Public Housing Repositioning Strategy

ARHA Redevelopment Work Group - July 2019

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Public Housing Context

- 754 public housing units subsidized with Section 9 subsidies
- National Crisis — severely underfunded
  - Operating Funds — Public housing agencies cannot address all the maintenance needs
  - Capital Funds — Subject to Congressional appropriations
- Nationally Capital needs = in excess of annual appropriations
Repositioning Tools
Transforming Public Housing Subsidy

IMPACTS on Public Housing Residents:

- Rent continues to be 30% of household income
- ARHA Greater Flexibility to improve quality of apartment
- HUD Oversight continues since ARHA owns the property
Section 18 Application Goal

• **HUD’s goal** –
  • Reduce public housing portfolio nationally by 10%

• **ARHA’s goal** –
  • Preserve the 754 current public housing units as Section 8 subsidized units
  • Improve resident’s living conditions
  • Have greater local control of capital investments
Rental Assistance Demonstration - RAD

• Allows ARHA to increase current subsidy to RAD Rents (lower than Section 8 rents)

• Advantages:
  ➢ Quicker renovation of apartments
  ➢ Improved quality of housing for residents
  ➢ Limited temporary relocation may be required
Voluntary Conversion

- PHA with less than 250 units in its portfolio,
- HUD allows conversion to Section 8 without Section 18 disposition
- ARHA: 754 ACC units
  - Section 18 Application: 441 units
  - RAD: 84 units
  - Total Conversion: 525 units
  - Voluntary Conversion: 229 units*
  - Total ACC Units: 754 units
Section 18 Application

Obsolescence
◦ Threshold requirement: Repairs are over 57% of TDC
  ◦ Samuel Madden, Andrew Adkins, Ladrey

Scattered Site
◦ Isolated units cause inefficiencies
  ◦ Beauregard, Chatham Square, Park Place, Saxony, JB I, JB II, JB IV

Surrounding Neighborhood
◦ Changes in neighborhood cause health and safety risk for residents
  ◦ Bragg Street
Current Action Items

**Section 18**
- Housing Quality Standards (HQS) inspection of 441 units
- Apartment Repairs - improving living conditions of current residents

**RAD**
- Financial Review for RAD Straight subsidy conversion
- Physical Condition Assessments (PCA)
- Secure closing costs and reserve 20 years of capital funding
Post Section 18 Award Action Items

Section 18

➢ Apply for Housing Choice Vouchers
➢ Units pass HQS inspection
➢ Resident Engagement
ARHA’s Long Range Strategy

• Determine Public Private Partnership – Select Partners
• Self-develop Sites
• Home Ownership program with the city
• Retain as income generating properties
• Re-syndicate Expiring Use Sites