

# WICHITA HOUSING AUTHORITY

## First Third Program Report

April 30, 2017

## **Department Mission**

The Housing and Community Services Department stabilizes neighborhoods by administering various affordable housing programs and providing well-being services to help residents break cycles of poverty.

## **Public Housing**

The Wichita Housing Authority owns, manages and maintains 578-units of housing. HUD provides approximately \$810,000 each year for capital upkeep and nearly \$4 million for operations.

### **Management Assessment**

Occupancy remained a priority this reporting period. The occupancy rate as of April 30 was 99 percent. The program year (July-June) to date occupancy average is 96.83 percent. Three units are vacant; two are undergoing modernization.

The waitlist for Public Housing is adequate. There are 264 households approved and await available one to six bedroom units. An additional 1,100 households have applied for public housing. These applicants will be called to complete formal applications on a monthly basis based upon bedroom size.

### **Financial Assessment**

The four asset management properties continue to underperform. There is a net operating loss of \$280,000 during the first five months of 2017. Substantial expenses are in maintenance. Invoices are being scrutinized so that expenses are minimized. For now, all outsourced work that in-house staff can perform has been suspended.

The Authority has yet to receive Capital Fund dollars for 2017. These funds are expected in June. Upon receipt, the Authority can re-allocate \$200,000 for operations to minimize deficits.

### **Physical Assessment**

In March, HUD inspected 352 of 578 units. The units inspected were single-family dwellings located in northeast Wichita (D1) as well as west Wichita (D4, D5). Scores were 65 and 67 respectively for the areas. Although these scores are passing, the inspection revealed a number of maintenance items that need to be addressed. Some citations were based on exigent, health and safety concerns that were required to be mitigated within 48 hours. The remaining deficiencies are being resolved through a monthly triage that provides a holistic maintenance approach for each dwelling unit.

## **Housing Choice Voucher (HCV) Mission**

The Housing Choice Voucher (HCV) program is a division of the Housing and Community Services Department and the City of Wichita Housing Authority (WHA). The HCV is federally funded by the U.S. Department of Housing and Urban Development (HUD). The 2016 assistance level funding provided assistance to 2,695 families by Housing Assistance Payments (HAP) contract with more than 800 private landlords.

The HCV division administers the following programs in accordance with HUD rules and regulations and the Public Housing Agency Administrative Plan.

- 1) **Housing Choice Voucher Program** provides a HCV to low-income families who meet the income eligibility criteria. Families contribute the highest of 30 percent of their adjusted income or 10 percent of gross monthly income toward rent. The program pays the balance of rent due the landlord. The maximum rent allowable in this program is established by annual payment standards.
- 2) **The Mainstream Program** allows a HCV for non-elderly persons and families with disabilities. The rental assistance creates the opportunity for program participants to have affordable and accessible private dwellings to fit particular needs due to disability.
- 3) **The Designated Housing Program** enables a HCV for non-elderly persons and families with disabilities on the Public Housing waiting list to receive a voucher. The rental assistance facilitates affordable and accommodating private dwellings to fit disability-related needs.
- 4) **The Family Self-Sufficiency (FSS) Program** is designed to help low-income HCV families become self-sufficient within five years. The program gives guidance to families so escrow accounts can be established. Money from this restricted savings account may be used as a down payment to purchase a home, education, or credit repair. Families graduating from this program have met self-sufficiency and exit the HCV program.
- 5) **The Housing Choice Voucher Homeownership Program** allows HCV assistance to be used for mortgage payments. Recipients must participate in the FSS program, attend homeowner training and secure a mortgage loan. The program participant must be self-sufficient and able to pay 100 percent of a mortgage after year 15.
- 6) **The Veterans Affairs Supportive Housing (VASH) program** provides rental assistance through Housing Choice Vouchers for homeless veterans. Case management and clinical services are provided by the Veterans Affairs regional administration staff.

## Two Year Forecasting Tool for Housing Authorities' Housing Choice Voucher Programs

HUD developed a spreadsheet tool for use by public housing agencies to assist in predicting HCV leasing, spending and funding over a two year period. The purpose of the tool is to facilitate decision making by Housing Authorities and to guide HUD oversight with technical assistance to achieve optimal use of the HCV funds.

The Wichita Housing Authority's management team utilizes this tool. The tool has assisted with planning activities to ensure that appropriate leasing and spending lead yield high performance.

The following goals have been set for 2017:

- Waiting list to remain open until 5,000 families complete on-line preliminary application
- Conduct formal applications meetings for 3,500 households on the waiting list
- Determine eligibility and issue over 300 vouchers to provide rental assistance to 2,636 households. This goal would assist the Housing Choice Voucher program in decreasing rental assistance reserves to 6.1 percent.
- The overall goal is to provide 300 new families with rental assistance this year. The number of new families includes attrition that is projected to occur in 2017.

HUD's national mandate is to decrease reserves to a level that provides rental assistance to families in need of affordable, safe and decent household. The Wichita's Housing Authority's HCV program goal is to decrease reserves to 6.1 percent in 2017. This milestone will comply with the recommended range set by HUD.

Activities for the first and second quarters include:

- HCV waiting list to remain open
- Contacting 3,500 households through the second quarter
- Determining Eligibilities
- Issuing 300 Vouchers by end of the second quarter
- Leasing 150 new households by end of the second quarter

Month	Type of Meeting	Number of Households Contacted	Number of Households Attended	Voucher Issuance	New Admission
Jan 2017					54
Feb 2017	Formal Application	1500	375	0	24
Mar 2017					
<b>Total</b>		<b>1500</b>	<b>375</b>	<b>0</b>	<b>78</b>

Seventy-eight families have leased up into Housing Choice Voucher program since January, 2017. These families were issued voucher during the last quarter of 2016.

**Accomplishments**

- Submitted Section Eight Management Assessment Program on February 27, 2017 indicating that the Wichita Housing Authority’s Housing Choice Voucher as a “high performer.”
- Fifty three new landlords were added to the WHA’s HCV program during the first six months in 2016.
- HCV program is on target with City’s Performance Measures.

**City of Wichita’s Performance Measures**

Average Dollar Value of Vouchers Redeemed Over the Course of the Reporting Period per Household

Benchmark	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
TBD	\$5,118	\$5,100	\$5,100	

Households That Redeemed Rental Assistance Vouchers

Benchmark	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
1,338	2,424	2,600	2,600	

Percentage of Budget and Vouchers Redeemed During the Reporting Period

Benchmark Budget	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
98%	100%	98%	98%	
2,695 Vouchers	2,424	2,600	2,442	

Household Participating in Family Self-Sufficiency

Benchmark	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
125	172	150	148	

Households that Graduated from the Self-Sufficiency Program

Benchmark	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
10	11	10	2	

Waiting List Numbers

Benchmark	2016 Actual	2017 Target	2017 Quarterly	2017 Actual
2,000	5,123	5,000	2,875	

**U. S. Department of Housing & Urban Development's Section Eight Management Assessment Program (SEMAP)**

**Performance Measures**

Number	Indicator	2016 Actual	Possible Points	2017 Quarterly	2017 Actual
1	Selection from Waiting List	15	15/0	15	
2	Reasonable Rent	20	20/15/0	20	
3	Determination of Adjusted Income	15	20/15/0	15	
4	Utility Allowance Schedule	5	5/0	5	
5	Housing Quality Standard (HQS) Control	5	5/0	5	
6	HQS Enforcement	10	10/0	10	
7	Expanding Housing Opportunities	5	5/0	5	
8	Payment Standards	5	5/0	5	
9	Timely Annual Reexaminations	10	10/5/0	10	
10	Correct Tenant Rent Calculations	5	5/0	5	
11	Pre-Contract HQS Inspections	5	5/0	5	
12	Annual HQS Inspections	10	10/5/0	10	
13	Lease-Up	20	20/15/0	20	
14	Family Self-Sufficiency	10	10/8/5/3/0	10	
<b>Total</b>		<b>140</b>	<b>145 Max</b>	<b>140</b>	<b>97%</b>

**High Performance Rating**  
 Standard Rating  
 Troubled Rating

**90% & Above**  
 60% to 89%  
 59% & Below