

MDHA Rental Assistance

August 12, 2019



Strategic Planning – Rental Assistance

- The Rental Assistance Department administers the Section 8 federally funded rent supplement programs that help families whose income is at or below 50% of Area Median Income (AMI) find decent, safe and sanitary housing in the private market.
- Under these programs the family pays between 30-40 percent of its adjusted income or a minimum of \$50.00 per month for rent and utilities. MDHA pays the difference.
- Property in these programs must meet local code and HUD Housing Quality Standards (HQS). Assisted dwelling units must pass a HQS inspection conducted by MDHA prior to assistance being paid.

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Department Staffing – 41 positions

- Director
- Assistant Director
- Section 8 Supervisor
- Section 8 Inspector Supervisor
- Section 8 Administrative Assistant
- Section 8 Specialists – 22 – Intake (4) – Occupancy (13) – FSS (2) – Homeless Programs (1), VASH (1) and Program Integrity (1)
- Section 8 Inspectors - 6
- Administrative Support Staff – 8

Average years of service is 16 years

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7493 Total Vouchers/Other Forms of Assistance Allocated

- 6646 Tenant-Based and Project-Based Vouchers
- 485 Tenant-Based VASH Vouchers – Homeless Veterans
- 32 Project-Based VASH Vouchers – Patriot Place - Homeless Veterans
- 212 Shelter Plus Care – Homeless individuals and families with disabilities
- 118 Single Room Occupancy (SRO) – Homeless individuals

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Annual Rental Assistance Funding

- \$50.3 million (\$4,196,775 per month)
- For 2019, funded at \$555 per unit. However, actual per unit cost was around \$620. This means we are unable to support every voucher allocated. We are currently utilizing 89% of our vouchers and are working to increase utilization.
- \$1.6 million for 212 Shelter Plus Care Vouchers
- \$865,000 for 118 SRO units

Total Annual Funding for 2019
\$52.8 million

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Administrative Budget

- Administrative salaries and all other associated costs for program operations are supported by administrative fees earned or allowed under each funding source.
 - ❖ Under HCV, we earn fees based on the number of voucher families under contract on the first day of each month, or lease-up rate. The fees currently earned are prorated at 79% of what we are eligible for based on our lease-up rate. We currently earn fees of about \$355,284 per month for HCV.
 - ❖ Under the SRO and Shelter Plus Care programs, we charge administrative fees in the amount of 6% of annual funding to supplement the costs to administer those programs.
 - ❖ We receive a Family Self-Sufficiency grant to support two full-time FSS Coordinator positions.

Total Administrative Budget - \$4.69 million

Program Utilization

- In order to fully utilize funding, there are several factors that must be considered on an ongoing basis. Primarily:
 - Response rate to waiting list selections
 - Number of vouchers to be issued
 - Success rate of the new vouchers issued
 - When a new voucher is leased
 - Number of terminations each month

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Program Highlights – For FY 2018, we scored a **100%** on our Section Eight Management Assessment Program (SEMAP) certification, ranking MDHA as a **High Performer PHA**. During the calendar year 2018, we:

- Provided rental assistance on behalf of over 7600 households;
- Issued 1914 vouchers;
- Executed over 1300 New HAP Contracts;
- Had **four families** graduate the Family Self-Sufficiency (FSS) Program and **purchase a home**;
- Housed **223 formerly homeless** individuals and families, of which 96 were Veterans; and
- Added 99 new landlords to our program.

Project Based Vouchers (PBVs)

The MDHA Board has approved the conversion of up to 1400 of our tenant-based vouchers to project-based vouchers.

To date we have received 22 proposals that include existing units, units to be rehabbed and new construction that are at various stages.

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Project Based Vouchers (PBVs) – cont'd

	0BR	1BR	2BR	3BR	4BR	
Total Units						
Awarded/Pending Award	40	464	244	130	0	878
New Construction		304	207	130		641
Existing	40	116	13			169
Substantial Rehab		44	24			68
						878
Pending						0
Approved	40	464	244	130		878
Under AHAP		250	204	103		557
Under HAP Contract	40	214	13			267
* Pending AHAP			27	27		54
						878