

## HOUSING AUTHORITY OF PORTLAND

Section 8 is an assistance program designed to increase housing affordability. It offers individuals and families an opportunity to find an approved house or apartment to rent in the private market and negotiate a lease directly with the owner. HAP then pays a portion of the monthly rent. HAP assists more than 8,400 households through this program.

### NEED FOR SECTION 8

HAP has a long waiting list. The waiting list last opened in fall 2006 and nearly 10,000 households signed up in less than three weeks. As of April 2011, there were 1,432 households from this group remaining on the list. This program is intended to address housing needs for people who enter the program with incomes below 50% MFI. However, 75% of participants have incomes between 0 and 30% MFI. The program also serves a significant number of special needs households. Approximately 30% of participants are disabled and 18% are elderly.

### SECTION 8 PROGRAM DESCRIPTION

The Section 8 program is designed to decrease concentrations of poverty and offer increased tenant choice by providing participants with a rental subsidy to use in the private market. Participants pay a minimum of 30% of their adjusted income towards rent and utilities and HAP pays the remainder of the rent directly to the landlord. The Section 8 program also provides service referral and assistance to both tenants and landlords, and provides periodic landlord trainings.

HAP actively seeks to encourage its Section 8 participants and public housing residents to become involved through membership on its Resident Advisory Committee. In addition to that committee, the agency routinely involves participants and residents on committees specific to a redevelopment or policy issue. For instance, residents and participants served on the Community Advisory Committee that guided HAP through its two HOPE VI redevelopments, New Columbia and Humboldt Gardens.

As a housing authority with Moving to Work status, HAP uses its deregulation status to pursue initiatives that fulfill MTW objectives to increase the number of households served, move families to self-sufficiency, and improve operating efficiencies. In Section 8, key initiatives include pursuing reforms to simplify rent calculations for participants to make them more equitable and easy to administer and to remove disincentives to work. At the outset of this new rent program, participants will pay a minimum of 27.5 % of their gross income toward rent and utilities, with the percentage increasing in stages to 31% over four years for those who are work-able. HAP also has allocated a small pool of rent assistance funds to pilot programs that include compensating landlords in a tenant's first two years should the tenant move out and leave damages beyond normal wear and tear, and to several rent assistance programs that pair housing assistance and services for hard-to-house populations and for work-able participants.

### PROGRAM TOOLS TABLE:

- HAP's Section 8 program serves more than 8,400 households in Multnomah County through a

variety of voucher types. Generally speaking, they are divided into two types: tenant-based assistance and project-based assistance.

- Tenant-based assistance is portable and can be moved anywhere in the country. This includes Housing Choice Vouchers and VASH vouchers for homeless veterans, as well as other specialized vouchers.
- Project-based assistance provides rental subsidies while a household is renting a designated unit. The subsidy stays in the building. Project-based assistance generally serves households with special needs or significant rental barriers, including the homeless, individuals coming out of treatment for addictions, persons with disabilities or mental illness, victims of domestic violence, etc.
- 48% of the heads of participating households are elderly and/or disabled.
- Approximately 18% of the program participants are non-English speaking

#### PROGRAM SELECTION

Tenant-based voucher participants are selected according to HAP's waiting list plan and, in the case of special use vouchers, according to HUD's requirements for the vouchers. Project-based vouchers are awarded to property owners through a competitive process.

#### PROGRAM ELIGIBILITY

- Must be between 0 and 50% MFI at admission. However 75% of participants are between 0 and 30% MFI.

#### POTENTIAL BARRIERS

- Uncertain federal funding commitments due to efforts to reduce the federal deficit.
- In Multnomah County, HAP estimates that only 1 out of every 3 households that qualify for Section 8 assistance are able to get on the program due to waiting lists and funding restrictions.
- An overall decrease in services to low-income Multnomah County residents, resulting from federal, state, and local budget cuts, has reduced support for Section 8 participants as they work towards successful tenancy.
- Rents in some areas of Multnomah County continue to be higher than many households can afford, even if household members are working full time.

#### PARTNER AGENCIES AND ORGANIZATIONS

The Section 8 program partners with a wide variety of entities:

- Service providers such as Central City Concern, Multnomah County, Human Solutions, Friendly House, etc.
- Non-profit and for-profit housing providers including REACH CDC, Rose CDC, PCRI, Guardian Management, etc.
- Rental associations such as Metro Multifamily Housing and Rental Housing Association of

Greater Portland.

- Partner jurisdictions such as the Portland Housing Bureau, Multnomah County, and the City of Gresham.

#### COMPLEMENTARY LOCAL, REGIONAL AND NATIONAL EFFORTS

The Section 8 program is part of the continuum of housing programs available in Multnomah County. Tenant-based vouchers focus on housing affordability and choice while project-based assistance focuses on special needs housing, supportive and assisted housing and “no net loss” initiatives. The Section 8 resource plays a key role in the implementation of the Ten Year Plan to End Homelessness.

#### GEOGRAPHIC SERVICE AREAS (INCLUDING AREAS OF LOW-INCOME FAMILIES AND/OR RACIAL/MINORITY CONCENTRATION)

Multnomah County, Oregon including the cities of Portland, Gresham, Fairview, Troutdale and Wood Village

#### MONITORING

HAP submits annual Moving to Work plans and reports for approval to the U.S. Department of Housing and Urban Development (HUD). In addition, HUD periodically audits various aspects of HAP’s operations for compliance with federal regulations, fair housing requirements and program management. In addition, the organization is subject to annual financial and management audits by the accounting firm of Macias, Gini, & O’Connell.

HAP is committed to the goal of preserving, developing and managing housing that serves as a long-term community asset and increases the housing choices for low-income individuals and families. HAP has strategically acquired or developed in excess of 3,836 units of Affordable Housing and 116 units of Special Needs Housing.

**Affordable Housing:** While the properties vary substantially in size, design and location, they all serve the common purpose of providing housing for people with incomes that range from 0% to 80% of the Area Median Family Income.

**Special Needs Housing:** At the core of HAP's mission is a special responsibility to those who experience barriers to housing because of income, disability or other special need. In keeping with our mission and with the assistance of many financial partners and service providers, we have developed and own over 116 units of transitional and permanent housing spread among thirty-six properties throughout the county.

#### AFFORDABLE HOUSING NEEDS

**Affordable Housing:** There is a high demand for units affordable throughout the affordability ranges from 30% MFI to 80% MFI. Occupancy for HAP's entire portfolio has been running between 97% to 98%.

**Special Needs Housing:** There is a high demand for these units. Service providers manage access to this housing through their agencies.

These programs are intended to address housing needs for households with a range of incomes up to 80% MFI, including people with special housing needs.

#### AFFORDABLE HOUSING PROGRAM DESCRIPTION

**Affordable Housing:** The Real Estate Operations team at the Housing Authority of Portland oversees a portfolio of 3,836 apartment units in thirty-six properties throughout Multnomah County. In most cases, the properties utilize professional third-party management firms in a fee-management arrangement. HAP staff manages select properties in this portfolio.

**Special Needs Housing:** The Special Needs Portfolio consists of 116 units that range from homeless shelters to permanent supportive housing, wholly owned by HAP and master leased to partner agencies.

#### PROGRAM TOOLS

- Professional Property Management: eight different third-party management firms leverage the efforts of HAP's asset managers and handle the day-to-day operations of the properties.
- Resident Services Coordination: selected properties have formal resident services coordination.
- Partner Agencies/Master Leasing: the master lease is the critical tool for partnering with service agencies to operate and manage the Special Needs portfolio.

#### PROGRAM SELECTION

Projects are selected that meet agency policy and financial goals. This includes supporting jurisdictional goals, maintaining affordability, leveraging other public investments, as well as projects

that use HAP resources efficiently and are sound long-term investments.

#### PROGRAM ELIGIBILITY

This housing is available to serve diverse households ranging from individuals with incomes of 0% MFI needing supportive housing to working families with incomes up to 80% MFI.

#### POTENTIAL BARRIERS

- Increasing fixed expenses – insurances, utilities, payroll.
- Difficulty in satisfying the demand for rental options targeting households at 30% MFI or below.
- Need for resident services coordination across the portfolio.
- Waning local development resources coupled with increasing capital needs in the existing portfolio of affordable housing resulting in less available subsidy for creation of new units.

#### PARTNER AGENCIES AND ORGANIZATIONS

- Multiple service agencies that provide case management and, in some cases, manage the housing in the Special Needs Portfolio.
- Property management companies that manage the Affordable Housing properties.

#### COMPLEMENTARY LOCAL, REGIONAL AND NATIONAL EFFORTS

This housing, which includes very affordable supportive housing as well as housing affordable to higher income households, is part of the continuum of housing available in Multnomah County.

#### GEOGRAPHIC SERVICE AREAS (INCLUDING AREAS OF LOW-INCOME FAMILIES AND/OR RACIAL/MINORITY CONCENTRATION)

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#### MONITORING

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## Public Housing

The goal of the Public Housing program is to provide decent, safe, sanitary housing to these low-income residents and to encourage successful residency.

### NEED FOR PUBLIC HOUSING

The clearest evidence of the need for public housing is the waiting lists for units. Waiting lists are kept by bedroom size at each of HAP's public housing communities. Waiting lists range from a year to up to 10 years, depending on the size of the unit. For example, waits for multiple bedroom units are over three years at most properties. HAP opens a waiting list when the wait time drops under a year. Typically, due to the size of its waiting lists, HAP only is able to open waiting lists at three to four of its forty-four public housing properties each year.

### PUBLIC HOUSING PROGRAM DESCRIPTION

The public housing program of the Housing Authority of Portland (HAP) is composed of a portfolio of over 2,053 apartments and single-family dwellings throughout Multnomah County that are owned and operated by the housing authority. Rents for these properties are approximately 30% of the household's monthly income. To qualify, applicant household income must be less than 80% of the median income for the Portland Metropolitan Area. However, 61% of public housing residents earn less than 30% of the median income. Seniors and/or persons with a disability make up 64.8% of the heads of households.

In 2007, HAP undertook an initiative to preserve this important housing resource. The current funding mechanism for public housing, which consists of an annual operating subsidy and a capital grant appropriated through Congress, is not adequate to operate and maintain public housing. HAP's preservation initiative involves selling the agency's scattered site single-family units, replacing them with units in multifamily buildings that are more efficient to operate, and addressing the significant capital needs across the remainder of the portfolio. In the first three years of the initiative, HAP sold 136 of its 162 scattered site units and replaced all of these units. The agency also has begun to address the backlog of capital needs, completing more than \$17 million of renovations at 20 family properties. This work was aided by \$6.4 million federal stimulus funds for public housing capital projects. Looking forward, HAP is planning to address capital needs at its 10 public housing high rises by converting the underlying subsidy to project-based Section 8. This subsidy change will allow the agency to create a tax credit ownership structure and leverage debt and equity to fund critical renovations. The agency intends to serve the same very low-income population and continue the current level of tenant protections.

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HAP actively seeks to encourage its public housing residents and Section 8 participants to become involved through membership on its Resident Advisory Committee. In addition to that committee, the agency routinely involves participants and residents on committees specific to a redevelopment or

policy issue. For instance, residents and participants served on the Community Advisory Committee that guided HAP through its two HOPE VI redevelopments, New Columbia and Humboldt Gardens.

#### PROGRAM TOOLS

- Property Management: HAP manages its public housing using a site-based approach.
- Resident Service Coordinators: in certain HAP public housing properties, Resident Service Coordinators are available to assist residents in accessing the services that they need for successful residency.
- Partnerships with Service Providers: formal and informal relationships with community service providers support residents.

#### PROGRAM ELIGIBILITY

Public housing is available for adults who are seniors or have disabilities, and families who earn up to 80% of MFI.

#### POTENTIAL BARRIERS

For quite some time, funding for public housing, which is appropriated annually, has been inadequate to address operating and capital needs. This problem is exacerbated during the many years when the operating subsidy and capital grant have to be prorated below the level HUD deems necessary for successful management of this resource. Given the pressures to reduce the federal deficit, the outlook for the annual appropriations levels for the operating subsidy and capital fund over the coming years is highly uncertain.

#### PARTNER AGENCIES AND ORGANIZATIONS

- Service providers such as Cascadia, Portland Impact and Northwest Pilot Project provide case management to some of the residents in public housing.
- A private screening company assists with the intake process for new residents entering public housing.

#### COMPLEMENTARY LOCAL, REGIONAL AND NATIONAL EFFORTS

This housing is part of the continuum of affordable housing in Multnomah County.

#### GEOGRAPHIC SERVICE AREAS (INCLUDING AREAS OF LOW-INCOME FAMILIES AND/OR RACIAL/MINORITY CONCENTRATION)

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MONITORING

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## Resident Service Programs

The goal of HAP's resident services is to provide a pathway to self-sufficiency for residents who are work-ready and to support successful tenancy for those who are not. Family programs promote success in school, improved employment, asset-building, and higher education. Programs for seniors and persons who have disabilities assist them to remain self-sufficient, maintain quality of life, and age-in-place.

### RESIDENT SERVICE NEEDS

Family programs address the effects of generational and new-immigrant poverty, self-confidence, multi-cultural employment-related issues, financial literacy needs, and asset-building. The GOALS (Greater Opportunities to Advance, Learn, and Succeed) Family Self Sufficiency program has over 152 families on a list waiting for program vacancies.

Programs for senior residents and residents with disabilities respond directly to the day-to-day needs of those people living in HAP housing and focus on maintaining quality of life and, for seniors, addressing aging-in-place issues.

### RESIDENT SERVICE PROGRAM DESCRIPTION

- GOALS and Opportunity Housing Initiative (OHI) Family Self Sufficiency: goal-setting, coaching and asset-building
- After-school (and holiday) Homework Clubs: school success
- Congregate Housing Supportive Services (CHSP) -meals, housekeeping, personal care, case management
- Resident Services Coordinators – housing stability, community engagement, health & wellness coordination in several public housing and affordable housing communities

### PROGRAM TOOLS

- Strong community partnerships
- On-site service coordination
- Information and referral
- Volunteers
- Meal delivery
- Coaching
- Transportation
- Job training and placement
- Educational/programs
- Case management
- Health screenings

**PROGRAM ELIGIBILITY**

These programs are available for HAP public housing residents and Section 8 participants, and in some cases residents of properties in HAP's affordable housing portfolio.

**POTENTIAL BARRIERS**

Declining grant resources and restrictions on who can be served with grant funds limit the reach of these programs.

In addition, because of the significant role played by community partners, state and local budget cuts that destabilize in these programs have had an impact on the depth and breadth of services available to HAP residents and Section 8 participants.

#### PARTNER AGENCIES AND ORGANIZATIONS

HAP maintains more than 100 community partnerships. Some major partners include:

- Portland Community College
- Impact NW
- Oregon Department of Human Services
- Worksystems, Inc
- Head Start
- Volunteers of America

#### COMPLEMENTARY LOCAL, REGIONAL AND NATIONAL EFFORTS

All HAP resident services programs are linked to national, regional and local efforts to meet the needs of similar populations. For instance, the GOALS program is funded through a variety of HUD grants, and is linked to other programs across the country. All GOALS and workforce initiatives are fully linked with the Worksource Career Center systems throughout the region.

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Each HUD grant program requires semi-annual reporting to HUD as to program outcomes, usually measured in relation to the work plan submitted with the grant application. Some grants are assisted by grant or partner-funded external auditors who conduct regular monitoring of the grant program progress.