 Middle, 100 Jensen). Upon completion of all planned phases, these developments will collectively provide over 1,300 units of new mixed-income housing including over 300 PBV replacement housing units. While not involving direct HUD funding, HHA is also working with an extensive array of development partners to expand affordable housing through the use of Public Facilities Corp designation. Finally, HHA has entered into agreements for 22 PBV developments that provide long-term affordable housing opportunities, much of which is newly constructed. Across all programs, HHA added 1,645 units of affordable housing last year through acquisition, with an additional 1,113 units under construction.

Strategy: Seek land in high opportunity areas.

As funding becomes available to acquire sites for development in high opportunity areas, HHA will continue to pursue land acquisitions that are appropriate for LIHTC and other mixed-income developments. As noted, the 800 Middle and 100 Jensen mixed-income developments are two recent examples of successful land acquisition efforts that will result in new affordable housing being built in opportunity areas.

Strategy: Pursue recapitalization with tax credits.

Utilization of LIHTC funds is an important component of HHA's Rental Assistance Demonstration planned and ongoing conversion efforts including the planned use of 4% tax credits at Allen Parkway Village and Historic Oaks at Allen Parkway Village. See "New Activities" narrative in the Annual Plan. As previously reported, HHA was awarded over \$19 Million in 9% tax credits for rehabilitation of 6000 Telephone Road.

Strategy: Utilize Capital Fund and other resources to rehabilitate and improve property condition. HHA completed \$1.58 million in capital improvements at various sites in FY 2020. Planning is also underway to utilize FEMA funds to redevelop Forest Green, including an additional 10 units to replace flood-damaged units at Irvinton.

Strategy: Complete and maximize performance through conversion of HHA's first four public housing developments with CHAPs, under HUD's Rental Assistance Demonstration.

HHA has successfully converted HRI and Victory Place to the PBV program, which represents the agency's first conversions under the RAD program. As noted in the "New Activities" narrative, conversions are currently planned for Heatherbrook, Sweetbrook, Allen Parkway Village and Historic Oaks at Allen Parkway Village.

Strategy: Modernize, rebuild, and/or demolish (if it can be replaced) aging units incrementally through the Capital Fund Program and other sources as available.

HHA was awarded a Choice Neighborhoods Planning Grant to develop a comprehensive Transformation Plan for Cuney Homes and the Third Ward neighborhood. Through this initiative, HHA intends to develop a feasible plan and strategy to ensure the preservation of affordable housing resources in the neighborhood, along with comprehensive supportive services and neighborhood improvements. See also above information and "New Activities" narrative.

Strategy: Partner with Centerpoint and other energy providers by seeking additional funding grants for energy saving opportunities for properties in HHA's portfolio that qualify under their programs.

HHA partnered with Centerpoint Energy and received grants to replace 500 outdated HVAC units at HHA properties with new high efficiency units.

HHA Goal: Expand efforts to ensure equal opportunity in housing.

Strategy: Reduce operational barriers that may hinder access to HHA programs

Since the onset of the global pandemic, HHA has undertaken extensive efforts to ensure continued access to programs and services including modifying call center operations to allow residents, HCV participants, applicants and the general public to obtain information, process transactions and access HHA services; working with property managers to implement COVID-safe maintenance work practices; expanding access to staff working remotely; and, expanding the use of virtual meetings (including HHA Board of Commissioners meetings) to keep residents informed and involved in HHA planning and decision-making.

Strategy: Reduce language barriers that may hinder access to programs it administers

HHA updated its Language Access Plan as part of last year's Annual Plan process to provide a comprehensive framework to facilitate participation in HHA programs of people with Limited English Proficiency. In response to community need, HHA continues to deploy an on-demand language translation service that is available as needed to meet the language translation needs of applicants, residents and the general public. HHA also continues to recruit, hire and deploy staff

including call center representatives that have the ability to speak, read and translate in various languages. Current staffing in both the call center and lobby includes staff fluent in Spanish and Vietnamese. HHA is in the process of updating its website, which will have the capacity to translate text into multiple languages.

Strategy: Ensure compliance with ADA requirements when constructing new and renovating existing units

HHA continues to implement an ambitious housing preservation and development agenda including converting public housing developments to project-based assistance under the Rental Assistance Demonstration (RAD) program; developing replacement housing for Clayton Homes; expanding affordable housing through new development partnerships with Project Based Voucher sponsors and others; and renovating developments that experienced hurricane-related damage. All new development and substantial renovations are done in conformance with ADA requirements in order to ensure that housing is accessible to persons with disabilities. HHA also continues to provide reasonable accommodations to current residents and HCV program participants.

Strategy: Increase housing choice and mobility.

In 2021, HHA applied for and received HUD permission to utilize Small Area Fair Market Rents (SAFMR) citywide. Full implementation of SAFMRs will commence in the near future and is projected to improve access by voucher holders to high opportunity areas. HHA also intends to explore utilization of Moving to Work flexibility to add additional incentives for high opportunity area leasing. HHA also sponsored an FMR study completed in 2021 by Econometrica as part of an overall strategy to increase funding for the HCV program to allow for leasing in high opportunity areas.

Also, as noted in prior updates, HHA is working with the City (HCD), NestQuest and the County (CSD and HCHA) to develop and support a Voucher Mobility Program. NestQuest is a Texas non-profit organization. NestQuest was created to promote voucher mobility that works with voucher holders and local landlords to increase client access to areas with excellent schools. NestQuest finds homes zoned to excellent schools and works with owners to increase housing choice for Housing Choice Voucher clients. NestQuest has acquired partnerships with 15 management/realty companies with properties in high opportunity neighborhoods across the metro area. HHA collaborates with NestQuest by making clients aware of this unique service that they may be eligible for.

Working with development partners, HHA also made significant progress in 2021 towards the development of two (2) new mixed income housing communities to be located East of Downtown in rapidly gentrifying areas. All required HUD approvals have been received for these two projects, which will include development of PBV replacement units for relocated Clayton Homes residents.

Strategy: Continue education of Fair Housing Laws.

On an ongoing basis, new hire staff receive training on Section 504, Fair Housing, Reasonable Accommodations, VAWA Requests, and LEP issues by HHA's Compliance Officer. HCV staff also participated in trainings provided by the Compliance Officer. HHA management staff have also attended seminars in Houston and Washington DC focusing on Fair Housing issues and current events. Additionally, in-house attorneys generally meet quarterly with HCV staff to present

on legal topics and best practices.

HHA's website provides a link to socialserve.com for a listing of properties that includes identification of accessible units, distance to public transportation, shopping, hospitals and other relevant information.

HHA and the City of Houston continue to collaborate on fair housing and other issues associated with the citywide Consolidated Plan and Annual Action Plans.

HHA Goal: Seek to improve community quality of life and self- sufficiency.

Strategy: Provide services to residents, including youth, families, and seniors living in public housing and senior developments to enhance their quality of life.

HHA collaborates with 60 agency partners to provide services to residents valued at over \$7.9 million. HHA and agency partners engaged in extensive activities to protect resident health and safety in response to the global pandemic. This included providing residents with health information, distributing meals, masks and sanitizer, and modifying service delivery systems to minimize contact. At 9 sites, HHA worked with resident councils to procure and distribute over 1,100 face masks. The call center made more than 37,000 calls to residents to check on wellness and assist with virtual briefings and appointments. Other highlights from the past year include:

- HHA completed the Jobs Plus grant-funded program at Cuney Homes, which engaged 557 public housing residents in workforce development opportunities. Through this initiative, total 312 residents increased their income from wages and received approximately \$1.1 million in discounted rent as an incentive.
- HHA secured a new \$2.3 million grant to provide Jobs Plus employment, training, and supportive services to residents of Oxford Place Apartments.
- Needs assessments and referrals were provided to 484 elderly/disabled residents to support independent living and wellness.
- Through partnerships with YMCA, Zoe's Kitchen, Houston Food Bank and others, more than 116,000 meals and food boxes have been distributed to more than 2,600 residents over the course of the pandemic.
- Established a new collaboration with KidsGrub to provide youth nutrition at 8 sites.

Strategy: Create well-functioning communities with low crime and good neighbors.

HHA continued to promote resident involvement and community engagement including providing technical assistance to resident councils to host numerous community-wide and seasonal events in collaboration with more than 25 community partners. HHA continued its collaboration with Harris County Constables (Precinct 6) to reduce crime within public housing communities.

Strategy: Provide Family Self-Sufficiency Programs for eligible HCV Program and Public Housing participants pursuant to applicable regulations and available funding.

MyGoals and FSS continued to function as key elements of HHA's self-sufficiency strategy. MyGoals completed a financial training with Cash Campaign. Topics discussed were gig

economy, self-employment, small business, taxes and resources. HHA assisted 649 non-elderly, non-disabled households in working towards economic self-sufficiency.

Strategy: Increase Minority & Women Business Enterprises (MWBE) and Section 3 participation.
Assisted 256 residents to enroll in the Section 3 program, which connected them to employment, job training and contracting opportunities.

Strategy: Pursue systems alignment between housing and health care.

As noted above, HHA and community partners provided extensive supports over the course of the year to ensure resident health and safety.

HHA Goal: Improve relationships with clients and external stakeholders.

Strategy: Increase HHA client agency relationships.

As discussed above, HHA collaborates on an ongoing basis with residents, including providing technical assistance and funding support to local resident councils. HHA also worked diligently to ensure that resident input continued throughout the pandemic by expanding the use of virtual meetings and conducting broad outreach to notify residents of these meetings. In addition to virtual Board of Commissioners meetings, HHA conducted a series of meetings and an online survey to involve residents and HCV participants in shaping the successful application for Moving to Work designation. During these sessions and in the survey, HHA solicited resident input into the design and implementation of the forthcoming MTW rent reform evaluation program.

Strategy: Promote partnerships with other housing authorities.

Over the course of the pandemic, HHA has continued to actively engage with HUD and housing authority industry groups to advocate for funding and services. HHA continued to work with other local housing authorities to facilitate the portability component of the HCV program, which allows voucher holders to move outside of the voucher-issuing jurisdiction. HHA collaborated with Harris County to provide HCV inspection and rent reasonableness services for HHA-owned Project Based Voucher developments. HHA also sponsored an FMR study conducted by Econometrica with the goal of justifying higher Fair Market Rents that would be applicable to the entire metropolitan area.

Strategy: Develop strategies to promote positive communications and community perceptions of HHA.

In addition to the activities noted above, HHA actively engaged in proactive media strategies to positively influence public support for affordable housing, including new development initiatives planned for the East of Downtown neighborhood.

HHA Goal: Improve agency performance.

Strategy: Seek other funding streams.

Ensuring adequate funding to preserve HHA's existing affordable housing and supportive service programs and to create new affordable housing and expanded services continued to be a top

priority for HHA. See “New Activities” narrative for information regarding development and RAD conversion initiatives. As noted above, HHA has been able to secure additional funding over the past year to support critical initiatives including:

- 750 Emergency Housing Vouchers.
- \$11 million contract with the City to expand the HOME TBRA program for 1,000 households.
- 112 new Mainstream Vouchers under the CARES Act
- \$4.77 million in CARES Act funding to ensure that there are adequate funds for FY 2021 leasing.
- \$2.3 million for a new Jobs Plus initiative at Oxford Place Apartments.
- \$450,000 for a HUD Choice Neighborhoods Planning grant for Cuney Homes.

Strategy: Improve the physical work environment.

HHA continued to prioritize the health and safety of the workforce over the past year, including ongoing implementation of remote work policies and procedures. Other efforts to improve the work environment continued including the ongoing project to convert paper files to an electronic format through OnBase software.

Strategy: Invest in human capital.

HHA’s Human Resources Department continued to focus on investments in and training of HHA’s workforce to ensure that they have the tools and skills needed to perform their jobs well. Online trainings were performed throughout the year on a variety of pertinent topics and skill building opportunities, and the Employee Assistance Program continued to provide referral resources and confidential support. Monthly wellness newsletters were prepared and distributed with helpful information to promote good health and deal with stress. HR developed a new telecommuting policy and conducted an employee survey to identify ways to help transition employees back from remote work to the office. The Employee Vision and Action Committee, consisting of one member from each department, was awarded a NAHRO award for “Getting to Know Us Better” events with management.

Strategy: Increase interdepartmental collaboration and communication

Ongoing interdepartmental collaboration continued throughout the year. The many fruits of this collaboration are reflected in the activities and accomplishments noted in this progress report.

Strategy: Seek new innovations

HHA continued to pursue innovation in support of the agency’s mission to promote and expand affordable housing and services to low-income households. An example of this is the successful effort to secure HUD approval to implement Small Area Fair Market Rents citywide. This initiative is intended to support voucher holders in finding housing units in areas of higher opportunity, while also reducing the number of voucher holders with rent burdens. Another key accomplishment over this period was the designation of HHA by HUD as a Moving to Work agency. MTW designation will allow HHA a substantial degree of programmatic and financial flexibility that is not available to other non-MTW Housing Authorities. As part of its designation, HHA will participate in a national evaluation of an MTW alternative rent policy. Later in calendar year 2021, HHA intends to solicit public comment on a range of proposed

MTW innovations (including the specific components of the MTW rent reform evaluation) that will help streamline and improve service delivery, expand housing opportunities and promote resident self-sufficiency.