



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-10-26 (2)

Date: October 26, 2016
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Choice Mobility Options for Project Based Voucher Households

This Resolution would authorize THA's Executive Director to move forward with the Asset Management Committee's recommendation to extend the Choice Mobility (CM) option to all THA owned and operated Project Based Voucher (PBV) funded units and to confer with the community partners with PBV contracts to discuss whether to extend CM eligibility to PBV households in partner units.

Background

Under the normal Housing and Urban Development (HUD) rules, a housing authority would have to give a tenant-based voucher to tenants in good standing who have lived in a unit subsidized with a project-based voucher (PBV). This would allow tenants to move out and take a subsidy with them. This is called the Choice Mobility option (CM). Using Moving to Work (MTW) authority, THA eliminated the CM option for families receiving PBV assistance either in THA properties or in properties that our partners own. THA did this to mitigate the number of families transferring from Salishan and other PBV-funded projects onto the voucher waitlist as soon as the family reached one year of occupancy. If we had allowed this, these tenants would skip ahead of families on the current waitlist and receive the next available voucher. Also, frequent requests for tenant based assistance would increase the number of unit vacancies and units to turn, which would be expensive. This would have also led to issues with tax credit compliance.

Under RAD regulations, however, THA must offer CM to families in a RAD-PBV covered unit that used to be a public housing unit. That includes about half of Salishan, all the senior buildings and parts of our other communities. This means that existing PBVs in THA properties would not be eligible for CM while units converting from public housing to RAD-PBVs would be eligible. In addition to having two separate forms of PBV assistance within THA properties, THA provides PBV assistance to a number of community housing partners in properties that THA does not own.

Since THA must provide the CM option to about a third of its portfolio the question arises whether THA should provide this option to all its tenants and to the tenants of partners using a THA PBV. This resolution recommends that: (1) THA provide this CM option to all its tenants; (2) THA confer with its partners about whether to extend the CM option to partner tenants and make a decision later.

Breakdown of THA-funded PBVs

After THA completes its full RAD conversion it will have a total of 1,513 project based vouchers in THA and partner units. The table below breaks down this total by RAD and non-RAD designations.

Property	Non-RAD PBVs	RAD PBVs
Salishan	340	290
Bay Terrace	20	26
Hillside	9	37
New Look	42	0
Renew Tacoma	0	456
THA Partners	293	0
TOTAL	704	809

Summary of the Choices in THA Properties

Offering or Not Offering Exit Vouchers to Residents of All THA Units: Comparative Advantages and Disadvantages	
Offering Exit Vouchers to Residents of Former Public Housing Units As RAD Rules Require and Not to Other THA Residents	Offering Exit Vouchers to All THA Residents
By making it easier for tenants to move, exit vouchers make THA's communities more transient and unstable.	Tenant based assistance allows households to choose their own housing and neighborhood and schools.
Exit vouchers create more vacancies, which are expensive. They essentially pay tenants to leave. No sane landlord would do this.	Giving THA tenants a greater ability to choose to move out forces THA to compete for their business. This is a good pressure on THA to make its properties appealing so households will want to stay
Exit vouchers give tenants a way around onto the Voucher wait list and a fast track to the top of the list. This means that other people seeking to get on that list will have a smaller chance to get on it and will wait a lot longer once they are on it.	Offering exit vouchers to all tenants treats all of them the same and avoiding an otherwise arbitrary distinction between residents of units that used to be public housing financed and residents of units that were not public housing units. Such a distinction otherwise has no meaning to residents or to THA.
HOP is a pilot program that aims to test whether or not time limits and fixed subsidies lead families to economic self-sufficiency. Results of a more detailed impact analysis near the end of the program's first five years may redirect HOP policies and procedures. Pending any unforeseen changes in HOP, the option to extend CM to families beyond the regulatory requirement may trigger a more significant staff time and financial impact.	Offering exit vouchers to all provides a uniformity that will be easier to administer because THA staff will not have to track which unit used to be public housing financed when considering Choice Mobility.
	THA can mitigate the problems that exit vouchers may cause to the property, to THA and to the people on the HOP waiting list. First, we will emphasize the risks and disadvantages of a HOP subsidy: (i) its subsidy is less than a tenancy; (ii) for work-able people, it lasts only five years while their tenancy (presently) has no time limit; (iii) most people with a HOP subsidy have trouble finding a landlord willing to accept it at the subsidy level it offers. Second, THA will continue to try hard to make its properties appealing so households would not wish to leave.

Consideration of THA Partner PBVs

As noted in the breakdown of PBV units, THA funds 293 units in partner projects with PBV funds. Many of these units are Permanent Supportive Housing (PSH) units. When the family occupying the unit no longer requires the services that accompany PSH (direct case management, etc.), the family is more likely to remain in the unit because of a lack of an affordable place to move. Meanwhile, families that require the PSH units and resources remain unserved on the Coordinated Entry (formerly Access Point 4 Housing) waitlist. Allowing families to exercise CM would free up hard housing units within the housing continuum. We plan to begin consulting with community partners to discuss extending CM eligibility to these households as well. This would be the topic of another resolution at a later date.

Recommendation

In order to have a consistent policy across THA's portfolio, the Asset Management Committee recommends that THA extend CM eligibility to all PBV-funded units in THA's portfolio. The Committee also recommends conferring with the community partners with PBV contract to discuss whether to extend CM eligibility to PBV households in partner units. In doing so, THA should review its available set of policy options to mitigate turnover in THA properties. Additionally, THA should review its waitlist management policies in order to comply with HUD regulations while ensuring to the best of its ability that existing eligible waitlist households continue to be served.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-10-26 (2) (Choice Mobility Options for Project Based Voucher Households)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, The Tacoma Housing Authority (THA) is converting its 809 Public Housing units to the Rental Assistance Demonstration (RAD) with Project Based Voucher (PBV) assistance; and

WHEREAS, HUD requires THA to offer Choice Mobility vouchers to the tenants these units; and

WHEREAS, THA had used its MTW flexibility to withhold the Choice Mobility option for the tenants of its 411 PBV-funded units that had never been public housing units and THA can continue to withhold this option from these tenants or it can confer the option on them; and

WHEREAS, THA had also used its MTW flexibility to withhold the Choice Mobility option for the tenants of PBV units owned by other organizations;

WHEREAS, THA's Asset Management Committee recommends that THA confer the Choice Mobility option on tenants of THA PBV units that had never been public housing units and that it confer with its partner organization to discuss whether to do the same for their PBV tenants;

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

Direct THA's Executive Director to extend the Choice Mobility option to all THA owned and operated Project Based Voucher (PBV) funded units and to confer with the community partners with PBV contracts to discuss whether to extend CM eligibility to PBV households in partner units.

Approved: October 26, 2016



Dr. Arthur C. Banks, Chair