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## Tacoma Housing Authority is Proposing Changes to its Waitlist!

### Background

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Tacoma Housing Authority maintains a waitlist for people hoping to access housing and/or rental assistance. In the past THA maintained separate waitlists for each of the properties and one for vouchers. In 2018, facing low voucher utilization rates and a shift to a new software system, THA's Board of Commissioners approved consolidating all the waitlists into one. The intent was to try and serve households faster by offering them the first available form of assistance- a voucher or a unit. At that time, Tacoma's rental market was becoming more competitive and THA's voucher was less desirable than a THA unit. A consolidated waitlist allowed THA to issue vouchers to families who did not originally apply for one.

However, with recent changes to THA's voucher, the demand for a voucher has grown. Additionally, when staff do waitlist pulls, about half of the people are not responding. As THA prepares for another significant change to our software system, we realize now is the time to evaluate our current waitlist policies and practices to see if and how these technological changes can support a new approach to managing the waitlist. Specifically, THA wants to find a way for the waitlist to be more reflective of and responsive to the community's housing needs.

Unfortunately, the need for housing assistance is much larger than the available resources. Not everyone who applies to the THA waitlist is served. Some families apply but are not selected to join the waitlist. Some families have not been able to apply because their household is too small. Others have found out they do not qualify for THA assistance despite waiting years on the waitlist. Though THA cannot solve all these challenges, we are striving to design a waitlist that is responsive to changes in families' circumstance, accessible to community members who face barriers to being and remaining stably housed, and efficient in getting people on our waitlist and into homes.

### THA's Current Waitlist Policies & Procedures

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The following sections outline THA's current practices and policies regarding the waitlist.

#### The Waitlist Opening

Currently, THA only opens the waitlist when there are enough openings to ensure a new batch of applicants can be served within two years. As a result, every couple of years, for about two weeks, THA accepts applications to be added to our waitlist. The current waitlist is for any type

of assistance: a voucher to rent on the private market or a unit at a THA property. We offer families the first available form of assistance.

There are times when we only accept waitlist applications for households that are a certain size. For instance, in 2021, we opened our waitlist to applicants whose households were composed of nine or 10 people. Waitlist applicants were limited to these households because we could anticipate enough openings in our larger units to ensure these households would be served within two years. In contrast, there are so many one and two-person households currently waiting for assistance that THA has only opened the waitlist to accommodate these smaller households in 2015 and again in 2023.

## The Lottery

Once the application window closes, we randomize the applications and select a predetermined number of households to be added to the existing waitlist. In addition to being randomly selected to be added to the waitlist, households are also randomly assigned a number indicating their place on the current waitlist. In 2023 approximately 15,000 households applied to be added to the waitlist. To ensure everyone could be served within two years, THA could only place 1,825 households on the waitlist.

## The Wait

Households who are selected are told they can expect to receive an offer of housing or a subsidy to rent on the private market within 18-24 months, sometimes longer. Waitlist applicants are required to update us if there is a change in their household composition or contact information.

## Purging the Waitlist

People may find housing, leave the area, or no longer need THA assistance before they reach the top of the waitlist. As a result, we conduct waitlist purges so that the waitlist is up to date. A waitlist purge allows us to remove people who no longer need/want assistance.

Waitlist purges typically occur once a year or every other year. If a household does not respond when we conduct a waitlist purge, they will be removed and can reapply the next time we open the waitlist. If a household does not respond, they may petition to be re-instated through a reasonable accommodation request (for households with a disability) or by filing a written request within six months of being removed.

## Offer of Assistance

THA maintains a consolidated waitlist. That means people seeking access to THA owned properties and those who prefer a voucher to rent on the private are served through the same waitlist. Households may turn down an initial offer of assistance once for a good cause (such as being in a lease). That is, a household may be offered a unit at a THA property but may pass on it to receive a voucher so that they can live closer to their child's school or their work.

Once a household is pulled from the waitlist, they are required to complete the full application packet. Households have 10 business days to return their application packet and additional documentation.

### Waitlist Preferences

THA maintains certain waitlist preferences, allowing households to be served ahead of others on the waitlist. Preferences are set to meet local needs and funding requirements. For instance, if THA has a unit required to go to a homeless household, then we work to find an eligible family being served through Coordinated Entry (Pierce County's central access point for people experiencing homelessness). THA's current waitlist preferences include:

- Families impacted by a federally declared disaster.
- Families whose assistance was terminated (at no fault of their own) due to lack of funding.
- THA residents on the transfer list who need to move in the event of an emergency, to address disability-related needs, or those who are under or over-housed.
- Homeless families served by Pierce County's Homeless System.
- Households exiting permanent supportive housing.
- Households who wish to get a voucher to move out of a THA property.

### Limitations Posed by THA's Current Waitlist Approach

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THA's waitlist policies were designed to house more people faster and limit the amount of time that people must sit on the waitlist. However, there are still ways in which our current approach could be improved to better serve the community and improve a family's likelihood of being housed in a timely manner once they are pulled from the waitlist. The following briefly summarizes a few major limitations that result from THA's current approach to waitlist management.

#### Outdated Reflection of Need

THA's waitlist is not reflective of the current housing need in our community. The current waitlist approach only serves families who need and seek out THA's assistance during the two-week period that the waitlist is open every couple of years. Even then, roughly 90% of the households that apply are not selected to be added to the waitlist. Over the two years that the waitlist remains closed we have had no way of knowing how many more people need THA's assistance and how many who originally applied no longer need or want housing through THA.

#### False Sense of Available Resources

The last two times the THA waitlist was open to ALL household sizes was 2015 and again in 2023. Yet, THA is presented and listed as a housing resource. We are often the first resource people think of when facing housing challenges. Unfortunately, very few people have a chance to apply to the waitlist. Instead, many people who are referred to THA for assistance are met

with the message that our waitlist is not open and will not be open for months, or possibly years.

### Lack of Response

When a family is pulled from the waitlist, they must complete the full HUD (Housing and Urban Development) application and submit copies of IDs, birth certificates, social security cards, and documentation pertaining to their income within 10 business days. Recent data has shown that only *half* of the people pulled from the waitlist respond when they are notified and sent the full application packet. The lack of response may be that people no longer need assistance or they are unable to respond and submit the required documentation by the due date and instead opt not to return the packet. Regardless of the reason, this current approach has room for improvement.

### Long Processing Time

When packets are returned, they often contain errors or are missing information. Staff work with clients to track down missing documents. On average it takes 76 days from when an initial packet is received until a voucher is issued. For THA units, that average is 126 days (units require an additional set of paperwork to be completed after the HUD application). This is a significant problem because many forms expire after 120 and need to be re-submitted to remain current. Additionally, THA is penalized when units sit vacant for too long. It is important that the way we operate our waitlist and process files ensure families are housed in a timely manner and units do not sit empty for longer than 30 days.

### Lack of Choice

Putting everyone on the same waitlist does not allow families to identify what type of assistance is most appropriate for their circumstances and needs. During our last wait list opening in April 2023, 49% of applicants stated they would prefer a voucher over a unit at a THA property, 47% stated no preference, and 4% stated a preference for a unit at a THA property. When a family is pulled from the waitlist, they are given the first available type of assistance. As a result, given the current preference for a voucher, we are finding that households offered a unit are less likely to respond to the offer of assistance or they turn down a unit once it's been assigned to them. THA's current waitlist policy does not allow us to offer units only to those who expressed a preference for one. Changing our policy will help give families more say over whether they are given a voucher or unit. Hopefully, this will also improve the response rate.

### Confusing Waitlist Preferences

In some cases, THA's waitlist preferences do not align with actual housing needs and requests. For instance, THA allows households in one of our subsidized units to exercise Choice Mobility. That is, after one year of residency in a THA unit, the resident can request a voucher to rent on the private market. Currently, THA policy states for every five vouchers that become available we will issue four to households on the Choice Mobility list and one to a household on the

waitlist. THA does not have enough people requesting Choice Mobility to justify such a large portion of our voucher going to this group as opposed to the waitlist.

A waitlist preference means the household meeting that preference is served *before* households on the waitlist. THA has preferences to serve homeless families working with outside agencies, but we do not have a cap on the number of referrals. The current THA policy does not identify what mechanisms are in place to ensure families on the waitlist continue to be served while also allowing THA to maintain waitlist preferences. This can cause confusion for staff who are managing the waitlist and trying to ensure they are compliant with policies that do not always accurately reflect the demands for housing that we are trying to address.

## Proposed Changes

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THA anticipates needing to open the waitlist within the coming months. However, we want to find ways to ensure that the households on the waitlist are those who need housing when they apply and when they are pulled from the waitlist. We also want to find a way to open our doors and let people apply for assistance at any point in time and have a chance to receive assistance sooner.

To develop waitlist policies and practices that are responsive, accessible, and efficient, THA is considering the following changes to how we manage our waitlist:

### Separate Waitlist for Vouchers and Units

To allow families greater choice in where they live, THA is proposing to have separate waitlists for vouchers and units. Allowing people to choose if they want to be on one or both waitlists will help ensure that when we make an offer of assistance it is one that they are willing and eager to accept.

### Continuously Open

To ensure people can apply for housing assistance when they need it, THA is proposing that we allow the waitlist to stay open and accept applications at any time. If a household is unresponsive to communications or unable to accept an offer of assistance, they will be removed from the waitlist. However, they can simply reapply when they are ready to accept a voucher or unit. If a household only signs up for the THA property waitlist and later decides they want a voucher, they can apply to the voucher waitlist at that time. Point being circumstances change, and an open waitlist would be responsive to households' changing needs and preferences. This would also allow THA to have more reliable and real-time data to better understand the housing needs of our community. This could help inform development and assist THA in developing plans to respond to those needs.

### Frequent Purges

However, a continuously open waitlist means more people are added to the waitlist. To ensure people on the waitlist are still interested in THA assistance, households would be required to

check in regularly (monthly or quarterly). Rather than applying and waiting to be contacted by THA, households would be responsible for maintaining their spot on the waitlist.

However, if someone does get removed from the waitlist because they are inactive for a period, they can just reapply – no need to wait months or years for the next opening.

## Random Pulls

One of the most challenging aspects of housing waitlists is that families often sit for years before moving to the top of the waitlist. Given the limited housing resources and funding, this will always be a problem for every housing authority. A policy change will not be enough to solve this problem.

However, THA's current approach of using a lottery to place people on the waitlist means that everyone placed on the waitlist can expect to wait at least two years before they get an offer of assistance. THA is proposing that rather than ranking people on the waitlist and pulling from the top, we pull families from the waitlist randomly. While this means some may still have long wait times, it also means that everyone has a chance of being served sooner.

This approach would also save a lot of administrative time that is spent on reinstating people on the waitlist. Currently, within 6 months of being withdrawn from the waitlist, a family can request to be reinstated to their original spot. These reinstatements require staff time. A continuously open waitlist with random pulls means someone can easily reapply on their own if they are removed from the waitlist. Random selection from the waitlist means no one is losing a place ahead of anyone else.

However, recognizing that long wait times are still a possibility, THA is exploring if there would be a way to increase the chances of a household being pulled the longer they remain active on the waitlist (weight the wait).

## Waitlist Preferences

When it comes to updating our waitlist preferences, THA is proposing the following changes:

- Foster youth whose three-year time limit on assistance is ending be offered a voucher to ensure they remain stably housed.
  - THA serves less than 100 of these households.
- Households exiting permanent supportive housing who currently have a voucher for single room occupancy (which cannot be used in the private rental market).
- Families trying to secure housing with a voucher who are unsuccessful at finding housing be offered a THA unit if we have an unanticipated number of units vacant.
  - These households would allow for expedited processing in cases where a unit is has been vacant for too long.

- Capping the number of referrals from the homelessness system and from Medicaid funded providers at 50 per year – with discretion to increase or decrease the number based on voucher utilization and vacancy rates.
- Capping the number of Choice Mobility vouchers to 20 per year – with discretion to increase the number depending on utilization and vacancies.
  - Data suggests about 25 households request a Choice Mobility voucher each year, yet only 30-40% are successful at using the voucher.
- To ensure we are continuously pulling from the general voucher and THA unit waitlists, making sure that for every unit or voucher that goes to someone referred from an outside agency, we offer one to a household on the waitlist.

In summary, a continuously open waitlist would be less administratively burdensome to manage. Requiring more documents upfront at application time would significantly shorten the amount of time it takes staff to extend an offer of assistance. Applicants would not be required to request reinstatement within a certain time frame, instead they can simply reapply to the waitlist. Applicants would be able to deny a THA unit offer for any reason and immediately reapply for the waitlist. Lastly, applicants can change their preferences as their needs change simply by reapplying to the waitlist.

People on THA's current waitlist would continue to be served under existing policy. If approved, these new policies/practices would not be effective until our next waitlist opening (anticipated to occur in 2024).

## Public Comment: January 12, 2024 – Feb 12, 2024

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THA is seeking public comment on the proposed changes. We recognize that no waitlist is perfect. No waitlist policy will create more funding for housing. The lack of housing will not be solved with a new waitlist policy. Yet, given various constraints placed on us by HUD and local regulations we believe these changes could allow THA to have more accurate data on the needs of the community. This would allow THA to operate a waitlist that can better serve and address those needs much quicker.

Recognizing we cannot change the HUD application or specific HUD policies that dictate aspects of how we operate the waitlist, we are asking the community to weigh in on these proposed changes by answering the following questions:

- Do you support the proposed changes?
  - a. Yes – I support the proposed changes.
  - b. No – I do not support the proposed changes.
  - c. I support some of the changes but not all of them.
- Of the proposed changes, what change are you most in support of:
  - a. Separate waitlists for vouchers and units.
  - b. Continuously open waitlist.
  - c. Frequent waitlist purges.
  - d. Random selection from the waitlist.
  - e. Updates to waitlist preferences.
- Of the proposed changes, what change are you most concerned about or do not support:
  - a. Separate waitlists for vouchers and units.
  - b. Continuously open waitlist.
  - c. Frequent waitlist purges.
  - d. Random selection from the waitlist.
  - e. Updates to waitlist preferences.
- If these changes are approved, what concerns do you want staff to address or mitigate as we prepare to implement the changes?