

2021

Move To Work Plan and Application Package

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Part I- MTW Plan and Landlord Incentive Activities Information

Move To Work Plan

(1) Vision for HHA's Local MTW Program

HHA's overall goal for its MTW Program is to increase the housing opportunities for low income residents in the City of Harrisburg. HHA plans to reach this goal by making a concerted effort to connect and work with local landlords to educate them on the benefits of renting to lower income tenants, while also addressing myths, stereotypes, obstacles and deterrents they are concerned with regarding participation in HHA's Section 8 Program. In coordination with the objectives of the MTW Demonstration Program, HHA plans to meet its goals through objectives that are cost effective, encourage the self-sufficiency of HHA's tenants and broaden the housing choice for low- income tenants.

HHA wants to participate in the MTW Demonstration Program so that it can better adjust and fit our program to align with the needs of landlords and tenants unique to the Harrisburg, Pennsylvania Area. The City of Harrisburg has an estimated population of about 49,271 according to the United States Census Bureau. Between the years of 2010 and 2020 the Environmental Systems Research institute (Ersri) estimates that the City of Harrisburg has grown by 1,362 persons and 786 households.

The median age of the population in the Harrisburg Market Area is 33 years. Adults age 35-61 comprise the largest percentage of the area's population at 32.0 percent. The next largest age group, Young Adults between the ages of 20 to 34, account for 23.6 percent of the population, and nearly 17 percent of the market area are age 62 and older.

Single-person households are the most common household type in Harrisburg at 39.4 percent. Multi-person households without children make up 29.1 percent of all households in Harrisburg and nearly 32 percent of all households in Harrisburg have children.

The majority of these households in the City of Harrisburg are renters, consisting of 64.7 percent of all households. Out of the renting population, the largest percentage of those households are one and two person renter households, coincidentally also at 64.7 percent.

The estimated 2020 median income in Harrisburg was \$37,180. More than 47 percent of the area's households earn less than \$35,000, 34 percent earn from \$35,000 to \$74,999 and 18 percent earn more than \$75,000. According to the U.S. Census Bureau's American Community Survey data, the median income for Harrisburg renter households is \$30,475. Fifty-six percent (56%) of all renter households earn less than \$35,000, thirty-one percent (31%) earn from \$35,000 to \$74,999 and only twelve percent (12%) earn \$75,000 or more. According to HUD's FY 2021 Income Limits, for a single person household anyone earning \$47,550 or less a year is low income and would income qualify for HHA's HCV program.

The data demonstrates that the majority of the Harrisburg population are renters. Moreover, over half of all these renters are low income, and these low-income renters would likely income qualify for HHA's HCV Program. What HHA wants to achieve through the MTW Expansion

Program is a higher demand from landlords for HCV participants and, thus, a greater number of available units. This will ultimately expand the affordable housing opportunities for HCV participants. HHA's plan will incentivize new landlord participation, help retain existing landlords and broaden the geographic footprint for available units to the HCV eligible Harrisburg population, so that HHA can help this large population of Harrisburg residents in need of affordable housing.

Given the numbers above, roughly 18,000 households would qualify by income to be part of HHA's HCV program in the city of Harrisburg. Currently HHA has about 1,100 "head-of-household" voucher participants currently living in the city of Harrisburg and only approximately 274 landlords participating in the HCV program. The MTW Program will provide a great opportunity to reach out to the landlords of the estimated 18,000 renters who may be qualified but are not part of our current HCV program. Moreover, as a result of the negative impact that the COVID-19 pandemic has had on the rental market, HHA believes that the HCV program demand for additional landlord participation will be even greater.

HHA has and will continue to have six dedicated personnel working in its HCV department that will have the primary responsibility for administration of the MTW Program. Together they have a combined experience of over 44 years in the HCV program. HHA's HCV Department Director has worked for HHA for 16 years in the HCV Department and handles a caseload of over 200 participants. The HCV Department's Management Aide has worked in the Department for 11 years and handles a case load of nearly 300 participants. The Department has two (2) Clerk III case managers. One of the Clerk III case managers has worked in the HCV Department for 8 years and handles nearly 300 participants. The other Clerk III case manager has worked in the Department for 5 years and handles nearly 300 cases. HHA's Clerk I, handles 150 participants and has worked for HHA for 2 years. In addition, HHA's HCV inspector has worked for HHA for 2 years now. With their dedication and hard work, HHA has been a high performer for 4 of the past 5 years. Furthermore, HHA's staff also takes on numerous special vouchers including the VASH Program, SRO Program, FSS, Non-Elderly Disabled Vouchers (NED), Project Based Units, Enhanced Vouchers and Foster the Youth to Independence Tenant Protection Vouchers (FYI, TPV).

Statement of Fair Housing and Civil Rights Goals

HHA will continue to abide by the nondiscrimination requirements of 24 CFR 960.203: Title VI of the Civil Rights Act of 1964 (42 U.S.C. 200d), which forbids discrimination based on race, color, religion, national origin, or sex in programs receiving Federal financial assistance. (24 CFR part 1); The Fair Housing Act of 1988 (42 U.S.C. 3601-3619), which also prohibits discrimination in housing practices based on disability in residential real estate-related transactions. (24 CFR parts 100, 108, 109, and 110); Executive Order 11063 on Equal Opportunity Housing. (24 CFR part 107); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination based on disability in programs receiving Federal financial assistance. (24 CFR part 8); The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107), which prohibits discrimination based on age in programs receiving Federal financial assistance. (24 CFR part 146); Title II of the Americans with Disabilities Act. (42 U.S.C. 12101-12213); Executive Order 13166 requiring agencies and grantees to take affirmative steps to communicate with people who need services or information in a language other than English.

(Improving Access to Services for Persons with Limited English Proficiency [LEP]); Obligation to Affirmatively Further Fair Housing. (24 CFR § 960.103(b) and 24 CFR §903.7(o)); Violence Against Women Act, Title IV, sec. 40001-40703 of the Violent Crime Control and Law Enforcement Act, H.R. 3355; any applicable state laws or local ordinances; and, any legislation protecting the individual rights of tenants, applicants or staff that may subsequently be enacted.

(2) Plan for Future Community/Resident Engagement

HHA is a participant in, or in close partnership with various community organizations and committees whose focuses are directed towards housing the most at risk populations in the City of Harrisburg. These organizations include but are not limited to Dauphin County Human Services, YWCA, The Capital Area Property Owners Association, Thrive-Scholars, Harrisburg Fair Housing, Christian Churches United of the Tri-County Area, MidPenn Legal Services, Harrisburg Redevelopment Authority, The Capital Area Coalition on Homelessness (CACH), Dauphin County Human Services, Tri-County Development Corporation, and Case Management Unit of Harrisburg.

The clients that these organizations serve include both landlords and tenants consisting of racial and ethnic minority groups, persons with limited English proficiency, persons with disabilities and families with children. In an effort to help assist each of these organizations' clients obtain safe, decent and affordable housing, a representative from each of the above named groups has agreed to participate in monthly Landlord Retention and Recruitment Committee Meetings as a Sub-Committee to CACH's Housing Committee. This Committee's overall goal is to get more local landlords to participate in the programs supported by the members to house low-income residents of Harrisburg who are homeless, or at risk of homelessness. As a committee member HHA specifically speaks to the goals of getting landlord participation in the HCV program.

Through these networks, HHA is able to reach out beyond its current participants and landlords to help in the implementation and development of its local MTW program. For example, CACH has a Limited Landlord Mitigation Fund it has been using as a way to recruit Landlords in the Harrisburg Area to rent to individuals or families who are recommended through a CACH homeless program. Through HHA's engagement in CACH's efforts we can use our MTW Program to encourage the landlords interested in the Limited Landlord Mitigation Fund and provide additional incentives and opportunities to landlords if they participate in HHA's HCV program and also expand the tenants eligible for housing with these landlords.

Further engagement with community landlords has also been offered by MidPenn Legal Services who has offered to distribute information about HHA's MTW Program to local landlords through the Magisterial District Justices' Offices.

Additionally, HHA has planned to create informational videos and hold informational meetings regarding the HCV program and the rules and regulations for both Landlords and Tenants to help promote engagement in the program and bring tenants and landlords into the program with a full understanding of their duties and obligations which should create a better landlord and tenant relationship. These videos and meetings will be advertised and available to people of all races

ethnicities and with consideration to persons with limited English proficiency and disabilities. HHA will be sharing informational videos on its website and social media platforms to reach as large of an audience as possible.

(3) HHA Operating and Inventory Information

HHA has about 1,100 HCV participants currently living in the city of Harrisburg and only 274 landlords participating in the program. In HHA's public housing stock, HHA has 1,642 active units, with the following breakdown: 93 are efficiencies; 484 are one bedroom; 654 of these units are 2 bedroom; 322 are 3 bedroom; 75 are 4 bedroom; and 14 of the total units are 5 bedroom. HHA's longest waiting list is for one and two bedroom units. The number of individuals on the one bedroom waiting list is approximately 270 as of April 2021, and the number of individuals on the two bedroom waiting list is approximately 93 as of April 2021. As stated above in the first section of this plan, the majority of the nearly 18,000 renters in Harrisburg who would income qualify for HHA's rental-assistance programs are one and two bedroom households. This demand and need cannot be satisfied by HHA's public housing stock alone, and therefore getting more Landlords to participate in the HCV program would help house these families.

In addition to the need for more landlord participation that is already apparent by the income data and statistics for the Harrisburg population, it will become even more significant as our community rebounds from the COVID-19 Pandemic., HHA predicts a higher need for affordable housing in the area caused by the job loss and other hardships suffered by so many. Furthermore, due to the eviction moratoriums both Landlords and Tenants will be looking for innovative ways to get rental payments made and the HCV program could be a great tool to keep people in their homes when the moratorium is lifted and provide Landlords an incentive to remain in leases with tenants that may have fallen behind in rent.

Placing program applicants in to our public housing units has not been challenging beyond the need to update certain units that have kept them offline, and not having enough units to satisfy the need of low income individuals in the area. The need for affordable housing is great in the Harrisburg Area, therefore keeping our Public Housing occupancy rates very high. However, the issue of the aging properties can be greatly helped through participation in the MTW "Block Grant" approach. This approach, allowing HHA to combine our Public Housing Operating and Capital funds and Housing Choice Voucher funds and use them interchangeably can help HHA renovate its current housing stock and build new affordable and mixed-income communities to reach the special needs of the Harrisburg population.

For our HCV program, the challenge isn't getting voucher holders, but it is getting Landlords to participate and understand the value in participating. A unique challenge for getting Landlords to participate in the HCV program is countering the negative stigma held in renting to low-income families, such as, "these families will not pay rent", "they will damage the property", "they will only rent for a short period of time and leave causing vacancy losses", etc. HHA plans to counter these stereotypical beliefs through educating landlords and tenants on how to maintain good renting relationships, HHA becoming a facilitator of good will between the landlords and

voucher holders, along with implementing several of the landlord incentives provided in this Cohort of the MTW program.

Within the current constraints of our HCV program, HHA has tried various ways to get more people housed. HHA recently applied for and was approved for tenant protection vouchers for HUD's Foster Youth to Independence (FYI) program. Our FYI determined how the program could best serve the participants that were aging out of foster care. The FYI team meets monthly to come up with ways to make sure the youth are able to get the supportive services they will need. Partners in this team effort are the county's Children and Youth Services, the Capital Area Coalition on Homelessness, and HHA's FSS program. Each of the partners provide resources and expertise at different stages of the youth's tenancy, which has been outlined in a Memorandum of Understanding (MOU) between the partners. Furthermore, in getting the vouchers out and used in Harrisburg the team has had to speak with landlords, promote the program, and express the need for their participation. What HHA has found through this experience is that there is plenty of need for vouchers but not enough available units. This is where the MTW Program and implemented landlord incentives would be a tremendous benefit to helping house these young individuals.

(4) Plan for Local MTW Program

HHA seeks to utilize the MTW flexibilities to implement programs and policies that will help promote the statutory objectives of Cost Effectiveness, Self-Sufficiency and Housing Choice.

Cost Effectiveness

As discussed above, HHA has very old (aging) public housing stock that needs to be renovated. Using the MTW block grant to leverage funds can help with renovating HHA's deteriorating public housing stock with funds that otherwise would not be used due to current program restrictions. HHA will also work to streamline HUD processes so that staff is utilizing its time in the most efficient way, e.g., plans to change the inspection schedules needed in order to save staff time and money, landlord certifications, bi-annual recertification processes, etc..

Self-Sufficiency

HHA plans to continue its work with its Family Self Sufficiency (FSS) Program to help families save money and, obtain higher levels of education, find jobs and develop trade skills that allow them to leave the HCV program and attain homeownership. HHA will use the MTW program to help link rental assistance with supportive services, create escrow accounts, and increase case management services.

Housing Choices

HHA will also be using the MTW program to continue its efforts in developing mixed-income and tax credit properties. HHA is currently working on two tax credit projects with the intent on providing Project Based Vouchers that could benefit from the MTW flexibilities. If HHA is chosen for this MTW Cohort, the flexibilities allowed by the program will hopefully attract more

partners to invest in projects with HHA and increase the percentage of project based vouchers and the construction of new affordable housing units in Harrisburg.

(5) Proposed use of MTW Funds

HHA requests the authority to use public housing and HCV funds flexibly. HHA's proposed uses of MTW Funds are as follows:

- 1.) HHA plans to use MTW funds to incentivize landlord participation in the HCV program;
- 2.) HHA plans to use MTW funds to help develop mixed income housing to increase the percentage of project-based vouchers and bring more affordable housing to Harrisburg;
- 3.) HHA plans to use MTW funds to reach special needs populations through the use of provider-based vouchers paired with supportive services;
- 4.) HHA plans to use MTW funds to renovate deteriorating public housing;

(6) Evidence of Significant Partnerships

HHA's significant partnerships include relationships with local representatives including, Representative Patty Kim, Senator John Disanto, and Mayor Eric Papenfuse, Also, HHA has a multiple different relationships with not for profit and for profit agencies throughout the city including, The Salvations Army, Addie Family Resources , Harrisburg Are Community College , BB&T bank, Housing Center for Peace and Justice, Community Check Up Center, Children and Youth Services, Capital Area Coalition on Homelessness, Dauphin County Human Services, YWCA, The Capital Area Property Owners Association, Thrive-Scholars, Harrisburg Fair Housing, Christian Churches United of the Tri-County Area, MidPenn Legal Services, Harrisburg Redevelopment Authority, Dauphin County Human Services,Case Management Unit of Harrisburg and Tri County Community Action. Many of these partners have already come together to help HHA in the process of putting together this plan to best fit HHA's visions and objectives for the MTW plan. So far, they have helped bring in local landlords to participate in the participant meetings and have educated landlords and participants about not only this MTW application and plan but about the HCV program as a whole. Children and Youth Services (CYS) has been helping HHA with it's Foster the Youth to Independence (FYI) Tenant Protection Vouchers (TPV) and in doing so has acted as a mediator and advocate for the voucher holders, and educator and liaison to the housing authority for the Landlord, regarding any HCV program issues and questions. Furthermore, HHA is currently working on two Low Income Housing Tax Credit (LIHTC) developments with plans of including Project Based Vouchers (PBV) in each. Working in PBV to these projects insures more affordable housing units will be available for voucher holders in the area.

Landlord Incentive Activities Information

(1) Landlord Needs Assessment

As discussed in a prior section, the majority of Harrisburg residents are renters age 35-61, in need of 1 and 2 bedroom units. HHA is the largest landlord in the area, other landlords are a mixture of property management companies who manage large corporate owned apartments and single owner “Mom and Pop” landlords renting out privately owned units. HHA has about 1,111 HCV participants currently living in the city of Harrisburg, 149 are Project Based Unit Voucher holders and 962 are housed with regular vouchers. There are approximately 274 landlords participating in the program. After our participant meetings HHA staff was able to get a more complete understanding of the local issues, concerns and challenges related to HHA’s HCV program and landlord participation in the program.

As discussed throughout the previous sections the housing market in Harrisburg is limited, and largely consists of rental properties but the amount of rental properties, the incomes of renters, and the amount of landlords, indicates that there is a hesitance from local landlords to join the HCV program. In the participant meetings, landlords provided a few consistent reasons that they were hesitant to join the HCV program. These reasons were consistent with what was expressed in CACH’s Landlord Retention and Recruitment Committee. The most consistently voiced concerns included assumed tenant damages, fear that there would be frequent tenant turn over resulting in loss of income due to intermittent vacancy, concerns about the amount of inspections needed to be done, and the extra work required to meet HUD guidelines, along with a belief that they could charge non-HCV participants higher rents.

The strongest part of HHA’s HCV program is the quality staffing in place that have a great understanding of program, its requirements, and how to perform their jobs efficiently at a high standard. HHA Staff also maintains good relationships with participants and landlords, making themselves available to discuss issues and resolve problems. The weaknesses found through our Landlord Needs Assessment is HHA’s outreach, and education regarding program requirements, particularly with those not already in the program. It is HHA’s goal as a result of performing the needs assessment and through the process of implementing the MTW Landlord Incentives to improve on these weakness.

(2) MTW Cohort #4 Activities

With the objective of satisfying the concerns addressed by participant landlords and landlords in the area, along with hopefully enticing other landlords who did not join in on our participant meetings, HHA plans to put into place the following Landlord Incentives:

Payment Standards - Fair Market Rent

HHA plans to establish payment standards between 80% and 120% of the Fair Market Rent. This will help incentivize the landlords in the area to rent to HCV participants without feeling as

though they are losing income due to the restriction of the payment standards. As part of this incentive HHA will implement an impact analysis and a hardship policy.

Front-end Vacancy Loss Payment and Vacancy Loss Payments

HHA will combine the Front-end Vacancy Loss Payment incentive with the Vacancy Loss incentive so that landlords are incentivized for initial and continued participation in the HCV program. The payments will be no more than one month of the contract rent. The payment will not be made until the landlord signs a HAP contract with the agency. For vacancy losses in between tenants HHA will pay up to a months rent between tenants, if the vacancy loss is less than a month the amount will be prorated. This incentive should address the issues that local landlords have voiced about frequent turnovers of HCV participants.

Damage Claims

This was the most common issues addressed by the local landlords who said they were hesitant to join the HCV program or had a bad experience with the program. In order to incentivize landlords to join the program and remain in the program HHA will pay a landlord reimbursement for tenant caused damages after accounting for the security deposit. It will be required that this is at the end of tenancy, either due to tenant move out or due to eviction, but cannot be used while the tenant is still renting the unit. The amount of compensation after security deposit may not exceed the lesser of the cost of damages or two months contract rent. The damages must be thoroughly documented, including a complete list of the damages, with pictures, the tenant must have the chance to respond to the claimed damages, and the landlord must list the cost of repair with supporting evidence. HHA will review all the documentation before issuing a reimbursement.

Alternative Inspection Schedule

Many landlords complained that the yearly Housing Quality Standard inspections schedule for the units was burdensome, with this in mind HHA will implement and alternative to this inspection schedule. HHA will implement an alternative schedule for conducting HQS inspections every two years instead of annually.

(3) Other Landlord Incentives and Initiatives

HHA will not be seeking approval of a landlord incentive MTW activity by requesting and Agency Specific Waiver process. HHA will however continue to improve on the many things it has been working on to attract the participation of landlords in the HCV program that are not MTW specific designations.

HHA will continue to have HAP payments made timely each month, offer direct deposit, continue to provide sufficient notice of the date and time of inspection, and have our inspectors arrive within the designated times. HHA will also focus more on educating potential landlords about the HCV program. HHA will do this by designating staff to sit on the Landlord Retention and Recruitment Committee as part of the Capital Area Coalition on Homelessness so that the

Landlord Associations and other members that are a part of the committee can ask questions and get answers about the program. HHA will also post information to its website and social media pages regarding the basic landlord requirements for the HCV Program and ways to get question answered.

Currently HHA is working on an educational video to provide on the website and social media to help answer questions about the HCV program that potential landlords may have. In addition, HHA is using the HCV Landlord Strategy Guidebook for guidance on how to improve landlord participation in the HCV program. A notable issue that HHA found during the participation meetings was a lack of communication and understand between landlords and tenants regarding their duties and requirements. HHA has developed a Landlord Welcome Packet to provide landlords when the sign up for the program, but given the idea that Landlords are hesitant to sign up because of misunderstandings in the requirements HHA is building on this idea by providing Landlord information to the general public and to our partners to distribute to landlords.

HHA also plans to develop more informational videos and/or events to answer potential landlord and current landlord questions. What's more, MidPenn Legal and the Dauphin County Bar Association along with other advocacy groups have offered to facilitate mediation for landlords and tenants to discuss issues before they become irreconcilable differences. Having these groups as partners allows HHA to provide them with information about our HCV program and its requirements that could help participants in the program and individuals who haven't participated take advantage of its benefits.

Part II- Appendices

Appendix 1: Moving to Work Certifications of Compliance and Commitment to Participate in the Fourth Cohort Evaluation

Appendix 2: Public Process Documentation

Appendix 3: Required Standard Forms

Appendix 4: Other Supporting Documentation