

City of Chandler Housing and Redevelopment's Strategic Plan

An Updated Vision for Affordable Housing in Chandler

2020-2025



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I. Purpose of the Strategic Plan

The City of Chandler Housing and Redevelopment Division (a.k.a. the Chandler Housing Authority) has historically served the housing needs of persons whose income is low and very low in the City of Chandler through HUD funded low rent public and Section 8 housing. CHRD has provided “decent, safe, and sanitary” low-income public housing to Chandler’s citizens since 1972. Throughout the decades the needs of our community have changed, and our agency needs a strategic plan to meet the changing needs proactively.

The Chandler’s Housing and Redevelopment Division (CHRD) is poised to transition from a provider of decent safe and sanitary housing to the provider of affordable housing that meets a higher community vision. This transition involves the potential disposition, demolition, or conversion of properties that no longer meets CHRD’s and City of Chandler viability and community standards. Strategies include redevelop opportunities through HUD’s repositioning strategies to leverage a public private partnership. In order to facilitate this challenging and lofty agenda, CHRD will pursue leveraging some of its limited resources to develop a creative plan that may allow CHRD to fund and execute the change. We must consider doing some things we have never done before.

The planning and achievement of our updated vision will result in the delivery of higher quality, affordable housing for our residents and applicants; and the utilization of staff intellectual resources to effectively direct the assets of the Chandler Housing Authority. Staff comprised of resources positioned in the Central Cost Center will investigate and potentially function more as a quasi-enterprise entity to become financially stronger and less dependent on unreliable HUD funding. This is one of the principle purposes of our Strategic Plan.

The Public Housing Authority Commission (the governing Board), the Housing and Redevelopment Manager, and staff of the CHRD, envision an evolving affordable housing product to better serve the modern needs of the City of Chandler. The older “Public Housing” product has served the needs of our community but is now at the point that it is dated and lacking modern design and functionality to fit the needs of our family residents. Meeting the needs is a challenging objective that significantly impacts the lives of our residents and the future of the community. To systematically transition our housing assets from the current federally funded “Low Rent and Section 8 Public Housing” to a product of mixed-income affordable housing products will take the coordination and cooperation of the CHRD, residents, City of Chandler and the federal government.

II. The Vision Statement

Vision Statement:

Creating and sustaining healthy, diverse neighborhood housing opportunities that promote individual responsibility, economic growth, human dignity and hope for the future.

III. The Mission Statement

Mission Statement:

The City of Chandler Housing and Redevelopment Division (CHRD), together with our community partners, work to maintain safe, decent and affordable housing for low income individuals and families within our community.

IV. Strategic Goals and Objectives:

COCHRD Goals are as follows:

Goal One: Assist the availability of affordable, decent, safe and affordable housing.

Goal Two: Improve community quality of life and economic vitality.

Goal Three: Promote self-sufficiency and asset development of families and individuals.

Goal Four: Ensure Equal Opportunity in Housing for all Americans.

COCHRS Objects to meet these goals are to:

1) Manage the Housing Choice Voucher and Public Housing programs in an efficient and fiscally sustainable manner that will result in compliance and excellent customer service

Continue to meet all criteria as a High Performing public housing authority in HUD's PHAS and SEMAP assessment. Promote a work environment that is motivating, dynamic and innovative. Provide staff training to keep pace with changing federal housing programs. Maintain policies and procedures in compliance with current HUD regulations and standards.

2) Maintain and strengthen financial viability

Work to achieve positive cash flow within each managed program and asset. This includes continuing to increase the sources of nonfederal and federal funding. This may require a number of years of transition to accomplish. The Administrative and Management center may also look for opportunities to manage or acquire other affordable housing units and added them to the portfolio. When developing HUD income streams may involve developing partnerships with private or nonprofit entities through the use of tax credits and project based vouchers as well as other innovative financing vehicles. It may also

include revenues from fee for service based professional property management services.

3) Improve public housing through demolition, disposition, or a combination of redevelopment and demolition, to transition our residents into more modern affordable housing family developments

Upgrade and modernize public housing developments by developing a variety of housing options including preserving current public housing, and/or reposition public housing into public/private partnership. Evaluate and implement rehabilitation of existing housing or replace existing stock with new construction, when feasible to increase livability and sustainability of our community.

The Rental Assistance Demonstration (RAD), Section 18 (disposition), and other innovative approaches (i.e. financed with low income housing tax credits, federal home loan bank, federal and other sources) enhances the quality of life, promote responsibility and accountability of our residents. Through HUD's repositioning strategy options consider increasing existing multi-family units count, reduce the number of existing multi-family sites to maximize operation efficiency, increase the number of units for seniors, consider mixed income housing, construct new rental housing developments, and provide homeownership.

4) Reposition the Scattered Site (nonfederal and federal) housing stock

Through rehabilitation, disposition, (sale of properties) reposition assets to more multi-family style properties that are consolidated and less costly to manage. Utilize the proceeds from the sale of any assets to support and develop a new rental units and a self-sustaining community enhancing homeownership program.

5) Continue to expand case management for our housing residents and participants and link to other human and social service providers

Target and acquire available grants for continued development of innovative approaches for aiding responsible residents to achieve increased family self-sufficiency. Continue to increase the Family Self Sufficiency

To determine how to identify the different tenant population types that utilize our affordable housing products and examine how to best serve those individuals and families to aid them to become self- sufficient or less reliant on the safety net programs. Connect with the transportation, family support services and other business community to increase self-sufficiency.

The challenge is to find resources to evaluate, match and link tenants/families that have social/human services needs with providers that can assist our families. Tenant self-sufficiency will free up existing affordable housing for others to use. This will bend the curve for the growing need for more affordable housing.

6) Require greater accountability for participants and landlords of all HCV programs

Educate and train staff, participating and potential landlords in how existing HCV program regulations support stricter lease enforcement by landlords and lease compliance by participants to ensure that responsible and respectful participants are welcomed in every neighborhood. Expand Chandler's family self-sufficiency participation to demonstrate increased responsibility of participants to the community as more become self-supporting and free of all sources of subsidy.

7) Achieve greater accountability for public housing residents through strengthened lease enforcement and lease provisions as well as enhanced monitoring and training.

Develop, revise and refine lease provisions, administrative rules and supporting policies and procedures to create an enforceable lease that will sustain challenges through the hearing and court processes. Link appropriate infractions to a fee structure. Allocate staff time and resources to the timely processing of lease and rule enforcement.

8) Continue to improve efficiency and effectiveness of our work force through targeted training programs, ongoing evaluations and hiring/retention practices.

Key staff and leadership positions will be retiring and leaving the Housing and Redevelopment Division over the next five years. Recruitment and retention of qualified staff will become critical as the Division transitions to new leadership in all key supervisory positions. Training and elevation of qualified existing Housing staff will be necessary as long term experienced staff leave the Division. Consultants and on-site training may become necessary as vacancies occur.

9) Continue to focus on curb appeal of the exterior and interior of all of our developments.

Focus staff on the importance of attention to detail in improving resident and public perception as well as our ability to effectively market our buildings. Monitor Housing Division Performance Indicators within the Central Cost Center and report to the Housing and Human Services Commissioners.

10) Provide a safe environment for our residents.

Utilize lease enforcement, pre-lease screening, as well as city security efforts to screen or remove from tenancy those who are irresponsible and / or disrespectful with respect to the lease, vision and mission objectives. All programmatic efforts for families are to be focused on measures that will aid families to develop abilities necessary to move up and out of public housing.

11) Develop and implement a streamlined online application and waiting list process.

Utilize an online process for applicants to submit applications and update applicant information without having to complete and submit a paper form.

12) Utilize a random lottery system for wait list placement.

Utilize a lottery system for pre-applicant placement on the waitlist to be determined by a random lottery system to include preferences, thereby allowing all applicants with preferences the opportunity for an eligibility appointment no matter the place on the list.

V. Guiding Principles:

1) Partnership and continued relationship and participation in Chandler's housing programs is contingent upon the partner maintaining alignment with Chandler's Vision and Mission quality criteria. This guiding principle applies to existing and future landlords, development partners, and recipients of housing assistance.

2) Affordable housing exists and Chandler may develop, and/or acquire affordable housing that delivers an income mix ratio to the maximum extent feasible with the following targets: (+/- 10 percent tolerance of):

- a. 80% - Low-Income/Public Housing/Housing Choice Voucher - Section 8
- b. 15 % - Affordable Housing /Tax Credit
- c. 5% - Market Rate or Near Market Rate income

3) For strategic planning purposes, planning term lengths shall be as follows:

- a. **Short Term** - 1 Year or Less.
- b. **Mid Term** - Greater than 1 Year and less than 3 Years.
- c. **Long Term** - Greater than 3 years

4) Homeownership – Chandler will seek to develop appropriate homeownership opportunities to assist in transitioning residents who demonstrate capacity to independently own and manage a home.

5) The Housing Division staff will build capacity for development, acquisition, and management of new/rehabilitated units through the Operating/Capital Fund Leveraging, Tax Credits, Acquisition, Partnership and other affordable housing opportunities with developers whose products align with our vision and mission.

8) Develop, acquire or rehabilitate affordable housing utilizing energy efficient building practices and environmentally friendly building designs/products to the maximum extent feasible.

Progress Report on Five-Year Plan (FY2020-2025)

The City of Chandler Housing and Redevelopment Division (COCHRD) has worked toward achieving the goals outlined in the Five-Year Strategic Plan 2020-2025.

Goal One: Assist the availability of affordable, decent, safe and affordable housing.

Goal Two: Improve community quality of life and economic vitality.

Goal Three: Promote self-sufficiency and asset development of families and individuals.

Goal Four: Ensure Equal Opportunity in Housing for all Americans.

Staff and Public Housing Authority Commission (PHAC) have embraced the challenging steps involved in working toward promoting affordable housing, creating opportunities for economic self-sufficiency and the availability of an affordable living environment free from discrimination.

Below is the progress towards each goal in the five-year plan ending FY2022 (June 30, 2022)

Goal One: Assist the availability of affordable, decent, safe and affordable housing.

Goal Two: Improve community quality of life and economic vitality.

Goal Three: Promote self-sufficiency and asset development of families and individuals.

Goal Four: Ensure Equal Opportunity in Housing for all Americans.

Goal One: Assist the availability of affordable, decent, safe and affordable housing.

Objective 1: Manage the Housing Choice Voucher and Public Housing programs in an efficient and fiscally sustainable manner that will result in compliance and excellent customer service.

Progress: COCHRD continues to meet all criteria as a High Performing public housing authority in HUD's PHAS and SEMAP assessment. PHAS total score of 96 in Public Housing. SEMAP Score 100.

The waiting list for Public Housing and HCV is currently closed. In 2020, the COCHRD purged the Public Housing and Housing Choice Voucher waiting list.

COCHRD Division continues to operate and provide customer service to housing residents through housing programs, to include HCV, public housing, affordable housing program, and TBRA. The global pandemic of the Corona Virus (COVID-19) caused COCHRD to adopt another customer service option to include touchless administration of services. COCHRD implemented an online (Waitwhile software on the website) as well as the call-in to front desk phone to request for appointments. This last year, COCHRD continues to upgrade our housing software systems and purchased Compliance Exchange to add to the RENTCafe (resident and landlord portale) for HCV and public housing programs. COCHRD transitioned to an electronic file system that allows residents/participants upload documents on a secure system. A physical drop box was installed outside the Housing office to allow residents/participants to hand deliver documents as an alternative. COCHRD continues to utilize the HUD approved waivers related to the operations of the agency as posted on the website, and include in the PHA plan. These waivers

were adopted by Chandler April 13, 2020 and continued through the next FY2021.

Public housing vacancy rate continued to remain steady, with only approximately a 0.50 percent vacancy rate over the preceding annual term between July 1, 2020 and June 30, 2021. Staff continues to monitor this area daily to turn units around and fill vacancies as quickly as possible.

Other housing programs includes owning and operating eleven (11) affordable housing (two townhomes – HOME funded, three condos, four scattered senior housing single-family homes, and two duplexes). The affordable housing stock will continue to be rented at below market rents that will be affordable to families that make between 50%-80% of area medium income with rents between \$1,102 and \$875.

Tenant based rental assistant (TBRA) program has a total of 24 clients and uses coordinated support service provided by AZCEND that conducts case management to those who were formally homeless.

Outreach and community involvement is required as per federal requirements. COCHRD established a Resident Advisory Board (RAB) comprised of both Public Housing residents and HCV Program participants to review the Annual PHA Plan and provide comments to program policies. The comment period is between Jan. 24, 2021 and March 8, 2021. RAB meetings were held on Dec. 17, 2020, Feb. 25, 2021, both in English and in Spanish.

Objective 2: Maintain and strengthen financial viability

Progress: COCHRD operates in a fiscally prudent manner. The City of Chandler general fund contributes \$387,257 in annual ongoing funding, to support and help shore up the HUD Public Housing and Sec-8 Programs. Our current Public Housing reserve is over three million dollars. These actions have helped to stabilize our financial conditions and maintain an excellent level of operations.

Management staff is keeping an eye towards diversifying financial interests in our HUD portfolio. Staff is in the initial phase of exploring and researching the Rental Assistance

In 2020, the COCHRD was successful in keeping our elderly Kingston Arms Apartments designated for the elderly. The renewal of Kingston Elderly Designation is due August 2022.

Chandler has expanded the housing programs stock through the creation of housing location maps, landlord outreach, and by consistently monitoring the payment standard for the Housing Choice Voucher program. Our Housing Division adjusted the payment standards effective 4/1/2022 to adjust for the recent increases in our local market rents.

Bedroom Size	Payment Standard
0	\$1,196
1	\$1,298
2	\$1,560
3	\$2,172
4	\$2,473
5	\$2,844
6	\$3,215

We have set systems in place to maintain a high voucher utilization rate and plan to work within the HUD guidelines to maximize the utilization of the Housing Choice Voucher program vouchers and/or budget. HCV utilized close to 92 percent of the vouchers HUD has allocated to Chandler during this period and utilized 100% of funding. However, maintaining our utilization rate will continue to be a challenge in 2022, as we work to maintain our ability to service those in need with the peculiar demands of managing varying costs within a budget based system of funding.

In 2022, the COCHRD intends to apply for Family Unification Program Vouchers and available eligible special vouchers.

Goal Two: Improve community quality of life and economic vitality.

Objective 3: Improve public housing through demolition, disposition, or a combination of redevelopment and demolition, to transition our residents into more modern affordable housing family developments.

Progress: Demonstration (RAD) and or Demo/Dispo programs to encourage redevelopment of 303 public housing units. In addition, Tax Credit projects, tax exempt bonds or other grants may play a role in transforming COCHRD revenue stream in this year. In 2019, COCHRD procured financial consultant to develop options for redevelopment. In 2020, COCHRD issued an Request for Qualification and Request for Proposal addition, the COCHRD may submit to submit a RAD application in 2020.

When developing HUD income streams may involve developing partnerships with private or nonprofit entities through the use of tax credits and project based vouchers as well as other innovative financing vehicles. COCHRD is looking into utilizing Rental Assistance Demonstration (RAD) to convert public housing to project based Section 8. COCHRD conducted RAD due diligence activities over this past year to reposition public housing stock through these activities:

- Completed Public Housing Capital Needs Assessment Report for Multi-Family properties Sites 1-5 (June 23, 2020)
- Distributed Public Housing Resident Survey (August 5, 2020)
- Mailed Resident Information Letter regarding RAD (August 10, 2020)
- Conducted Resident Information Meeting #1 via Webex (August 20, 2020)

- Presented for approval PHAC 2020-2025 Five Year and Annual Plan and approval for RAD application submission (August 24, 2020)
- Release RFQ for Qualified Developer(s) (September 1, 2020)
- RFQ Pre-Submittal Conference (September 23)
- RFQ Due Date (October 1)
- Evaluation Committee review of RFQs, short list (October 8)
- Interview/Selection of Qualified Developer(s) (October 14, 2020)
- HUD TA on Financing Scenarios (On-going)
- Release RFP for Developer (December, 2020)
- RFP Due (January 14, 2021)
- Developer Presentations (January 20, 2021)
- Finalize Evaluations and Select Developer (January 20, 2021)
- Meeting with Assistant City Manager (January 28, 2021)
- Meeting with City Manager and Developer (February 5, 2021)
- HHSC Meeting intro to RAD Presentation (February 10, 2021)

COCHRD is looking to acquire adjacent property next to the currently owned vacant parcel as part of the repositioning strategy in the next coming year 2021. In addition to , submitting a letter of intent and RAD application for HUD's RAD program and analyze reposition strategies options by redeveloping public housing stock and expand overall affordable housing portfolio. Require resident input meetings – to two meetings regarding RAD in 2020 and will continue to schedule meetings throughout the assessment process. COCHRD will research and pursue local non-profit partnership or other P3 for possibility of obtaining special purpose vouchers and/or project based vouchers at an existing apartment community.

Goal Four: Reposition the Scattered Site (nonfederal and federal) housing stock.

COHRD has not implemented this at this time.

Goal Three: Promote self-sufficiency and asset development of families and individuals.

Goal Five: Continue to expand case management for our housing residents and participants and link to other human and social service providers.

Progress: COCHRD has annually applied for and received a Public Housing/Housing Choice Voucher Family Self-Sufficiency Coordinator grant in 2020. This program strengthens our existing Housing Choice Voucher and Public housing programs and provides additional links to accredited higher education and job training skills. Currently, 120 families participate in the FSS programs.

Most discretionary policies and programs are created to promote self-sufficiency of tenants through a system of comprehensive supportive programs. Staff works to assist housing residents that need assistance by matching resources to promote tenant education and self-sufficiency. Our principle mission is “affordable, decent, safe, and sanitary housing” in conjunction with meeting HUD rules and policies augmented with preferential local controls. We support this mission through other social service/educational programs, which include the Housing Youth Center, Youth Recreation Program, the Capital Improvement Program, and Social

Service partnerships with other social service providers.

The Public Housing Youth Staff main hub is the Housing Youth Center (HYC), which was newly renovated in 2018 and has a computer lab with 12 computers. Recent adjustments were made the Youth Program starting in March of 2020 and continued throughout 2021, as the City continues to be in COVID restrictions, Chandler Public Housing Youth Program were asked to reimagine and redesign their service to the Public Housing families quickly. They also began rethinking, recreating, and redesigning the Youth Program so as to be ready to best serve the Housing families when the youth return to on-line and/or on campus learning.

COCHRD continues as Book Rich Environment (BRE) Public Housing Authority. COCHRD brings vibrant culture of books to public housing residents. In 2020, COCHRD received over 2,500 free, high quality books to children and families, engage our local library, and build literacy partners in our community. The COCHRD is in our third year of the Read to Succeed tutoring program. Volunteers tutor afterschool at the HYC twice a week for an hour to assist our youth that are reading below second grade reading level.

We also work closely with nonprofit homeownership programs and our Family Self-Sufficiency (FSS) Program to create Individual Development Account opportunities and FSS Escrow accounts to provide both financial and education support to prospective new homeowners.

Goal Six: Require greater accountability for participants and landlords of all HCV programs.

Progress: In an economic environment and limited available landlords accepting HCV, has presented our programs with uncertainties in leasing, however, the Housing Choice Voucher program families served has been fairly steady. The Housing Choice Voucher program budget is consistently managed to assure that Chandler has the best chance to utilize all 486 vouchers. Implementation of a pilot Increase Rental Opportunities in Chandler (IROC) in October of 2020 to provide incentives for new landlords that provide rental opportunities for families participating in the HCV. Landlords can receive a \$400 sign-on incentive. Former landlords can also qualify if they have not been active in the program for six months. To date there are six (6) landlords that have utilized the IROC program. An in-house landlord outreach program, as well as the subscription use and links to Go Section8.com, are tools that have been a significant asset to staff, the public and other housing entities.

Goal Seven: Achieve greater accountability for public housing residents through strengthened lease enforcement and lease provisions as well as enhanced monitoring and training.

Progress: As of December 31, 2017, Chandler continues to be smoke-free housing on all public housing sites. Staff continues to provide resources and counseling letters for residents that may need assistance in cessation of smoking.

Goal Eight: Continue to improve efficiency and effectiveness of our work force through targeted training programs, ongoing evaluations and hiring/retention practices.

Progress: COCHRD provided staff training through the City of Chandler HR department some of the trainings include mentorship program, emotional intelligence, fair housing training and AZNAHRO annual conference.

Goal Nine: Continue to focus on curb appeal of the exterior and interior of all of our developments.

Progress: Although COVID restricted construction activities within the public housing units, improvements were made to the exterior of the units such as painting and replacing old lawn sprinkler systems specifically at site 4. We have projects slated to upgrade cabinetry at our sites, painting, roofing, replacing HVAC and shower/tub upgrades with capital fund which adds to the aesthetic appeal of the units. Our flat rent program encourages higher income residents to stay or join the public housing program. Our partnership with the Chandler Police Department also provides a direct link to their resources to help screen all tenants and to address and mitigate problems as they arise. We continue to have our resident council involvements to include our resident beautification participants.

Goal Ten: Provide a safe environment for our residents.

Progress: COCHRD is assigned a Housing Investigator from the Chandler Police Department to assist in positive community engagement with residents. Over 50 complaints were reviewed and investigated. The complaints are originated by residents and can reported as anonymous.

Goal Four: Ensure Equal Opportunity in Housing for all Americans.

Goal Eleven: Develop and implement a streamlined online application and waiting list process.

Progress: The waiting list for Public Housing and the Housing Choice Voucher is currently closed. The last time HCV was opened Jan 27, 2020 to Feb. 10, 2020.

Goal Twelve: Utilize a random lottery system for wait list placement.

Progress: The waiting list for Public Housing and the Housing Choice Voucher is currently closed. The last time HCV was opened Jan 27, 2020 to Feb. 10, 2020.