

City of Chandler Housing and Redevelopment's Strategic Plan

Attachment Q

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. COCHRD 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 City of Chandler Housing and Redevelopment Division (COCHRD) 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 COCHRD’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, COCHRD will pursue leveraging some of its limited resources to develop a creative plan that may allow COCHRD 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 principal purposes of our Strategic Plan.

The Public Housing Authority Commission (the governing Board), the Housing and Redevelopment Manager, and staff of the COCHRD 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 The older “Public Housing” product has served the needs of our community but has become outdated and lacks modern design and functionality to fit the needs of our family residents.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 COCHRD, 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 (COCHRD), 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 Objectives 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 Standard Performing public housing authority in HUD's Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) evaluations. 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 several 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 using 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 and promotes 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 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 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 FY2023 (June 30, 2023) – Year Four

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 Standard Performing public housing authority in HUD's PHAS and SEMAP assessment. PHA Score for Fiscal Year 2020 was 92, in 2021 and 2022 it was N/A due to COVID waiver, however, recently REAC inspection was conducted in 2023 and we received a score of 38/40 for Physical (final report is not yet available). SEMAP scores SEMAP score was Standard Performer and COCHRD will continue working towards a high performer rating.

The waiting list for Public Housing and HCV is currently closed.

COCHRD continues to operate and provide customer service to housing residents through housing programs, to include 495 HCV, 303 public housing, 28 emergency housing vouchers, 11 affordable housing, 25 Tenant Based Rental Assistance (TBRA), and 10 Veterans Affairs Supportive Housing (VASH) vouchers.

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. The HUD approved waivers related to the operations of the agency were posted on the website and included in the PHA plan. However, most of the waivers expired Dec 31, 2022. In January 2022, COCHRD requested a waiver to increase 2022 Payment Standards which was

approved by HUD. In January 2024, COCHRD maintained payment standards to 119 percent of the Fair Market Rent (FMR). Early 2024 estimates appear to show a leveling of rents and an uptick landlord interest in HCV program with some retention of leased participants in their current unit. COCHRD continues to work with our housing software vendor to improve efficiency and maximize usage of the software systems. In 2021, COCHRD upgraded our housing software systems and implemented Compliance Exchange to add to the RENTCafe and the landlord portal (resident and landlord portal) for HCV and public housing programs. The Housing Drop Box located outside our office continues to be available for all residents to allow residents/participants to hand deliver documents as an alternative.

Public housing vacancy rate continued to remain steady, with only approximately a 1.0 percent vacancy rate over the preceding annual term between July 1, 2023 and June 30, 2024. Staff continues to monitor this area daily to turn units around and fill vacancies as quickly as possible.

Other housing programs include 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. The occupancy rate is 98% for this last year.

Tenant based rental assistant (TBRA) HOME program has a total of 25 formally homeless clients and uses coordinated support service provided by in-house Housing Stability Specialist. In 2022, COCHRD transitioned from the local non-profit AZCEND to the City providing the case management services for the TBRA program.

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 was between January 19 and March 5, 2024. A Public Hearing was held on Feb. 7, 2024. There were no public comments. RAB meetings were held on December 14, 2023, and January 17, 2024, with Spanish translation available at the meetings.

Objective 2: Maintain and strengthen financial viability

Progress: COCHRD operates in a fiscally prudent manner. The City of Chandler general fund contributes \$405,511 in annual ongoing funding to support and help shore up the HUD Public Housing and Section 8 Programs. Our current Public Housing reserve is over two 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 completed the initial phase of exploring and researching the Rental Assistance Program and is pursuing in partnership with a co-developer the first public housing repositioning project. Further information is available under Objective 3.

In 2022, the COCHRD was successful in keeping our elderly Kingston Arms Apartments designated for the elderly. The renewal of Kingston Elderly Designation is due August 2023.

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 Jan. 2024 to accommodate the recent increases in our local market rents.

Housing Choice Voucher Payment Standards Effective Jan. 1, 2024

Bedroom Size	Payment Standard
0	\$1,599
1	\$1,746
2	\$2,071
3	\$2,839
4	\$3,232
5	\$3,717
6	\$4,202

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 85 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 2024, 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.

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: Rental Assistance Demonstration (RAD) and or Section 18 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 2020, COCHD procured a solicitation for a co-developer to assist in repositioning public housing. A Request for Qualification (RFQ) and Request for Proposal (RFP) was issued to assist the COCHRD to build an affordable housing project on a City-owned vacant site. To increase the capacity and serve more low-income residents, the City purchased voluntarily a privately owned 14-unit apartment complex adjacent to the City owned property. COCHRD provided relocation services and financial assistance as required per the Uniform Relocation Assistance and Real

Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. 4601, and the department of Transportation's implementing regulations, 49 CFR part 24, that apply to this activity. City also hired a professional relocation firm to notify, relocate and provide moving and rental assistance.

On 7/14/2022, City Council approved to create a new affordable housing project to serve as a new site of a family and senior multifamily housing project, with approximately 157 units of housing, including a mix of 1, 2, 3, 4 and 5 bedroom units, community space and park area (the "Trails End Project") now referred to as Villas on McQueen. The City's PHA consulted with real estate professional and concluded that it is both feasible and, in the City's, best interest to submit a RAD Program application and pursue the redevelopment of the Chandler Public Housing Portfolio. Villas on McQueen (formerly known as Trails End) site was identified as a site to transfer residents on the new constructed site to limit relocation of residents. The City of Chandler Council approved Resolution 5640 on 10/2022 to co-develop the Villas on McQueen project. and Public Housing Authority (PHAC) approved to submit a RAD application and COCHRD submitted a RAD application in February 2023 to HUD. Received conditional funding for Villas on McQueen with over \$11M in soft funding and solidified LIHTC and State tax credit investor. Anticipated close date of Villas on McQueen approximately \$56M project will close May/June 2024.

When developing the remaining public housing portfolio, 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 to include Section 18 demolition/disposition. COCHRD is looking to continue to utilize Rental Assistance Demonstration (RAD) or Section 18 to convert public housing to project-based Section 8.

In addition to submitting a letter of intent and RAD application for HUD's RAD program in 2020, Starting in 2020, COCHRD had resident meetings requesting input from residents regarding RAD and had two resident meetings in 2023 and will continue to schedule meetings throughout the RAD process.

COCHRD issued an RFQ and RFP for the future development opportunities at the two public housing sites and 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.

COCHRD may decide to implement this strategy but has not 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 2022. 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 principal 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), Housing Youth Program return to its normal hours and programing after school Monday-Friday 3:30-7:15 at each of the four (4) family public housing sites.

COCHRD continues as Book Rich Environment (BRE) Public Housing Authority. COCHRD brings vibrant culture of books to public housing residents. In 2021, COCHRD received another delivery of free, high quality books to children and families, engage our local library, and build literacy partners in our community. The COCHRD is paused the Read to Succeed tutoring program. Volunteers tutor from referred by the library has been difficult because of the effects of COVID-19.

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 495 vouchers.

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

Progress: Chandler continues to be smoke-free housing since December 2017 for all public housing sites. Staff continues to provide resources and counseling letters for residents that may need assistance in cessation of smoking. Housekeeping and pest control services remain a priority for public housing. General emails and notices over the past year have been distributed to remind residents of lease provisions.

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, Nan McKay and Associates certifications, and the 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 cabinet replacement, Roofing, Refrigerator replacement, shower/bath 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 Average of 60 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. The last time Public Housing opened Oct. 7-14, 2022.

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

Progress: The waiting lists for Public Housing and the Housing Choice Voucher are currently closed.