



HOUSTON HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING January 5, 2021

Pursuant to the March 16, 2020 notice issued by the Office of the Texas Attorney General and in accordance with applicable portions of the Texas Open Meetings Act, this meeting is being held via Telephone Conference

DIAL IN:

US Toll-free 1-888-475-4499
Local Number 1-346-248-7799
Meeting ID: 836 1111 5585



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Transforming Lives & Communities

2640 Fountain View Drive, Houston, Texas 77057 | Phone 713.260.0500 | **Mark Thiele**, *Interim President & CEO*

Board of Commissioners: LaRence Snowden, *Chair* | Kristy Kirkendoll | Dr. Max A. Miller, Jr. | Guillermo “Will” Hernandez | Stephanie A.G. Ballard | Andrea Hilliard Cooksey | Kris Thomas

SPECIAL BOARD OF COMMISSIONERS MEETING

Tuesday, January 5, 2021

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SPECIAL BOARD OF COMMISSIONERS' MEETING TUESDAY, JANUARY 5, 2021 AT 3:00 P.M.

PURSUANT TO THE MARCH 16, 2020 NOTICE ISSUED BY THE OFFICE OF
THE TEXAS ATTORNEY GENERAL AND IN ACCORDANCE WITH
APPLICABLE PORTIONS OF THE TEXAS OPEN MEETING ACT, THIS
MEETING IS BEING HELD VIA TELEPHONE CONFERENCE

US Toll-free 1-888-475-4499; Local Number 1-346-248-7799; Meeting ID 836 1111 5585

AGENDA

- I. Call to Order
- II. Roll Call
- III. New Business
 - a. Consideration to authorize the Interim President & CEO to submit the Moving to Work Plan and Application including required Certifications of Compliance to the US Department of Housing and Urban Development **(Resolution No. 3233)**
 - b. Consideration to authorize the Interim President & CEO to submit the 2021 PHA Annual Plan ("Annual Plan") to the US Department of Housing and Urban Development **(Resolution No. 3234)**
- IV. Executive Session

Convene an Executive Session to discuss:

 - a. Personnel matters in accordance with Section 551.074 of the Texas Government Code
 - b. Legal issues in accordance with Section 551.071 of the Texas Government Code
 - c. Real estate matters in accordance with Section 551.072 of the Texas Government Code
- V. Reconvene Public Session
- VI. Adjournment



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REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration to authorize the Interim President & CEO to submit the Moving to Work Plan and Application including required Certifications of Compliance to the US Department of Housing and Urban Development

2. Date of Board Meeting: January 5, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners: 1) Adopts and approves the Moving to Work (MTW) Plan and Application, including the MTW Certifications of Compliance with HUD and Federal Requirements and Regulations; 2) Confirms that the MTW Plan and Application incorporates the selection of an alternative income-based, tiered rent policy; 3) Confirms that the public process requirements as defined in HUD PIH Notice 2020-21 were met in the development of the MTW Plan and Application; and, 4) authorizes the Interim President & CEO to submit the MTW Plan and Application and all other required documentation to the US Department of Housing and Urban Development (HUD) and to make necessary changes any technical corrections, pursuant to the memorandum dated December 28, 2020 from Jonathan Zimmerman, Policy Advisor to Mark Thiele, Interim President & CEO.

4. Department Head Approval Signature _____ Date: _____

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available ☐ Yes ☐ No Source _____

VP of FO Approval Signature _____ Date: _____

6. Approval of President & CEO

Signature _____ Date: _____



Transforming Lives & Communities

MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO
FROM: JONATHAN ZIMMERMAN, POLICY ADVISOR
SUBJECT: CONSIDERATION TO AUTHORIZE THE INTERIM PRESIDENT & CEO TO SUBMIT THE MOVING TO WORK PLAN AND APPLICATION INCLUDING REQUIRED CERTIFICATIONS OF COMPLIANCE TO THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
DATE: DECEMBER 28, 2020

This memorandum recommends that the Board of Commissioners 1) Adopts and approves the Moving to Work (MTW) Plan and Application, including the MTW Certifications of Compliance with HUD and Federal Requirements and Regulations; 2) Confirms that the MTW Plan and Application incorporate the selection of an alternative income-based, tiered rent policy; 3) Confirms that the public process requirements as defined in HUD PIH Notice 2020-21 were met in the development of the MTW Plan and Application; and, 4) Authorizes the Interim President & CEO to submit the MTW Plan and Application and all other required documentation to the US Department of Housing and Urban Development (HUD). Houston Housing Authority's Moving to Work Plan and Application includes the attached MTW Certifications of Compliance, the selected income and rent model and policy, and compliance with HUD's public process requirements. These documents are enclosed in the Board packet and will be posted online at <http://www.housingforhouston.com/>. It is recommended that the Board of Commissioners approve the Interim President & CEO to submit to HUD the Moving to Work Application and Plan and all other required documents and to make any technical corrections.

BACKGROUND:

The Moving to Work (MTW) Demonstration Program was originally authorized by Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, P.L. 104-134; 42 U.S.C. 1437f note (1996 MTW Statute). MTW allows PHAs to design and test innovative, locally designed housing and self-sufficiency strategies for low-income families by permitting PHAs to use assistance received under Sections 8 and 9 of the United States Housing Act of 1937, as amended, 42 U.S.C. 1437, *et seq.*, (1937 Act) more flexibly and by allowing certain exemptions from existing public housing and Housing Choice Voucher (HCV) program rules, as approved by HUD.

Section 239 of the Fiscal Year 2016 Appropriations Act, P.L. 114-113, (2016 MTW Expansion Statute), authorizes HUD to expand the MTW Demonstration Program by an additional 100 PHAs over seven years (hereafter, the "MTW Expansion"). The 2016 MTW Expansion Statute provides that PHAs selected as part of the MTW Expansion must be high performers, meet certain size and site selection requirements, and represent geographic diversity across the country.

In 2019, HUD issued PIH Notice 2019-04, which offered eligible public housing agencies (PHAs) the opportunity to submit a letter of interest in admission to the MTW Demonstration. HUD's Notice laid out the first step by which PHAs will be selected for the second cohort of the MTW Expansion, which will test

rent reform. In June 2019, HHA's Board of Commissioners passed a resolution (Resolution No. 3052) unanimously regarding HHA's application to HUD under the Moving-to-Work (MTW) Demonstration Rent Reform Cohort. HHA submitted a letter of interest to HUD under the rent reform cohort. Following HUD's eligibility review of interested PHAs, HHA was informed that it was eligible to file an MTW Application and Plan at some point in the future under a comprehensive process.

In 2020, HUD's PIH Notice 2020-21 offered eligible public housing agencies (PHAs) including HHA the opportunity to apply for admission to the MTW Demonstration Program.

As the largest provider of affordable housing and services in Houston, HHA's mission is "to improve lives by providing quality, affordable housing options and promoting education and economic self-sufficiency." Our mission aligns well with the statutory objectives of MTW. HHA will take full advantage of the MTW programmatic and financial flexibility, allowing us to take our mission and operations to a higher level. This will allow us to focus on preserving and expanding the affordable housing portfolio and achieving more consequential outcomes, such as higher levels of employment and family asset building while leveraging and building on an existing comprehensive framework of housing programs, services, and partnerships.

HHA's EMPOWER Housing initiative is the name for its proposal to HUD under the MTW Rent Reform Cohort #2. HHA's EMPOWER Housing initiative builds on our mission and strategic objectives through the considered application of the MTW Demonstration's statutory objectives. As such, HHA will:

- (1) Deliver housing programs and services in a more efficient, streamlined manner that is accessible and transparent to our clients, and reduces unnecessary administrative burdens on clients and staff;
- (2) Expand housing options and choices to serve the unique, diverse needs of Houston's low-income residents by preserving the existing housing portfolio, acquiring and/or building new mixed-income housing, promoting mobility to high opportunity neighborhoods and strengthening partnerships to create innovative, supportive housing options that serve special needs populations; and
- (3) Support residents in achieving economic self-sufficiency through an innovative rent reform initiative; enhanced FSS program incentives; targeted literacy, education and job initiatives; and other partnership initiatives utilizing housing as a platform to stabilize and strengthen families. Additional information on how HHA plans to achieve this vision is included below.

Also established under the 1996 MTW Statute are five statutory requirements that PHAs participating in the MTW Demonstration Program must meet throughout the term of their MTW participation. Before obtaining MTW designation as part of the MTW Plan and application package submitted under this Notice, and, if designated, throughout the term of MTW participation, PHAs will certify as to compliance with these requirements in accordance with the "*Operations Notice for the Expansion of the Moving to Work Demonstration Program*" as published in the Federal Register (MTW Operations Notice). Throughout the term of MTW participation, HUD will also quantifiably monitor these requirements in accordance with the MTW Operations Notice. These are:

- to ensure at least 75% of families assisted are very low-income as defined in Section 3(b)(2) of the 1937 Act;
- to establish a reasonable rent policy that is designed to encourage employment and self-sufficiency;
- to continue to assist substantially the same total number of eligible low-income families as would have been served absent MTW;

- to maintain a comparable mix of families (by family size) as would have been provided had the funds not been used under the MTW Demonstration Program; and
- to ensure housing assisted under the MTW Demonstration Program meets housing quality standards established or approved by the Secretary.

Alternative Rent Policy

HUD's second cohort under the expansion of the MTW Demonstration will evaluate alternative rent policies designed to increase resident self-sufficiency and reduce PHA administrative burdens and requires participating PHA to select an alternative rent model based on the requirements of PIH Notice 2020-21. An independent research team will work with HUD and the selected PHAs to assist in the implementation and evaluate the effects of the alternative rent policies.

Eligible households include residents/participants in both the public housing and HCV programs, including existing, currently assisted households and new households admitted during the alternative rent enrollment period (described below). Households that are excluded from participation include those who are: elderly and disabled households; special purpose and homeownership voucher holders; public housing residents on flat rent or ceiling rent; and, current Family Self-Sufficiency (FSS) program participants. HUD and the independent research team will consider other exclusions in partnership with selected PHAs.

Within the MTW PHA, all eligible households will be randomly assigned to either a control group, to which the existing rent policy will apply or a treatment group, to which the alternative rent policy will apply.

As part of the MTW Plan and Application, HHA has selected and proposed an income-based flat tiered rent under Test Rent #3, because we believe that it will help best meet HUD's requirements and advance the following objectives: (1) provide incentives for economic self-sufficiency; (2) simplify program administration and reduce administrative burdens for both HHA staff and clients; (3) be transparent and easy to understand; (4) minimize the number of households who will experience a rent increase at enrollment and beyond; (5) be revenue neutral to the greatest extent possible; and, 6) be supportive of HHA's overall vision and plan for MTW as summarized in this document.

HHA intends to implement an MTW Test Rent #3 flat tiered rent model based on gross income that establishes a single rent for each \$2,000 income tier. Excepting the first two tiers, the rent level for each tier is based on 28% of gross income as calculated at the lowest end of the tier. For the first two tiers, a minimum rent of \$50 is established. Utility allowances will apply, and households will receive a utility reimbursement where applicable. Recertifications will occur every three years. Income increases during the three-year recertification period will not result in rent increases unless a new household member with income is added or there are other certifications such as moves or any other approved circumstances. Conversely, if household income decreases during the three-year recertification period by more than 15%, resulting in household income dropping to a lower tier, the household may request their Total Tenant Payment (TTP) be recalculated based on the lower tier.

Based on our impact analysis, HHA's flat tiered rent model will result in the vast majority of eligible households in Public Housing and Voucher programs, experiencing either a modest decrease or no change to TTP for most households at initial enrollment. For the few households with estimated increases in TTP, the amount and percentage of their increases will be modest and HHA will consider hardship requests. This method is transparent and easy to understand while providing incentives for household members to seek and secure employment and for career advancement. HHA intends for the MTW alternative rent

policy to provide incentives for self-sufficiency. To ensure that it does not create rent burdens, a conditions-based hardship policy has been designed.

At the time of enrollment into the MTW program (projected to begin in January 2022), all existing households at zero income subject to a \$50 minimum rent (TTP) who previously applied for and were approved by HHA for hardship under our existing policy, will automatically be grandfathered into the MTW program under the existing hardship policy without having to apply again and have it reviewed by HHA. At the time of enrollment, some households will have a portion of their increased TTP under HHA's rent model mitigated by the 15% hardship policy. At the time of enrollment, any treatment household whose actual gross income for the prior 12-months which results in more than a 15% increase in their Total Tenant Payment expressed as a percentage of adjusted annual income (not gross annual income), will receive hardship. The hardship will put them in a lower-income tier such that their MTW TTP closest to but not to exceed 15% expressed as a percentage of adjusted annual income (not gross annual income). Such households will remain in this lowered income tier until their triennial recertification, unless or until any of the other changes or circumstances described, relating to ongoing program requirements and hardships apply.

Financial Impact

In the aggregate, HHA's income and rent model is designed to be budget and revenue-neutral to the greatest number of eligible assisted-households as possible as well as for HHA's Public Housing and Voucher programs.

Public Process Requirements

HUD requires that the MTW Plan and Application package undergo a public process period, elements of which include all of the following. The PHA must provide documentation that the elements of the public process described in Section 4(C)(i)(c) of HUD PIH Notice 2020-21 were met. The Board packets will include all of the documentation itemized below:

- The PHA must notify public housing residents and/or HCV participants (as applicable to the PHA's inventory) of its intention to participate in the MTW Demonstration Program. This notification must be in advance of developing Part I of the MTW Plan and application package. Evidence that public housing residents and HCV participants (as applicable to the PHA's inventory) were notified of the PHA's intention to participate in the MTW Demonstration program;
- The PHA must hold at least two resident/participant meetings (separate from, and before, the required public hearing).
- After the two resident/participant meetings, the PHA must publish a notice that a hearing will be held on the MTW Plan and application package. The draft MTW Plan and application package (in the format described) and all relevant information, must be available for public inspection for at least 30 days before submission of the MTW Plan and application package to HUD. The public notice advertising the public hearing.
- The PHA must conduct a public hearing to discuss the MTW Plan and application package and invite public comment. Evidence that the public hearing was held.
- The PHA's Board of Commissioners (or equivalent governing body) must approve the MTW Plan and application package by resolution no less than 15 days after that public hearing.

HHA has met or exceeded the HUD public process requirements including:

- HHA notified and conducted intensive outreach to residents, tenants, partner organizations and program stakeholders.
- HHA notifications were followed by five virtual sessions to discuss the MTW program, review rent reform models and issues and identify potential opportunities to utilize MTW flexibility. These sessions included: one with HHA's two resident commissioners, one with the Resident Advisory Board (RAB)/Resident Leadership Council, two additional sessions with residents in our Public Housing and Voucher programs and one with partner organizations as well as HHA's operation staff and our private management companies' staff;
- By noon (Central) on December 4, 2020, HHA's announcement of its draft MTW Application and Plan was published in The Houston Chronicle and posted on its website for a 30-day public inspection and comment period;
- On December 10, 2020: HHA held a virtual public hearing with residents, program stakeholders and the public regarding its proposed draft MTW rent reform Application and Plan as of December 4, 2020 which is accessible at:
[e hhas proposed mtw application and plan public comment version 12042020.pdf \(housingforhouston.com\)](https://www.housingforhouston.com/e-hhas-proposed-mtw-application-and-plan-public-comment-version-12042020.pdf)
- The public comment period extends from December 4, 2020 at noon (Central Time) to January 4, 2021 at noon (Central Time). HHA considered resident and community comments and made modifications to the MTW Plan and Application in response; and,
- January 5, 2021: HHA's Board of Commissioners considers the MTW Plan and Application, Certifications of Compliance and other documents required by HUD.

RECOMMENDATION

Accordingly, I recommend that the Board approve this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners: 1) Adopts and approves the Moving to Work (MTW) Plan and Application, including the MTW Certifications of Compliance with HUD and Federal Requirements and Regulations; 2) Confirms that the MTW Plan and Application incorporates the selection of an alternative income-based, tiered rent policy; 3) Confirms that the public process requirements as defined in HUD PIH Notice 2020-21 were met in the development of the MTW Plan and Application; and, 4) authorizes the Interim President & CEO to submit the MTW Plan and Application and all other required documentation to the US Department of Housing and Urban Development (HUD) and to make necessary changes any technical corrections, pursuant to the memorandum dated December 28, 2020 from Jonathan Zimmerman, Policy Advisor to Mark Thiele, Interim President & CEO.



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REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration to authorize the Interim President & CEO to submit the 2021 PHA Annual Plan ("Annual Plan") to the US Department of Housing and Urban Development

2. Date of Board Meeting: January 5, 2021

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to submit to HUD the HHA Annual Plan for the calendar year 2021, with all attached certifications, HUD forms, all necessary attachments and other documentation required for the receipt of capital funds program funds, and to make any technical corrections, and to make the following certifications:

1. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
2. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board in developing the Plan, and considered the recommendations of the Board (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board and a description of the manner in which the Plan addresses these recommendations.
3. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection before the hearing, published a Notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that requires the PHA's involvement and maintain records reflecting these analyses and actions.
6. For this Plan that includes a policy for site-based waiting lists:
 - The PHA shall regularly submit required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development at which to reside, including, basic information about available sites and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting lists would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting lists are consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
- 7.** The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
- 8.** The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- 9.** The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons and its implementing regulation at 24 CFR Part 135.
- 10.** The PHA will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and its implementing regulations at 49 CFR Part 24 as applicable.
- 11.** The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- 12.** The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out their review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
- 13.** With respect to public housing, the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- 14.** The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
- 15.** The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
- 16.** The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
- 17.** The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
- 18.** All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
- 19.** The PHA provides assurance as part of this certification that:
- (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and

(iii) The revised policies and programs are available for review and inspection at the principal office of the PHA during normal business hours.

20. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Pursuant to the memorandum dated December 28, 2020 from Jonathan Zimmerman, Policy Advisor to Mark Thiele, Interim President & CEO.

4. Department Head Approval Signature _____ Date: _____

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available ☐ Yes ☐ No Source _____

VP of FO Approval Signature _____ Date: _____

6. Approval of President & CEO

Signature _____ Date: _____



Transforming Lives & Communities

MEMORANDUM

TO: MARK THIELE, INTERIM PRESIDENT & CEO
FROM: JONATHAN ZIMMERMAN, POLICY ADVISOR
SUBJECT: CONSIDERATION TO AUTHORIZE THE INTERIM PRESIDENT & CEO TO SUBMIT THE 2021 PHA ANNUAL PLAN ("ANNUAL PLAN") TO THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
DATE: DECEMBER 28, 2020

This memorandum recommends that the Board of Commissioners authorizes the Interim President and CEO to submit the 2021 PHA Annual Plan for the calendar year to the US Department of Housing and Urban Development

BACKGROUND:

The annual PHA Plan process was established by section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.). The purpose of the Annual Plan is to provide a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance programs, and other members of the public may locate basic PHA policies, rules and requirements concerning its operations, programs and services.

HHA published the Draft Annual Plan for public comment on November 16, 2020. The following documents were made available at HHA's central office, every public housing development, and on HHA's website (<http://www.housingforhouston.com/news/annual-pha-plan-public-notice.aspx>):

1. HHA Streamlined Annual PHA Plan FY 2021 (HUD-50075 HP) - DRAFT
2. HHA FY 2021 Admissions and Continued Occupancy (ACOP) - DRAFT
3. HHA FY2021 Housing Choice Voucher Program Administrative Plan - DRAFT
4. HHA FY 2021 Reasonable Accommodation Policy - DRAFT
5. HHA FY 2021 Limited English Proficiency Policy - DRAFT
6. FY 2020-2024 Capital Fund Program 5-Year Action Plan - DRAFT
7. HHA Digital Hearing Guidelines - DRAFT

The Resident Councils discussed the Draft Annual Plan with some of HHA's executive team on December 2, 2020. There were a few comments made by Resident Leadership related to the Annual Plan, and the residents were generally in agreement with the proposed changes. The comments and HHA's responses are included in Section 10.0(f) of the Annual Plan.

Three additional public meetings were held on December 2, 2020 05:00 PM – 06:00 PM (Central Time), December 3, 2020 03:30 PM – 04:30 PM (Central Time) and December 9, 2020 03:00 PM – 04:00 PM (Central Time). The meetings allowed residents, voucher holders and other community stakeholders to provide feedback and ask questions about the HHA's plans for the coming plan year, though HUD only requires one. The public meetings were conducted virtually through Zoom sessions through on-line forums and via phone.

Revision of PHA Plan Elements

The following PHA Plan elements have been revised by the HHA since its last Annual PHA Plan submission.

Definition of Substantial Deviation and Significant Amendment or Modification

The Houston Housing Authority (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 criteria are met, the HHA will submit a revised Plan(s) that satisfy 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 the 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.

CHANGES TO THE 2021 ANNUAL PLAN:

Please note that the underlined text below represents HHA's proposed additions and strikethrough text represents deletions. There are no deletions present in this year's version of the Annual Plan.

Capital Improvements. Include a reference here to the most recent HUD-approved Capital Fund Program - Five-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD on 10/27/2020.

Five Year Action Plan									
Plan	Type	Created Date	Last Modified	Report Year	Status	Submitted On	Approved By	Approved On	
5-Year Action Plan for 2020-2024 Rev. 1 (0/1)	Rolling	10/27/2020	10/27/2020	2020-2024	Approved	10/27/2020	EPIC SYSTEM	10/27/2020	
5-Year Action Plan for 2020-2024 (0/1)	Rolling	10/15/2020	10/27/2020	2020-2024	Approved	10/16/2020	EPIC SYSTEM	10/16/2020	
5-Year Action Plan for 2019-2023 Rev. 1 (0/1)	Rolling	12/03/2019	10/15/2020	2019-2023	Approved	12/03/2019	WALLS, LORRAINE	12/19/2019	
5-Year Action Plan for 2019-2023	Rolling	10/18/2019	12/03/2019	2019-2023	Approved	10/31/2019	WALLS, LORRAINE	11/06/2019	
5-Year Action Plan for 2018-2022	Rolling	06/22/2018	10/18/2019	2018-2022	Approved				

CHOICE NEIGHBORHOODS

For FY 2020, the Houston Housing Authority applied for and was awarded a Choice Neighborhoods Planning Grant for Cuney Homes. For FY 2021 HHA may apply for a Choice Neighborhoods Planning Grant for Kelly Village or other eligible properties and communities.

The three core goals of Choice Neighborhoods include:

- Housing – through the replacement of obsolete public housing with financially viable, energy-efficient, mixed-income housing that is integrated into a larger program of neighborhood reinvestment.
- People – creating and enhancing opportunities for Cuney Homes residents to improve their health, safety, educational and employment opportunities; and
- Neighborhood – transforming a disconnected, high-poverty area to a highly desirable mixed-use residential neighborhood.

MIXED FINANCE/MODERNIZATION OR DEVELOPMENT

The Houston Housing Authority completed construction on the following development New Construction of approximately 154 units located on a site at 306 Crosstimbers in Independence Heights. 36 units receive the benefit of ACC Subsidy, and several tenant-based voucher-assisted households reside there as well. Phase II of Independence Heights will have 300+ units. The Houston Housing Authority applied for and received Mixed Finance Development for the following properties:

- New Construction of approximately 31 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. The architectural plans will be redesigned. The units will receive the benefit of ACC subsidy.

DEMOLITION AND/OR DISPOSITION

HHA has been going through the process with TXDOT and HUD to explain their interest in the acquisition and sale of the remainder of the **184 units** at Clayton Homes (~~184 units~~) and 78 units at Kelly Village (approximately **262 318** Units) for the expansion of nearby freeways. The process is being conducted with TXDOT and HUD.

CONVERSION OF PUBLIC HOUSING TO PROJECT-BASED ASSISTANCE UNDER RAD

HHA has almost completed our first Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV) straight conversions for HRI/Victory Place. HHA is also going through the RAD-PBV conversion process with HUD for our APV/HOAPV developments, which will include an application for 4% tax credits in January 2021 and possibly state historic tax credits as well. HHA used the feasibility analysis for our consideration to convert its entire portfolio through RAD. HHA's Board of Commissioners passed a resolution on July 16, 2019, authorizing HHA to execute all necessary documents to submit a portfolio-wide application to HUD under its Rental Assistance. Information related to the Public Housing Development(s) HHA selected for RAD is provided below.

RAD Portfolio Application Template

If you are applying for a portfolio award in conjunction with your RAD application, complete this template and upload it as an attachment to your online RAD application via www.radresource.net. For your portfolio award request to be considered, you must submit applications for the lesser of four projects or 25% of the units identified in the portfolio. An AMP may be split into multiple projects if it will be processed as a standalone RAD transactions (for example, AMP 1 contains 2 buildings and each will convert to RAD separately). See page 2 of this template for sample submissions.

1) How many units are you applying for and requesting to reserve as part of this portfolio award request?

1564

2) Use the below chart to identify the submitted RAD Applications that meet the minimum requirements to submit a portfolio award (i.e., 4 projects or 25% of units identified in the portfolio):

PIC Dev. Num	Project Name	No. of Units to be converted to RAD	RAD Application Submitted? (Enter Date submitted or "No")
TX005000002	APV	278	12/18/2019
TX005000003	HOAPV	222	12/18/2019
TX005000020	Sweetwater Point	26	12/18/2019
TX005000008	Heatherbrook	53	12/18/2019
TX005000015	Oxford Place	230	No
TX005000018	Lincoln Park	200	No
TX005000012	Lyerly	199	No
TX005000009	Forest Green	100	No
TX005000005	Ewing	40	No
TX005000019	Kennedy Place	108	No
TX005000011	Fulton Village	108	No
<i>Total Units Applied for</i>		1564	

HHA is proceeding with the RAD CHAPS for Heatherbrook (TX#005000008) and Sweetwater (TX#005000020). However, HHA decided to give back three CHAPS: Kennedy Place (TX005000019), Fulton Village (TX005000011) and Bellerive (TX#005000013). HHA gave back the whole portfolio award and then will revisit with the list at some point in the future.

RECOMMENDATION

Accordingly, I recommend that the Board considers this resolution, which states:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the Interim President & CEO to submit to HUD the HHA Annual Plan for the calendar year 2021, with all attached certifications, HUD forms, all necessary attachments and other documentation required for the receipt of capital funds program funds, and to make any technical corrections, and to make the following certifications:

1. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
2. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board in developing the Plan, and considered the recommendations of the Board (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board and a description of the manner in which the Plan addresses these recommendations.
3. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection before the hearing, published a Notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that requires the PHA's involvement and maintain records reflecting these analyses and actions.
6. For this Plan that includes a policy for site-based waiting lists:
 - The PHA shall regularly submit required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development at which to reside, including, basic information about available sites and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting lists would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting lists are consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
7. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
8. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.

- 9.** The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons and its implementing regulation at 24 CFR Part 135.
- 10.** The PHA will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and its implementing regulations at 49 CFR Part 24 as applicable.
- 11.** The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- 12.** The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out their review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
- 13.** With respect to public housing, the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- 14.** The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
- 15.** The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
- 16.** The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
- 17.** The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
- 18.** All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
- 19.** The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection at the principal office of the PHA during normal business hours.
- 20.** The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Pursuant to the memorandum dated December 28, 2020 from Jonathan Zimmerman, Policy Advisor to Mark Thiele, Interim President & CEO.