



ST. LOUIS
HOUSING
AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

January 25

2024



at the corner of family and future

TO THE COMMISSIONERS OF THE ST. LOUIS HOUSING AUTHORITY
ST. LOUIS, MISSOURI

PUBLIC NOTICE OF MEETING

Take notice that the **regular meeting** of the commissioners of the St. Louis Housing Authority will be held via **Zoom*** on Thursday, January 25, 2024, commencing at 4:30 p.m., to consider and act upon items shown on the attached agenda. An Executive Session may be convened to discuss legal actions, causes of actions, communications with attorneys, personnel matters, leasing, purchase or sale of real estate and bid specifications.

DATED: January 19, 2024

ST. LOUIS HOUSING AUTHORITY

Attachment

***Instructions For Joining Zoom**

Meeting ID: 939 278 0715

Via Smart Phone or Computer:

<https://bit.ly/41J3uLI>

Via Phone:

1-312-626-6799

Meeting ID: 939 278 0715

Passcode: 536879

BOARD OF COMMISSIONERS, ST. LOUIS HOUSING AUTHORITY
REGULAR MEETING, JANUARY 25, 2024, 4:30 P.M.
ST. LOUIS HOUSING AUTHORITY, 3520 PAGE BOULEVARD
ST. LOUIS, MISSOURI 63106
AGENDA

ROLL CALL

CONSENT AGENDA

1. Approval of Minutes, Regular Meeting, October 26, 2023

ITEMS PREVIOUSLY APPROVED BY TELEPHONE VOTE

Resolution No. 2992

(For Informational Purposes Only – Approved by Telephone Vote on November 15, 2023)
Authorizing and Approving the Submission of the Fiscal Year 2023 Section Eight Management Assessment Program Certification (SEMAP)

Resolution No. 2993

(For Informational Purposes Only – Approved by Telephone Vote on November 15, 2023)
Resolution to Approve and Adopt the St. Louis Housing Authority Public Housing Portfolio Repositioning Strategy

RESIDENTS' COMMENTS ON AGENDA ITEMS

ITEMS FOR INDIVIDUAL CONSIDERATION

2. Resolution No. 2998

Authorizing and Approving the Continuation of the HCV Security Deposit Assistance and Landlord Incentives Pilot Program

CHAIRMAN'S REPORT

DIRECTOR'S REPORT

RESIDENTS' CONCERNS

COMMISSIONERS' CONCERNS

SPEAKERS TO ADDRESS THE BOARD

EXECUTIVE SESSION

The Executive Session may be convened pursuant to Section 610.021 of the Missouri Revised Statutes, to discuss legal actions, causes of actions or litigation, personnel matters relating to the hiring, firing, disciplining and promoting of employees, negotiations with our employees, leasing, purchase or sale of real estate and specifications for competitive bidding.

ADJOURNMENT

Please note that this is not a public hearing or forum. Anyone wishing to address the Board must follow the St. Louis Housing Authority's Speaker's Policy. (Contact the Executive Division at Central Office for a copy of the policy.)

APPROVAL OF MINUTES

OCTOBER 26, 2023

BOARD OF COMMISSIONERS
ST. LOUIS HOUSING AUTHORITY
REGULAR MEETING
OCTOBER 26, 2023
4:30 p.m.

CALL TO ORDER

The Board of Commissioners of the St. Louis Housing Authority held a Regular Meeting via Zoom on Thursday, October 26, 2023. Chairman Sal Martinez called the meeting to order at approximately 4:37 p.m.

Present: Annetta Booth
Margaret English
Benita Jones
Sal Martinez
Constantino Ochoa, Jr.

Absent: Regina Fowler
Shelby Watson

CONSENT AGENDA

Approval of Minutes

Commissioner Booth moved to approve the minutes of September 28, 2023. Commissioner English seconded the motion. The motion passed with all commissioners voting aye.

ITEMS FOR INDIVIDUAL CONSIDERATION

Resolution No. 2988

Authorizing and Approving Execution of the Capital Fund Program Amendment to the Consolidated Annual Contributions Contract for the 2022 Housing-Related Hazards Capital Fund Program.

Presenting Resolution No. 2988, Alana C. Green, Executive Director, stated that the St. Louis Housing Authority (SLHA) received a grant from HUD as a part of an application submitted to do stove and furnace replacements from gas to electric at Northside Scattered Sites. She said board approval was requested to authorize her to execute the Annual Contributions Contract Amendment.

Commissioner Martinez asked if there were any questions and/or comments regarding Resolution No. 2988.

There were none.

Commissioner Ochoa moved to approve Resolution No. 2988. Commissioner Jones seconded the motion. The motion passed with all commissioners voting aye.

Resolution No. 2989

Authorizing and Approving Execution of the Capital Fund Program Amendment to the Consolidated Annual Contributions Contract for the 2023 Emergency Safety and Security Grant Capital Fund Program.

Presenting Resolution No. 2989, Ms. Green stated that this resolution is related to a grant that SLHA applied for and received from HUD. She said this grant will allow SLHA to do some safety improvements, including cameras, at Cochran Plaza.

Commissioner Ochoa asked Ms. Green if the grant includes maintenance of the cameras.

Ms. Green responded, “No.” She said maintenance of the cameras would come out of SLHA’s general Capital Fund dollars.

There were no additional questions or comments regarding Resolution No. 2989.

Commissioner Booth moved to approve Resolution No. 2989. Commissioner Ochoa seconded the motion. The motion passed with all commissioners voting aye.

Resolution No. 2990

Authorizing and Approving the Housing Choice Voucher Program Payment Standards.

Presenting Resolution No. 2990, Ms. Green stated that this is an annual resolution that is presented to the board for approval. She said the Payment Standards are updated to reflect the amount of money that can be paid by bedroom size through the Housing Choice Voucher program. She noted that the new Payment Standards reflect the fair market rents (FMR) that HUD established, the 120% FMR that SLHA can use through a HUD waiver, and the Small Area FMR that SLHA uses for the Mobility Connection program.

Commissioner Booth asked for an understanding of the chart presented in the resolution.

Ms. Green stated that 100% FMR, Tier 1, is what SLHA would normally use in fair market rent payments. She said with the 120% FMR, Tier 2, SLHA is able to escalate the amount of rent it can pay up to. She noted that the Small Area FMR, Tier 3, is used for the Mobility Connection program to help families move to higher opportunity areas, which allows SLHA to pay a higher rent in areas that have better schools, transportation, and things as such. Ms. Green also explained what amounts SLHA could pay up to for each Tier.

Commissioner Martinez asked if there were any additional questions or concerns regarding Resolution No. 2990.

There were none.

Commissioner Jones moved to approve Resolution No. 2990. Commissioner English seconded the motion. The motion passed with all commissioners voting aye.

Resolution No. 2991

Authorizing and Approving the Allowances for Tenant-Furnished Utilities and Other Services for the Housing Choice Voucher Program.

Presenting Resolution No. 2991, Ms. Green stated that this is also an annual resolution that is presented for board approval. She said HUD requires SLHA to change the utility allowances when there is a change of 10 percent or more in the utility rate. She noted that the Housing Choice Voucher (HCV) department did the assessment necessary to revise the utility allowance schedules, which are based on the type of unit. She said the schedules used to identify the utility allowances are attached to the resolution.

Commissioner Martinez asked if there were any questions and/or comments regarding Resolution No. 2991.

There were none.

Commissioner Jones moved to approve Resolution No. 2991. Commissioner Ochoa seconded the motion. The motion passed with all commissioners voting aye.

DIRECTOR’S REPORT

Ms. Green informed the board that Stephanie Co, a representative from Preservation of Affordable Housing (POAH), would be providing an update on the redevelopment activities at Clinton-Peabody as part of her report. Continuing, she stated that SLHA received several grant awards, noting that \$2.5 million

was received from the City of St. Louis Community Development Administration (CDA) for the Clinton-Peabody redevelopment. She stated that a funding request was submitted to the Missouri Housing Development Commission in September 2023, and POAH is working on an application to the City of St. Louis Affordable Housing Commission, which will be submitted in October 2023.

Ms. Green stated that occupancy in public housing is a challenge for the agency with not receiving enough funding from HUD to do a lot of needed repairs. She said to assist with SLHA's efforts to bring units online, the City of St. Louis awarded SLHA approximately \$2 million to make repairs in approximately 120 units. She noted that additional grant awards received were the Housing-Related Hazards and Lead-Based Paint Capital Fund Program grant and the Capital Fund Emergency Safety and Security Program grant. Ms. Green stated that SLHA received an allotment of VASH vouchers from HUD to serve 10 additional homeless veterans and received \$238,690 from CDA to do a resident-led beautification activity at five of its developments. She acknowledged the staff that worked hard to get the grants.

Providing an update on the property management activities, Ms. Green stated that SLHA has been hiring and onboarding new staff and the transition team has worked really hard to develop a staffing plan, establish new relationships with vendors, develop new policies and forms, and identify new technology needs, among other things. She thanked the team for stepping up. She said she is proud of the team and the new team they started. Concluding her report, Ms. Green deferred to Ms. Co to present.

Ms. Co stated that she started with POAH in August 2023 and she is excited to be a part of the redevelopment project. She stated that POAH began their community engagement process in February 2023 in cooperation with SLHA and Key Strategic Group, their public engagement consultant. She said the community engagement process started with an existing conditions analysis to better understand what the residents liked about the current Clinton-Peabody development and what they were interested in seeing. She said they did some visioning activities with the residents to get a better understanding of what they would like to see in the community in both the buildings themselves and outside of the buildings, which was incorporated into the master plan that was completed in September 2023. Ms. Co shared examples of the activities that were done and noted that the residents are really interested in seeing some new construction, particularly all new residential buildings, which was also incorporated in the planning process. She stated that a big reveal event took place in September 2023 and was well attended. She noted that there was some virtual reality where residents got to see what the units will look like and a resident leader shared the effect of the development in the community.

Ms. Co displayed a snapshot of the master plan and pointed out Phase I, the area where the redevelopment activities will start. She noted that it is a very large redevelopment process that will start with the first block between Chouteau, St. Ange, Dillon and LaSalle, next to the Al Chappelle Community Center, which is considered the entryway to the development. She said the first phase will include 89 units and is a multifamily building, four floors facing Chouteau with commercial and community management space on the bottom floor. She said there will also be two 21-unit garden apartments that are walk-up as part of the development. She noted that there is diversity in the types of buildings and units in terms of the housing stock to accommodate the residents' preferences. Ms. Co displayed the street alignment, which will allow for better connectivity and better control over entrances and exits in the community. She noted that 50% of the new units are dedicated for replacement units for existing Clinton-Peabody residents, 30% will be affordable, 60% of the area median income, and 20% will be market rate. She said it is a mixed-income development of about 350 rental units, as well as potentially some homes for homeownership as part of the whole master plan.

Ms. Co shared a virtual presentation of the proposed new construction and the residents' vision statement that focuses on their safety, a supportive and joyful community, and community connectivity. In addition, she highlighted the architectural design to share what the units will look like. She noted that racial equity is a priority for POAH and their goal is 35% MBE, 7.5% WBE and 10% Section 3. She shared a list of some of the MBE and WBE contractors that are currently a part of the development and noted that they are trying to contract with minority contractors through a lot of their other work.

Ms. Co stated, in terms of service priorities, that they are excited to work with SLHA's Resident Initiatives Department. She said they have done some initial surveys and hope to hire a Community Impacts Manager. She said the Community Impacts Manager will focus on convening a lot of the partners who have signed on to be a part of the project in terms of the service component. She noted that they have done some initial meetings with workforce providers and they plan to meet with behavioral health providers as well, and they will have some resident committees to help guide this work.

Ms. Co stated that relocation activities have started and all relocation will take place onsite. She said they are working with Urban Relocation Services, their consultant, and have about 35 households that are moving this fall. She said residents living in the Phase I development area will be temporarily relocated starting in the spring. She noted that Roanoke, the general contractor, has worked on refreshing about 20-plus units that are being turned over to SLHA for inspection.

Ms. Co shared the housing budget, noting that \$31 million is budgeted for the first phase of the development and about \$125 million is expected for the full housing budget, which does not include onsite renovations, demolition, onsite relocation, resident services, street realignment or park improvements. She said they would also like to renovate the Al Chappelle Community Center because it is a huge community asset; therefore, they plan to find additional funding for the community center. She noted that they are currently in the financing application phase and it is planned to get to construction closing by the end of 2024 and start construction at the beginning of 2025. She said it is an expected 18-month construction timeline and they plan to be completely leased up by the end of 2026. Ms. Co stated that there will be some additional phases. She said it is expected to take potentially seven to 10 years to complete the whole development plan. Concluding her report, Ms. Co stated asked if there were any questions.

Commissioner Booth asked Ms. Co how many of the contractors are African American.

Ms. Co stated that their current goal is 35%, but they hope to exceed it.

Commissioner Booth asked Ms. Co how did the bids go out.

Ms. Co stated that POAH partnered with Roanoke Construction for the initial bid on the project and Roanoke, as the general contractor, will get the subcontractors.

Ms. Green informed Commissioner Booth that POAH is not at that phase yet to identify the subcontractors. She said when POAH submitted their bid, Roanoke Construction was a part of their development team. She noted that POAH is committed and has over-committed to hiring minority and women subcontractors, as well as Section 3 workers. Ms. Green stated that SLHA also has requirements as a part of its board-approved procurement policy, and HUD has requirements too. She said SLHA will not allow POAH and Roanoke to have a team that is not reflective of the people it serves.

Commissioner Martinez expressed kudos to SLHA, POAH and the other partners who had been meeting with the residents on a consistent basis. He noted that he attended the big reveal event and took the virtual tour, which was a great feature to share.

RESIDENTS' CONCERNS

Linda Braboy, resident of West Pine Apartments, thanked everyone for listening and helping her along the way. She said she may finally be moving on with her Section 8 voucher. Ms. Braboy noted that although there are still some water issues, she moved back into her unit at West Pine. She said Eugenia Washington, Ombudsman for SLHA, is working with her, and on clarifying some things for her.

ADJOURNMENT

Commissioner Booth moved to adjourn the meeting. Commissioner Ochoa seconded the motion. The vote was in favor of passing the motion with all commissioners voting aye. The meeting thereupon adjourned at 5:01 p.m.

Sal Martinez, Chairman
Board of Commissioners
St. Louis Housing Authority

Alana C. Green, Secretary
Board of Commissioners
St. Louis Housing Authority

(SEAL)


RESOLUTION No. 2992

HCV/Section 8 Department

3520 Page Blvd. ■ St. Louis, MO 63106 ■ p 314.531-4770 ■ f 314.531.0184 ■ tdd 314.286.4223 ■ www.slha.org

MEMORANDUM

TO: Board of Commissioners

THROUGH: Alana C. Green, Executive Director 

FROM: Carla Matthews, Acting Director of Operations - Housing Choice Voucher Program

DATE: November 13, 2023

SUBJECT: Resolution No. 2992
Authorizing and Approving the Submission of the Fiscal Year 2023 Section Eight Management Assessment Program Certification (SEMAP)

Board approval is requested for the submission of the 2023 Section Eight Management Assessment Program Certification.

**Authorizing and Approving the Submission of the Fiscal Year 2023
Section Eight Management Assessment Program Certification**

WHEREAS, required by 24 CFR Section 985.1 (effective October 13, 1998), the United States Department of Housing and Urban Development is authorized to conduct an annual Section Eight Management Assessment Program (SEMAP) assessment and housing authorities administering a Section 8 tenant-based assistance program must submit certification; and

WHEREAS, the staff of the St. Louis Housing Authority has compiled the required data and completed the required Certificate (attached hereto as Exhibit A).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ST. LOUIS HOUSING AUTHORITY THAT:

1. The Board of Commissioners approves the attached Section Eight Management Assessment Program response.
2. The Chairman is authorized to sign the Section Eight Management Assessment Program Certification and the Secretary is authorized to attest to that signature.
3. The Executive Director is directed to do all things necessary to submit the Certification.

Section 8 Management Assessment Program (SEMAP) Certification

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0215
(exp. 02/29/2020)

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions Respond to this certification form using the PHA's actual data for the fiscal year just ended.

PHA Name	For PHA FY Ending (mm/dd/yyyy)	Submission Date (mm/dd/yyyy)
MO0001	09/30/2023	

Check here if the PHA expends less than \$300,000 a year in Federal awards ☐

Indicators 1 - 7 will not be rated if the PHA expends less than \$300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than \$300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

1. Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))

(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

PHA Response Yes ☒ No ☐

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

PHA Response Yes ☒ No ☐

2. Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)

(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

PHA Response Yes ☒ No ☐

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

PHA Response ☒ At least 98% of units sampled ☐ 80 to 97% of units sampled ☐ Less than 80% of units sampled

3. Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)

The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

PHA Response ☐ At least 90% of files sampled ☒ 80 to 89% of files sampled ☐ Less than 80% of files sampled

4. Utility Allowance Schedule. (24 CFR 982.517)

The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

PHA Response Yes ☒ No ☐

5. HQS Quality Control Inspections. (24 CFR 982.405(b))

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

PHA Response Yes ☒ No ☐

6. HQS Enforcement. (24 CFR 982.404)

The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

PHA Response ☐ At least 98% of cases sampled ☒ Less than 98% of cases sampled

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).

Applies only to PHAs with jurisdiction in metropolitan FMR areas.

Check here if not applicable ☐

(a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.

PHA Response Yes ☒ No ☐

(b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.

PHA Response Yes ☒ No ☐

(c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.

PHA Response Yes ☒ No ☐

(d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.

PHA Response Yes ☒ No ☐

(e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.

PHA Response Yes ☒ No ☐

(f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.

PHA Response Yes ☒ No ☐

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response Yes ☒ No ☐

Enter current FMRs and payment standards (PS)

0-BR FMR	748	1-BR FMR	795	2-BR FMR	999	3-BR FMR	1294	4-BR FMR	1512
PS	897	PS	954	PS	1198	PS	1552	PS	1814

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

PHA Response Yes ☒ No ☐

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

PHA Response Yes ☒ No ☐

11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)

PHA Response Yes ☒ No ☐

12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))

PHA Response Yes ☐ No ☒

13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

PHA Response Yes ☐ No ☒

- 14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)

Applies only to PHAs required to administer an FSS program.

Check here if not applicable ☐

PHA Response

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

19

or, Number of mandatory FSS slots under HUD-approved exception

b. Number of FSS families currently enrolled

44

c. Portability: If you are the **initial** PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

232.00

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

Applies only to PHAs required to administer an FSS program .

Check here if not applicable ☐

PHA Response

Yes ☒

No ☐

Portability: If you are the **initial** PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

- (1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;
- (2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

or

- (3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response

Yes ☐

No ☒

If yes, attach completed deconcentration bonus indicator addendum.

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Executive Director, signature

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy) _____

Date (mm/dd/yyyy) _____

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.



SEMAP SUMMARY SCORE SHEET
FISCAL YEAR END SEPTEMBER 30, 2023

SEMAP Indicators		Self Certification Score				
		Sample Size	Met Criteria	Points Earned	Possible Points	Score %
Indicator 1	Selection from the Waiting List	7	7	15	15	100%
Indicator 2	Reasonable Rent	46	46	20	20	100%
Indicator 3	Determination Adjusted Income	46	37	15	20	80%
Indicator 4	Utility Allowance Schedule	N/A	N/A	5	5	100%
Indicator 5	HQS Quality Control Inspections	51	51	5	5	100%
Indicator 6	HQS Enforcement	31	26	0	10	84%
Indicator 7	Expanding Housing Opportunities	N/A	N/A	5	5	100%
Indicator 8	Payment Standards	N/A	N/A	5	5	100%
Indicator 9	Annual Reexaminations	N/A	N/A	10	10	100%
Indicator 10	Correct Tenant Rent Calculations	N/A	37	5	5	80%
Indicator 11	Pre-Contract HQS Inspections	N/A	N/A	5	5	100%
Indicator 12	Annual HQS Inspections	N/A	N/A	5	10	50%
Indicator 13	Lease-Up	N/A	N/A	0	20	0%
Indicator 14 (A)	Family Self-Sufficiency Enrollment	N/A	N/A	5	5	100%
Indicator 14 (B)	Percent of FSS with Escrow	N/A	N/A	5	5	100%
Total				105	145	72%
Indicator 15	Deconcentration Bonus				5	

PIC Score		
PIC Score	Possible Points	Met Criteria
15	15	
20	20	
15	20	
5	5	
5	5	
0	10	
5	5	
5	5	
10	10	100%
5	5	80%
5	5	100%
5	10	50%
0	20	0%
5	5	100%
5	5	100%
105	145	72%
	5	

SEMAP Self Certification Score: 72%
 SEMAP Self Certification Rating: Standard Performer
 SEMAP PIC Score: 72%
 SEMAP PIC Rating: Standard Performer

FYE: 9/30/2023

Universe: 148

Sample Size: 7

Score 100%

Source: 24 CFR part 985

Indicator Criteria:

The PHA must have a written policy in its Administrative Plan for selecting applicants for admission. PHA documentation must show that the PHA follows these policies when selecting applicants from the wait list.

Methodology:

Families who reached the top of the waiting list are monitored to ensure the PHA has a written waiting list selection policy in its Administrative Plan. Samples are audited to show families selected from the waiting list for admissions were done so in accordance with PHA policy, families met the criteria that determined their places on the waiting list and their order of preference. This indicator requires two samples: one sample for families whom reached the top of the waiting list and another for families newly admitted to the program. The universe for families whom reached the top of the waiting list were selected in order from the top of the waiting list. The universe for families newly admitted to the program were selected via the Yardi Report *Active Residents*. The total number of families admitted was 148; therefore, the sample size is seven (7).

FYE: 9/30/2023
Universe: 5,082
Sample Size:
Score 100%
Source: 24 CFR part 985

Indicator Criteria:

The subjects of this indicator are Housing Choice Voucher Program (HCVP) files. A quality control sample of the universe is drawn in an unbiased manner. The HUD requirement for sample size is 51 files. The files reviewed must be those of participants assisted by the HCVP during the current fiscal year.

Methodology:

The Yardi Report *Active Residents* was used to generate a random selection of files for review. Each file was reviewed to ensure the PHA staff member took into consideration the nine comparability factors: the location, size, type, quality, and age of the assisted unit and any amenities, housing services, maintenance, and utilities provided by the owner.

Methodology for Indicator 3 Determination of Adjusted Income

FYE: 9/30/2023

Universe: 5,082

Sample Size: 46

Score 80%

Source: 24 CFR part 985

Indicator Criteria:

This indicator shows whether, at the time of admission and annual reexamination, the PHA verifies and correctly determines adjusted annual income for each assisted family and, where the family is responsible for utilities under the lease, the PHA uses the appropriate utility allowances for the unit leased in determining the gross rent. (24 CFR part 5, subpart F and 24 CFR 982.516)

Methodology:

The subjects for this indicator are Housing Choice Voucher Program (HCVP) files. A quality control sample of the universe is drawn in an unbiased manner. The Yardi report *Active Residents* was generated to export into Excel. The random sort function was used in Excel to ensure an unbiased random selection of files for review. The Form SEMAP-Section 8 Quality Control Worksheet Income, Adjusted Income and Rent Calculation (Appendix A Form) was used to review each of the random participants selected.

Methodology for Indicator 4 Utility Allowance Schedule

FYE: 09/30/2023

Universe: N/A

Sample Size: N/A

Score: 100%

Source: 24 CFR part 985

Indicator Criteria:

Utility Allowance Schedule. (1) This indicator shows whether the PHA maintains an up-to-date utility allowance schedule. (24 CFR 982.517) (2) HUD verification method: The IA annual audit report covering the PHA fiscal year entered on the SEMAP certification and on-site confirmatory review if performed. (3) Rating: (i) The PHA's SEMAP certification states that the PHA reviewed utility rate data within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10 percent or more in a utility rate since the last time the utility allowance schedule was revised. 5 points. (ii) The PHA's SEMAP certification does not support the statement in paragraph (d) (3) (i) of this section. 0 points.

Methodology for Indicator 5 Housing Quality Standards Quality Control Inspections

FYE: 9/30/2023

Universe: 5,082

Sample Size: 51

Score 100%

Source: 24 CFR part 985

Indicator Criteria:

This indicator shows whether an PHA supervisor or other qualified person reinspects a sample of units under contract during the PHA fiscal year, which meets the minimum sample size requirements specified at § 985.2 under PHA's quality control sample, for quality control of HQS inspections. The PHA supervisor's reinspected sample is to be drawn from recently completed HQS inspections (i.e., performed during the 3 months preceding reinspection) and is to be drawn to represent a cross section of neighborhoods and the work of a cross section of inspectors. (24 CFR 982.405(b))

Methodology:

The subjects for this indicator are the quality control inspections completed by the inspection department supervisor or qualified person(s) other than the person whom completed the work. The sample size for this indicator is drawn from the number of units under HAP contract during the last completed fiscal year which is 6,197. The number of required quality control inspections is 51.

FYE: 9/30/2023
Universe: 1,314
Sample Size: 31
Score: 84%
Source: 24 CFR part 985

Indicator Criteria:

The subjects for this indicator are failed Housing Quality Standard inspections. The universe for this indicator is the number of failed inspections during the current fiscal year. The PHA must ensure that when a unit fails a HQS inspection:

- life threatening deficiencies are corrected within 24 hours
- all other HQS deficiencies are corrected within 30 calendar days

If deficiencies are not corrected within the required time frame the PHA must abate the HAP or take prompt action to enforce the Family Obligations.

Methodology:

The Yardi report *Failed HQS Inspections* was utilized to generate the number of failed inspections during the current fiscal year which was 1,314; therefore, the minimum sample size is 31. The random sample of 31 inspections is selected by the random sort function of Excel.

FYE: 9/30/2023

Universe: N.A

Sample Size: N.A.

Score 100%

Source: 24 CFR part 985

Indicator Criteria:

The subjects for this indicator are written policy and procedures that encourage program participation by owners outside of poverty or minority concentration areas; and inform families of housing opportunity in non-concentrated areas. The written policies and samples of documents given to both owners and participants are enclosed to provide proof of compliance with this indicator. Some of the documentation includes but is not limited to:

- Portability policies
- Owner briefing meeting attendance sign in sheets
- Bridge to Home ownership procedures
- Maps of the jurisdiction and surrounding areas
- Social Serve.com listings and web site information
- The HCVP voucher extension policy
- Rent Reasonable survey
- Tenant screening instructions
- HCVP quarterly news letter (HCV News)

FYE: 9/30/2023

Universe: N.A

Sample Size: N.A.

Score 100%

Source: 24 CFR part 985

Indicator Criteria:

The PHA must annually review the payment standards for each unit type and size to access whether the rates are within 90- 110 percent of the HUD -published Fair Market Rate (FMR). The review was conducted by the PHAs Market Analyst and approved by the Board of Commissioners.

Methodology for Indicator 9 Annual Reexamination

FYE: 9/30/2023

Universe: 5,082 (*Not required; however, Indicator two sample size is used*)

Sample Size: 46

Score: 100%

Source: 24 CFR part 985

Indicator Criteria:

The PHA must complete an annual reexamination at least once every 12 months. The annual reexamination is late if it is not completed within 60 days after the participants' anniversary date.

Methodology:

PIC reviews and scores this indicator. Although there is no minimum sample size required for this indicator the random selection of files retrieved for Indicator Three are reviewed to ensure the annual reexaminations have been completed in a timely manner. The report was generated via Yardi automated system: *Active Residents Report*. A random sample was extracted via the random sort Excel function.

Methodology for Indicator 10 Correct Tenant Rent Calculation

FYE: 9/30/2023

Universe: 5,082 (*Not required; however, Indicator two sample size is used*)

Sample Size: N.A.

Score 80%

Source: 24 CFR part 985

Indicator Criteria:

The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program.

Methodology:

The subjects for this indicator are Housing Choice Voucher Program (HCVP) files. A quality control sample of the universe is drawn in an unbiased manner. The Yardi report *Active Residents* was generated to export into Excel. The random sort function was used in Excel to ensure an unbiased random selection of files for review. The Form SEMAP-Section 8 Quality Control Worksheet Income, Adjusted Income and Rent Calculation (Appendix A Form) was used to review each of the random participants selected. This indicator does not require a minimum sample size.

Methodology for Indicator 11 Pre-Contract HQS Inspections

FYE: 9/30/2023

Universe: N/A

Sample Size: N/A

PIC Score: 100%

Source: 24 CFR part 985

Indicator Criteria:

The subjects for this indicator are all pre-contract inspections. Each unit is required to pass a HQS inspection prior to the execution of a HAP contract. The pre-contract inspections were monitored by reviewing a random sample of new admissions and moving participants. An unbiased random sample was drawn from the Yardi report: *Active Residents*. A review of newly admitted participants and moving participants was conducted to ensure HQS inspections pass status dates are prior to HAP contract effective dates. HUD does not require a minimum sample size for indicator Eleven.

Methodology for Indicator 12 Annual HQS Inspections

FYE: 9/30/2023

Universe: 5,082 (*Not required; however, Indicator two sample size is used*)

Sample Size:

Score 50%

Source: 24 CFR part 985

Indicator Criteria:

Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405)
SLHA has been approved to allow inspection to be conducted biennial.

Methodology for audit:

PIC reviews and scores this indicator. The files retrieved for indicator two were reviewed to ensure the biennial inspections were completed in a timely manner. Action code of 13 on Form HUD-50058 is reviewed for verification of a completed annual HQS inspection.

FYE: 9/30/2023

Universe: N/A

Sample Size: N/A

Score: 0%

Source: 24 CFR part 985

Indicator Criteria:

Lease-Up. The PHA enters assistance contracts on behalf of eligible families for the number of units that has been under ACC, or under budget for at least one year. (24 CFR 982.157).

This indicator verifies the utilization of contracted funds (annual budget authority) for one year that has been expended for housing assistance payments.

- 98 percent of ACC units leased for 20 points
- 95-97 percent of ACC units lease for 15 points
- Less than 95 percent of ACC units lease for no points

Methodology:

The Housing Choice Voucher program renewal funding allocation was reviewed to determine the budget authority amount. The Voucher Management System report was reviewed to determine the total HAP expenditure excluding Veterans Affairs Supportive Housing vouchers.

Methodology for Indicator 14 Family Self Sufficiency

FYE: 9/30/2023

Universe: N/A

Sample Size: N/A

Score: 100%

Indicator Criteria:

Family Self-Sufficiency Enrollment and Escrow Account Balance. This indicator applies only to HAs with mandatory FSS programs. The indicator consists of 2 components which show whether the PHA has enrolled families in the FSS program as required, and the extent of the PHA's progress in supporting FSS by measuring the percent of current FSS participants with FSS progress reports entered in MTCS that have had increases in earned income which resulted in escrow account balances. (24 CFR 984.105 and 984.305).


Methodology:

The following items are reviewed for compliance: HUD approval letter (from previous fiscal year) of mandatory slots, family self-sufficiency monthly credit report, and family self-sufficiency monthly activity report.

RESOLUTION No. 2993

MEMORANDUM

To: Board of Commissioners

Through: Alana C. Green, SLHA Executive Director 

Date: November 13, 2023

Subject: Resolution No. 2993
Resolution to Approve and Adopt the St. Louis Housing Authority Public Housing
Portfolio Repositioning Strategy

The St. Louis Housing Authority's (SLHA) 2020-2024 Strategic Plan calls for the development and implementation of a portfolio plan to serve as an internal tool to guide and prioritize the timing and funding of developments. This plan will also ensure that Agency assets are maintained, redeveloped, acquired and disposed of in accordance with the Agency's mission and vision, and in accordance with HUD regulations and other federal rules.

To help facilitate the completion of this strategic plan goal, HUD provided a technical assistance consultant to review current SLHA priorities and to develop a draft plan for review by the SLHA staff and Board of Commissioners. In January 2023, Richelle Patton of Collaborative Housing Solutions presented the draft plan to the Board and answered questions related to the importance of asset repositioning.

Board approval is hereby requested to approve the plan and priorities for 2024, as reflected in Exhibit A (It is expected that SLHA will address the timeline for subsequent years in its next five-year strategic plan). The adoption of the plan and timeline are in the best interest of the Agency and will position SLHA for long-term success.

**Resolution to Approve and Adopt the St. Louis Housing Authority
Public Housing Portfolio Repositioning Strategy**

WHEREAS, the St. Louis Housing Authority's (SLHA) 2020-2024 Strategic Plan calls for the development and implementation of a portfolio plan to serve as an internal tool to guide and prioritize the timing and funding of developments; and

WHEREAS, to help facilitate the completion of this strategic plan goal, HUD provided a technical assistance consultant to review current SLHA priorities and to develop a draft plan for review by the SLHA staff and Board of Commissioners; and

WHEREAS, in January 2023, Richelle Patton of Collaborative Housing Solutions presented the draft plan to the Board of Commissioners and answered questions related to the importance of asset repositioning; and

WHEREAS, SLHA staff has presented the plan drafted by Collaborative Housing Solutions and year one priorities, as amended and as reflected in Exhibit A.

WHEREAS, the adoption of the plan and timeline are in the best interest of the Agency and will position SLHA for long-term success.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ST. LOUIS HOUSING AUTHORITY THAT:

1. The asset repositioning plan and year one priorities, as reflected in Exhibit A, are hereby approved.

St. Louis Housing Authority Public Housing Portfolio Repositioning Strategy

Prepared with the assistance of Collaborative Housing Solutions through a HUD Technical Assistance Grant

Presented to the SLHA Board of Commissioners for Approval in November, 2023

ACKNOWLEDGEMENTS



Special thanks to the US Department of Housing and Urban Development and Enterprise Community Partners for supporting and implementing this Technical Assistance.

This report was produced by Collaborative Housing Solutions, based on input from the St. Louis Housing Authority (SLHA), the HUD Public Housing local field office, HUD Office of Recapitalization, and the HUD Special Application Center.

SLHA provided time and information necessary to produce this report intended to help guide its repositioning efforts. The recommendations in this report build upon the strategic planning efforts SLHA has previously undertaken.

Topics Covered

- Purpose of the report
- Framing the issue
- What is “repositioning”?
- Why reposition?
- RAD & Section 18 Dispo Programs
- Key observations
- Considerations for SLHA
- Repositioning strategy for SLHA properties



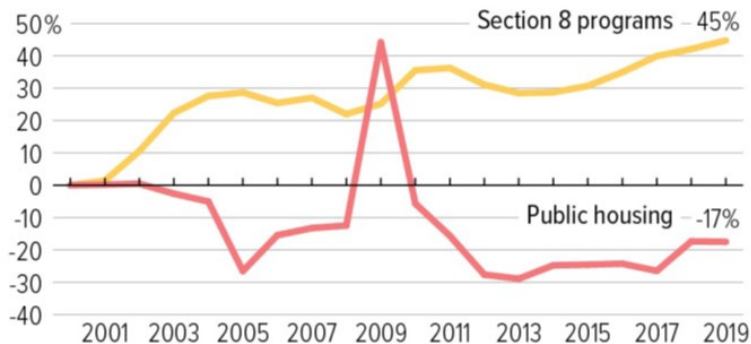
Purpose of the Report



Framing the Issue

Public Housing Funding Has Dropped While Section 8 Funding Has Responded to Cover Rising Needs

Percent change in funding since 2000, adjusted for inflation



Note: "Public Housing" includes capital and operating funds. "Section 8 programs" includes outlays for the Housing Choice Voucher and Project-Based Rental Assistance programs. The graph reflects annual budget authority for public housing and (to avoid distortions from one-time rescissions of funds and other factors) annual outlays for Section 8. Public housing funding for 2009 includes supplemental capital funds provided in economic recovery legislation.

Source: Office of Management and Budget Public Use Database, Department of Treasury expenditure data, and annual appropriations legislation

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG



Capital Needs Backlog in Billions



Accounting for RAD and Choice
the backlog is approximately

\$70 Billion

What is “Repositioning”?

- Unit is taken out of the federal public housing inventory and converted from Public Housing Section 9 to Section 8
- Preserves affordable housing availability, using a project-based or portable Section 8 voucher
- May be combined with “recapitalization,” which utilizes PHA and/or outside funding to undertake physical improvements (rehabilitation and/or new construction)
- However, might not involve major physical improvements
 - ~ 50% of RAD conversions do not use outside financing or undertake substantial rehabilitation

Changing Platforms - Not Changing Mission

- Agency remains a Public Housing Authority even if it converts all properties out of Public Housing funding
- PHAs continue to own & manage their affordable housing
- Repositioning does not change a PHA's core mission:
 - *to serve low-income residents & broader community*
- Repositioning offers tools for PHAs to maintain & improve their properties for the long-term
- Repositioning is voluntary and allows PHAs to have more local control of their properties' futures

WHAT DO RESIDENTS GAIN?

Better physical conditions



```
graph TD; A[Better physical conditions] --> B[Long-term affordable rental assistance with robust resident protections]; B --> C[Flexibility to move through Section 8 voucher program requirements];
```

Long-term affordable rental assistance with robust resident protections

Flexibility to move through Section 8 voucher program requirements

WHY REPOSITION?

Long-term **stability** of rental income, subject to appropriations

Removal of restrictions that prevent debt/equity on properties

Stable income can **leverage debt/equity** for capital needs

Freedom to manage operating budgets and reap benefits of costs savings, like a typical multi-family owner

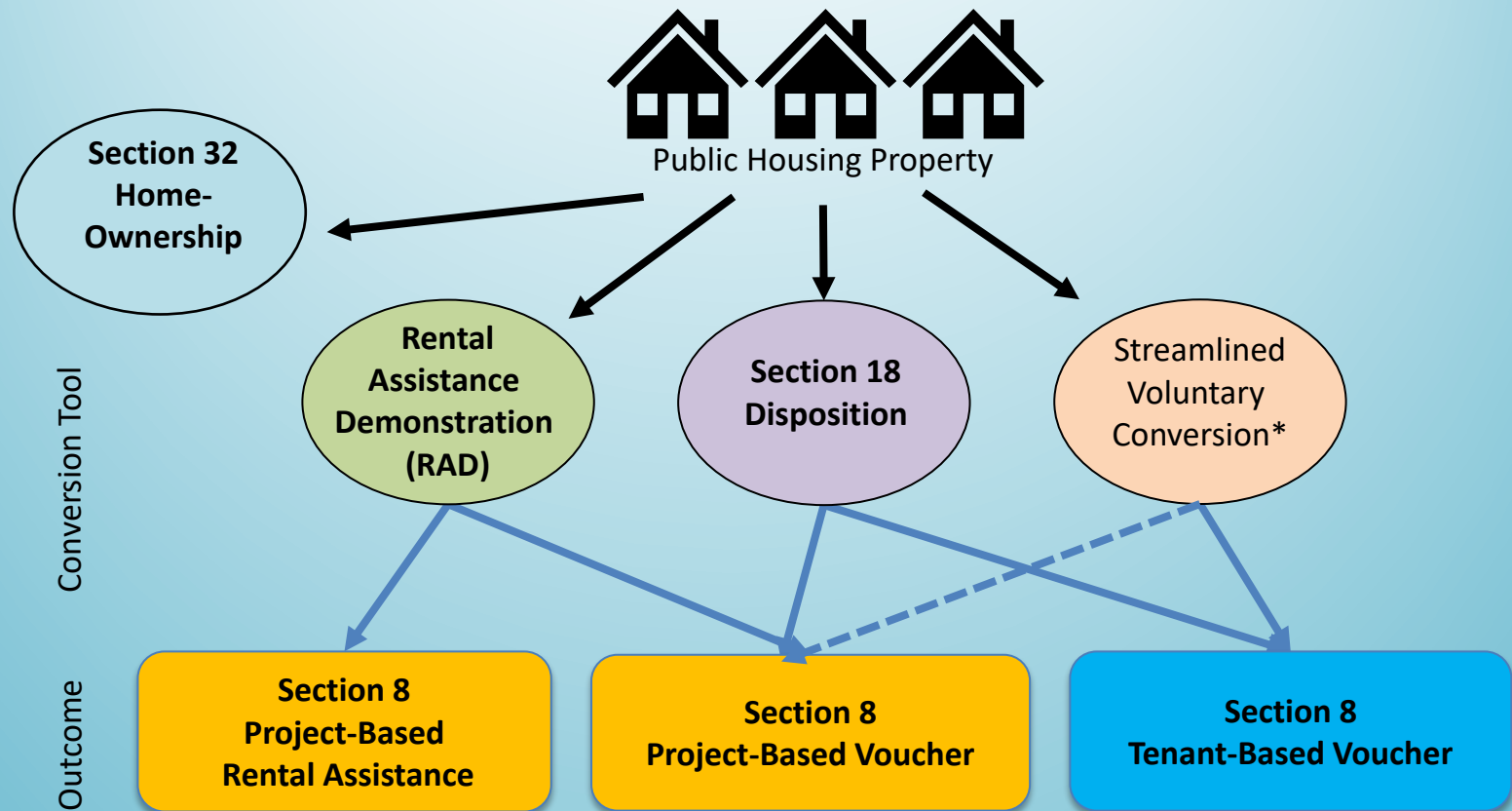
Properly structured projects **generate unrestricted cash** from cash flow, developer fees, and loan payments

Reduced administrative requirements and costs for agency

For RAD projects, **predictable annual rent increases**: OCAF

For Section 18 projects, ability for **rents to be based on market**

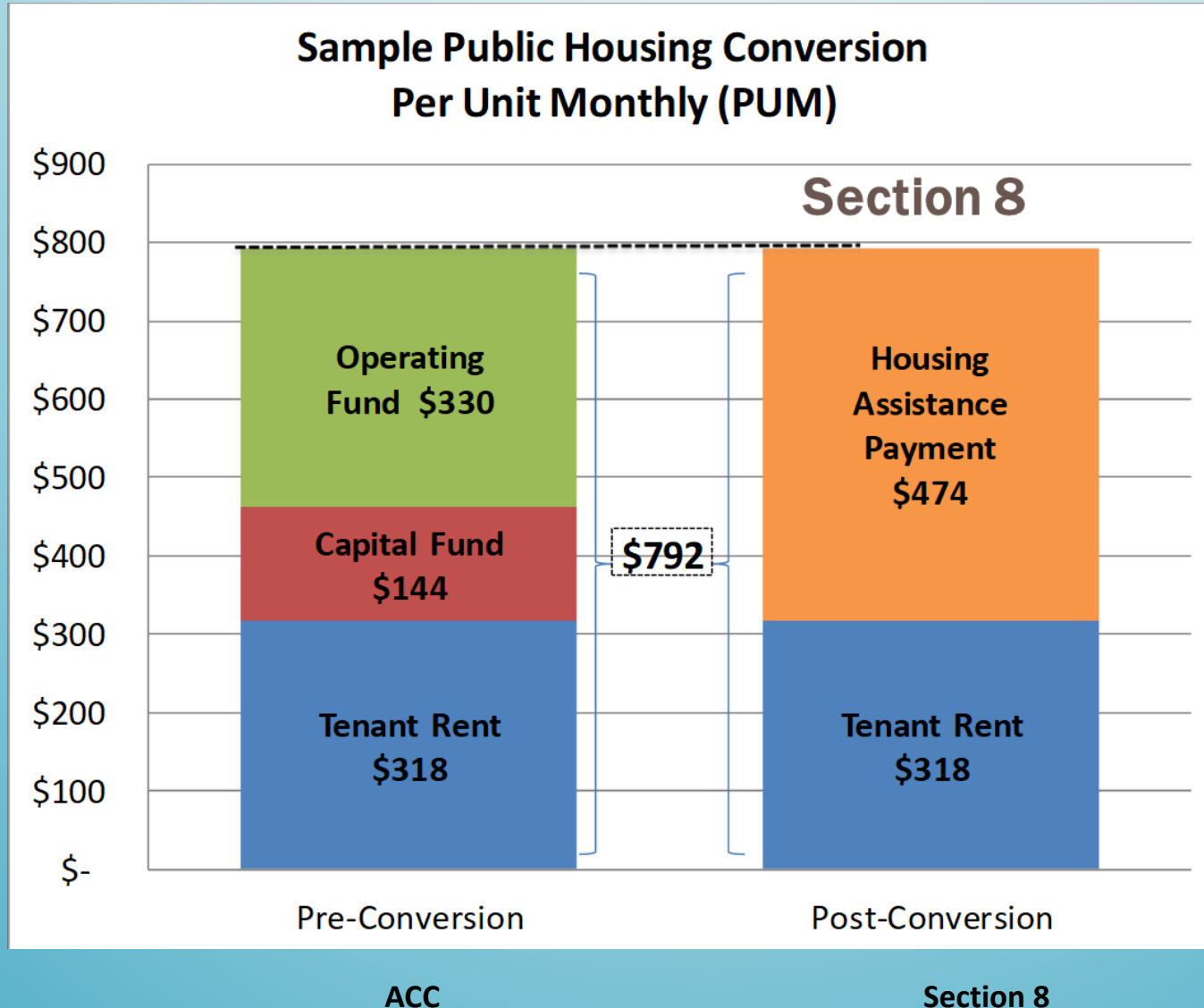
PUBLIC HOUSING REPOSITIONING OPTIONS



- Only available for PHAs with 250 or less Public Housing units

HOW RAD WORKS:

CONVERTING RENTS FROM PH ACC TO SEC 8



TOOLS IN THE RAD TOOLBOX

- **Portfolio Award:**
 - Reserve RAD authority for future
- **Transfer of Assistance:**
 - Allows income-mixing, density reduction, and/or transfer to neighborhoods w/ greater opportunities
- **RAD/Section 18 Blend:**
 - Only 4%/bond projects with substantial rehab or new construction or PHAs with 250 PH units or less
 - Portion of units as RAD PBVs & portion are S.18 PBVs
- **Faircloth to RAD:**
 - Allows PHAs to build new PH units under Faircloth and immediately convert to RAD PBVs once built

WHAT IS SECTION 18 DISPOSITION?



Dispose the units out of Public Housing system



SLHA receives Tenant Protection Vouchers and chooses whether to make portable or to project-base



Property must transfer or be sold to a separate entity, either:

- 1) To an affiliate LLC or non-profit entity of SLHA or
- 2) To a 3rd party



Even after S.18 disposition, property can remain in SLHA's control through affiliate LLC or non-profit

TYPES OF SECTION 18 DISPOSITIONS

SLHA MOST LIKELY TO USE

- **Demolition/Disposition**
 - Must prove physical obsolescence
- **Scattered Sites**
 - Must have non-contiguous sites with 4 units or less on each site
 - No physical obsolescence test
- **Efficient, effective method for serving residents**
 - Must prove S.8 is more effective than PH funding
 - Only receive TPVs for 25% of units
 - No physical obsolescence test

FRAMEWORK FOR PLANNING

Asset Repositioning Plan Framework

CURRENT STATE

Define current state of PHA in measurable terms as basis to identify points to examine and change.

Organization

Budget
Employees
Programs
Development experience
Legal structure
Property management

Impact

HH served
Resident demographics
Demand

Portfolio

units
properties
Physical condition
Past financing (EPC, CFFP)
Financial performance
Affordability restrictions

External Scan

Partners
Relationship with local gov't
\$ in affordable housing system
PHA roles as a policy setter, funder, developer.
Competitors / consumers of PHA resources.

PROJECT GOAL

Preservation

Recapitalize existing building, maintain affordability. Improve financial performance. Project base rental subsidy in existing building. Leverage additional capital.

Redevelop Site

Raze existing building. Build back on site. Affordable and/or mixed income. Combine PBV and LIHTC only.

Create New Housing in Different Location

Shift subsidy to different building. Create new affordable housing options. Sell donor site. Reinvest sale proceeds in housing

Sell Property

Allow residents to relocate with a HCV. Sell property. Create / preserve housing.

AVAILABLE TACTICS

RAD

By Right application, must demonstrate feasibility, RAD Rents.

RAD / Section 18 Blends

Construction Blends, Small PHA Blend

Section 18 Dispo /Obsolescence

Must prove Obsolescence if > 50 units in PIC. Rehab > 62% or 57% HCC. TPVs

Section 18 Scattered Sites

Dispo approval by right if. scattered site bldg. with four or fewer units. TPV.

Section 18 Dispo Obsolescence

Preservation strategy. Use local HCV to PBV.

Section 22 SVC

PHA < 250 units, TPV, residents get to use as HCV unless relinquished.

FUTURE STATE

Describe desired future state within 7 years using same measurable terms with specific outcomes defined.

Organization

Budget
Employees
Programs
Development experience
Legal structure
Property Management

Impact

HH served
Resident demographics
Demand

Portfolio

units
properties
Physical condition
Past financing (EPC, CFFP)
Financial performance
Affordability Restrictions

External Scan

Partners
Relationship with local gov't
\$ in affordable housing system
PHA roles as a policy setter, funder, developer.
Competitors / consumers of PHA resources.

KEY OBSERVATIONS

Comparison of S.I8 PBV rents vs. RAD PBV rents



- S.I8 PBV rents: set at lower of 110% FMR minus UAs or reasonable rents
- RAD PBV rents: set by HUD, based on current PH funding levels
- SLHA's PH properties: RAD rents are nearly the same as S.I8 PBV rents
- SLHA's mixed-finance properties: RAD rents lower than S.I8 PBV rents

SLHA's need for LIHTCs to address physical needs is far greater than availability



- SLHA will need to triage highest-priority properties
- Must leverage funds from other sources: City, commercial/FHA debt, grants, etc.

May be appropriate to sell certain scattered-site properties to 3rd parties



- HUD provides portable vouchers to residents
- SLHA may use sales proceeds for future SLHA redevelopment activities
- Relatively straight-forward S.I8 disposition process = 'Quick Wins'

3rd party property management has been challenging



- SLHA may need to continue self-management for the foreseeable future

KEY OBSERVATIONS CONT'D

SLHA non-residential properties



- SLHA owns 2 non-residential sites: vacant warehouse bldg. in downtown and vacant land near Symphony. SLHA will need to identify a redevelopment and/or sale strategy for these sites.

SLHA has a solid in-house asset management system/process already in place



- SLHA should continue to practice best practices

New diversified funding streams for SLHA's Central Office



- SLHA will earn income from multiple sources from repositioning
- Goal: Central Office to be financially self-sustainable and less reliant on HUD subsidies
- Strategic forecasting and fiscal management will be critical

Repositioning will occur incrementally over time, since SLHA has a large portfolio. Gives time for agency to adjust and adapt.



- Creating and following a strategy, a roadmap, will be important
- Periodic evaluation and course-correction to adjust strategy over time

KEY OBSERVATIONS CONT'D

Development staff capacity



- Additional development staff may likely be needed and/or repositioning consultant

Training and capacity building for staff



- Training in financial management of multiple income streams
- Training in ownership perspective: net cash flow, economic vacancy, etc

Ongoing resident and community engagement

- Ongoing resident/community meetings and communications is critical, especially when resident relocation is involved

Considerations for SLHA

Mission and role of SLHA during and after conversion process out of Public Housing and onto Section 8

How to fund Central Office: multiple income streams

Staffing responsibilities

Change property management/culture change for financial management and reporting

Enhanced asset management perspective:

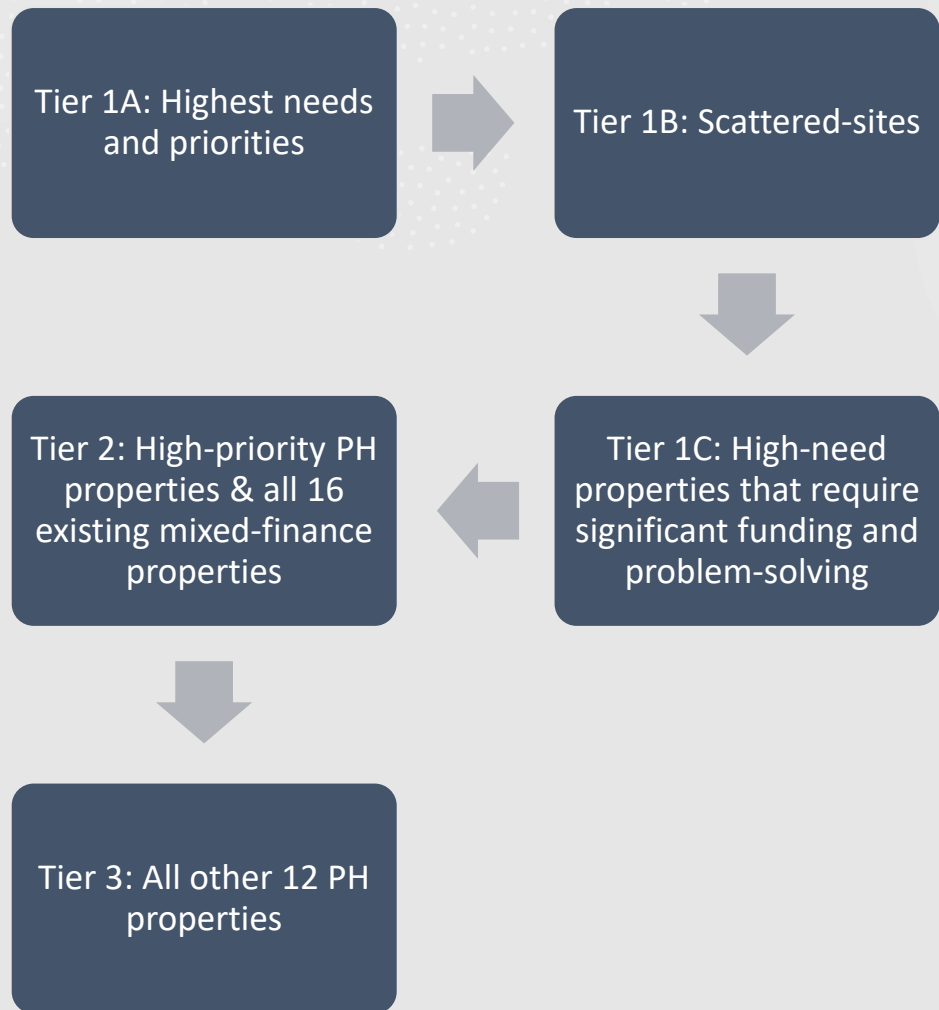
- Property operating budgets, NOI, economic vacancies
- Reserve for Replacements: initial & monthly deposits

Transparency and effective communication with residents, Board, partners, and larger community

How Can SLHA Central Office Be More Financially Self-Sufficient?

- Net cash flow from converted properties
- Developer fees
- Voucher administrative fees
- Asset Repositioning Fees & Demo Dispo Transition Funding from S. 18 properties
- Loan debt service payments
 - Funds SLHA will loan to redevelopments
 - Seller financing on LIHTC rehab properties
- Asset management fees
- Property management fees, if self-managed

Summary of SLHA Repositioning Strategy



SLHA STRATEGY – TIER 1 PROPERTIES

Tier IA

Tier IA: Immediate, highest-need properties

- Clinton Peabody : RAD and/or Section 18 demo/dispo
- King Louis I and II : RAD
- Hodiament : Section 18 demo/dispo
- Lookaway : Section 18 dispo or Section 32 Homeownership program

Tier IB

Tier IB: Scattered-sites - Section 18 dispositions

- Armand & Ohio
- Cupples
- Lafayette Townhomes
- Towne XV
- Walnut Park

Tier IC

Tier IC: High-need properties – more funding & problem-solving needed

- Cambridge Heights I and II: RAD or Section 18 dispo
- Parkview: RAD or RAD/Section 18 Blend

SLHA STRATEGY – TIER 2 & 3 PROPERTIES

Tier 2

Tier 2: High-priority PH properties & all existing mixed-finance properties – RAD Conversions

- California Gardens
- Folsom
- McMillan Manor I & II
- Page Manor
- Samuel Shepherd
- All 16 existing mixed-finance properties

Tier 3

Tier 3: All other 12 PH properties – RAD Conversions

PORTFOLIO STRATEGY: TIER 1

Name of Property	AMP	# Units	Repositioning Option A	Repositioning Option B	Expected Financing	Notes	Tier
Tier 1A Immediate Projects							
King Louis Square I	47	36	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	LIHTCs	profit/for-profit development team is in process of acquiring this property and Phase II, and recently was awarded 4% LIHTCs for substantial rehab. Closing is estimated for 4thQ 2023, so this is a high priority project to reposition to RAD. SLHA and developers are actively preparing a RAD application.	1
King Louis Square II	49	44	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	LIHTCs	Development team acquiring King Louis Square I also acquiring this property, which has 148 units. Will plan to apply for LIHTCs in future, after Phase I is financed.	1
Clinton-Peabody	02	358	Section 18 Demolition-Disposition	RAD or RAD/Section 18 Blend	LIHTCs	SLHA is working with CNA provider to confirm it qualifies for obsolescence. This is SLHA's highest priority project for redevelopment. SLHA has procured a developer partner to undertake a large-scale redevelopment with LIHTCs, etc. Will work with developer to determine project structure/phases.	1
Hodiamont	41	22	Section 18 Demolition-Disposition	RAD	Small amount for closing costs	In very bad condition; now vacant - all residents have been transferred to other PH properties. SLHA doesn't know how it could be financed, so best option is S.18 for physical obsolescence and then sell to a 3rd party, potentially at below FMV to a community-based organization. SLHA is working with CNA provider to confirm it qualifies for obsolescence.	1
Lookaway	41	17	Section 18 disposition: Efficient use of resources (only get 25% TPVs + 75% HCVs from SLHA) or Section 32 Homeownership	RAD	Small amount for closing costs	Single-family homes on a cul-de-sac in the northern-most part of city, far from SLHA office. SLHA doing exterior repairs (ie siding) now. This is a good candidate for selling to homebuyers, possibly existing tenants with supports from community-based agencies.	1
Tier 1B Near-Term Projects: Scattered Sites S.18 Dispositions							
Armand & Ohio	38	4	Section 18 Disposition - Scattered Sites	RAD	Small amount for closing costs	Two parcels: one building with 3 units and one building with 1 unit. Could qualify for S.18 dispo as a scattered site.	1
Cupples	41	4	Section 18 Disposition - Scattered Sites	RAD	Small amount for closing costs	Quadrplex, 2 units on top and 2 units on bottom. Could qualify for S.18 dispo for scattered sites; SLHA will want to evaluate whether to keep in portfolio or sell. Neighborhood has vacant properties. 2 units w/ 3-BR units + 2 units w/ 4-BR units. The city needs larger sized units, so this may be a good reason to keep the property.	1
Lafayette Townhomes	38	38	Section 18 Disposition - Scattered Sites	RAD	Small amount for closing costs	Great location. Quadrexplexes (4-family buildings), near each other. Based on site maps, the units appear to qualify as scattered sites.	1
Towne XV	41	8	Section 18 Disposition - Scattered Sites	RAD	Small amount for closing costs	All single-story duplexes, not contiguous. Likely will qualify for Section 18 scattered sites option.	1
Walnut Park	41	13	Section 18 Disposition - Scattered Sites	RAD	Small amount for closing costs	Single-family houses; mostly not contiguous, but no more than 3 in a row. SLHA is doing "heavy unit turns." Want to keep in portfolio because these are larger units, mostly 4-BR units.	1
Tier 1C Last Stage Projects: Require Financing for Repairs & More Problem-Solving							
Cambridge Heights I and II	58 & 60	90	RAD or Section 18 disposition: Physical obsolescence	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	City funds and/or FHA 223(f) or other debt-only financing	Existing LIHTC mixed-finance property past Y15 that is not performing well; a very troubled property with a lot of deferred maintenance. SLHA is currently not the existing owner/developer; it is recommended that SLHA consider exercising its ROFR and oversee a recapitalization/rehab.	1
Parkview Elderly	19	295	RAD/Section 18 Blend (Substantial Rehab)	RAD	City funds and/or FHA 223(f) or other debt-only financing	Highrise, built in 1970 to be an elderly building. Current mix today is 60% non-elderly and there are crime/drug issues. Excellent location in the city; very close to good hospital. Would not qualify for physical obsolescence. Full rehab ~20 years ago, but many capital needs. Two-level parking deck in back had capital needs that were addressed, but long term needs must be taken care of. Goal is to eventually return to 100% elderly tenancy. Highest priority is to convert property to 100% senior residency and seek local funding to do moderate repairs, without LIHTCs. Need more problem-solving about how to transition to senior tenancy.	1

PORTFOLIO STRATEGY: TIER 2

Name of Property	AMP	# Units	Repositioning Option A	Repositioning Option B	Expected Financing	Notes	Tier
Tier 2 Projects: Higher Priority PH Properties & All Mixed-Finance Properties							
Public Housing Properties							
California Gardens	38	28	RAD	Maintain PH	City funds	One parcel in a great location. Needs moderate rehab.	2
Folsom	38	6	RAD	Maintain PH	City funds	In one building in a good location. Has plumbing issues, HVAC thefts, so needs moderate rehab.	2
McMillon Manor	41	20	RAD	Maintain as PH	None for rehab, PH funds for closing costs	Townhome blocks, take up a city block. 11 townhouse buildings; common party walls, a row, so contiguous. They are renovating now, so do not need substantial rehab. But there are design/construction issues (water pipes, etc).	2
McMillon Manor II	41	18	RAD	Maintain PH	PH funds for closing costs	Similar to McMillon Manor, adjacent.	2
Page Manor	41	10	RAD	Maintain PH	City funds	Townhouse, 3 buildings, 2 connected. Have a common courtyard. Built in 1970s, could use a rehab.	2
Samuel Shepherd	41	16	RAD	Maintain PH	City funds	Built in 1982, 4 or 5 buildings. Unit conditions are average, but needs substantial work for upgrades. Convenient location to downtown.	2
Mixed-Finance Properties							
Arlington Grove	63	70	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	Existing MF property not performing well.	2
King Louis Square III	52	24	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	LIHTCs	Mixed Finance property at end of Y15. SLHA owns the land and will continue to do so; they are not a JV owners. They don't plan to exercise their Right of First Refusal. SLHA wants the developers to take the lead.	2
Les Chateaux	48	40	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	A HOPE VI project next to Clinton Peabody. One (or two connected) building/s built in 2003. In decent condition, but could use rehab. It is recommended that SLHA consider any repositioning action in light/coordination with Clinton Peabody redevelopment plans. It is recommended that SLHA discuss RAD conversion possibility with them.	2
Murphy Park I	44	93	Section 18 Disposition: Physical obsole	RAD	TBD	rehabbed in 1997 and estimated to be built in late 1960s. SLHA owns the land and will continue to do so; they are not a JV owner in any of the sites. It is recommended SLHA discuss possible RAD conversions w MB for all three properties, in conjunction with them creating a rehabilitation strategy.	2
Murphy Park II	45	64	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Murphy Park I	2
Murphy Park III	46	65	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Murphy Park I	2
North Sarah	64	59	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	Existing MF properties in relatively good condition. MB is owner, SLHA has ground lease.	2
North Sarah II	65	46	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See North Sarah I	2
North Sarah III	66	35	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See North Sarah I	2
Renaissance Place at Grand	50	62	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	Renaissance properties are all HOPE VI mixed-finance properties near each other. They were developed in 2005 and 2006, so past their Y15 LIHTC compliance period. SLHA owns the land and will continue to do so; they are not a JV owner in any of the sites. It is recommended that SLHA start conversations with McCormack Baron about repositioning and recapitalization strategies. If any of the sites use 4% LIHTCs to undertake a substantial rehab, a RAD/S.18 Blend should be considered.	2
Sr. Living at Renaissance Pl	54	75	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2
Gardens at Renaissance Pl	55	22	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2
Cahill House	56	80	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2
Renaissance Pl @ Grand II	57	36	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2
Renaissance Place @ Grand II	59	50	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2
Sr. Living at Cambridge Height	62	75	RAD	RAD/Section 18 Blend if using 4% LIHTC and substantial rehab	TBD	See Renaissance Place at Grand	2

PORTFOLIO STRATEGY: TIER 3

Name of Property	AMP	# Units	Repositioning Option A	Repositioning Option B	Expected Financing	Notes	Tier
Tier 3 Projects: Existing PH Properties To Convert to RAD							
Badenhaus Elderly	28	100	RAD	Maintain PH	City funds for minor repairs & closing costs	Two-story building; has sewer issues.	3
Badenfest Elderly	28	21	RAD	Maintain PH	City funds for minor repairs & closing costs	Located in a corridor that has declined.	3
Cochran Plaza	37	78	RAD/Section 18 Blend (Substantial Rehab)	RAD	City funds for major repairs & closing costs	Has a 3-bay commercial space. Townhome/walk-up buildings; in need of substantial rehab. May want to use City Affordable Housing Trust Funds.	3
Euclid Plaza Elderly	13	108	RAD	Maintain PH	City funds for minor repairs & closing costs	Mid-rise elderly. In decent condition.	3
James House	10	126	RAD	Maintain PH	City funds for minor repairs & closing costs	an internal discussion about the pros & cons of each property in this tier staying in Public Housing or repositioning to S.8. Reviewing the financial position of each of these properties will be important: does the existing Op Sub + Cap Funds cover operations and needed repairs? Will future PH funds cover operations and needed repairs? If not, repositioning may be the best solution. If repositioning is chosen, RAD appears to be the only option available.	3
Kingsbury Terrace	61	120	RAD	RAD	FHA 223(f) or other debt-only financing	A 10-floor highrise built in 1971. In a very good location, a lot of new development occurring in the neighborhood. Want to keep in portfolio.	3
Lafayette Apartments	38	26	RAD	Maintain PH	None	One building in great location. In decent condition.	3
LaSalle Park	34	148	RAD	Maintain PH	City funds for minor repairs & closing costs	Family property, just finished its final phase of substantial rehab using Capital Funds. One site with multiple buildings.	3
Marie Fanger	38	6	RAD	Maintain PH	City funds for moderate repairs & closing costs	In one building in a good location. Has plumbing issues, so needs moderate rehab.	3
South Broadway	38	10	RAD	Maintain PH	City funds for moderate repairs & closing costs	Three buildings in southernmost neighborhood in the City. Needs light rehab (kitchens and baths).	3
Tiffany Turnkey	38	25	RAD	Maintain PH	City funds for moderate repairs & closing costs. Perhaps Historic Tax Credits.	Three buildings built in 1910, in need of moderate rehab. Good location, near hospital and highways. SLHA may want to consider Historic Tax Credits.	3
West Pine	17	99	RAD	Maintain PH	City funds for minor repairs & closing costs	Mid-rise family. In decent condition.	3

Year 1 Implementation: January 1, 2024 - December 31, 2024

- **King Louis I and II:**

- Submit RAD applications
- Close on financing and RAD Conversion: King Louis I

- **Clinton-Peabody:**

- Secure environmental reports and applicable approvals
- Secure Capital Needs Assessment
- Continue redevelopment planning with residents and master developer
- Prepare Section 18 application; secure Section 18 approval and apply for Tenant Protection Vouchers from HUD
- Close on financing and RAD/Section 18 for Phase I
- Collaborate with developer to apply for LIHTC financing for Clinton-Peabody Phase II
- Begin demolition/construction on Phase I

- **Hodiamont:**

- Secure environmental reports and applicable approvals
- Secure Capital Needs Assessment
- Prepare Section 18 application; secure Section 18 approval and apply for Tenant Protection Vouchers from HUD
- Close on Section 18 dispositions and sell/ transfer

- **Lookaway:**

- Secure environmental reports and applicable approvals
- Secure Capital Needs Assessment
- Prepare Section 18 application; secure Section 18 approval and apply for Tenant Protection Vouchers from HUD
- Close on Section 18 dispositions and sell/ transfer

- **Parkview:**

- Review options for repositioning (consult HUD as needed)
- Secure environmental reports and applicable approvals
- Secure Capital Needs Assessment
- Strategize and implement recapitalization plans

RESOLUTION No. 2998

MEMORANDUM

To: Board of Commissioners

From: Latasha Barnes, Acting Executive Director

Date: January 22, 2024

Subject: Resolution No. 2998
Authorizing and Approving the Continuation of the HCV Security Deposit Assistance and Landlord Incentives Pilot Program

On July 21, 2023, the Board of Commissioners approved to fund and implement a Housing Choice Voucher (HCV) Security Deposit Assistance and Landlord Incentives Pilot Program via **Resolution 2976** to expand access to affordable housing and engage high-quality landlords in the Housing Choice Voucher (HCV) Program.

Under this pilot program, SLHA offered financial incentives to reward program participation and mitigate the perceived risks of participation in the HCV Program through the following:

- Security Deposit Assistance for Tenants
- Excess Damage Reimbursement Payments
- Signing Bonus

The pilot programs were operationalized from August 1, 2023 to December 31, 2023, or until funding was exhausted. Details for each incentive and requested funding amounts are detailed below.

Security Deposit Assistance

The inability to afford a security deposit often leaves Housing Choice Voucher (HCV) households unable to secure safe, affordable housing in high-opportunity areas. SLHA's HCV Security Deposit Assistance Program is designed to assist HCV Program applicants and participants who face financial barriers to securing safe and stable housing.

During the pilot period, SLHA extended security deposit assistance to eligible HCV Program applicants and participants to facilitate securing a rental agreement. Priority for security deposit assistance was given to the following HCV participants:

- Participants who are homeless;
- Participants who are relocating pursuant to SLHA's VAWA Emergency Transfer Plan;
- Participants who are relocating pursuant to SLHA's Section 504 Reasonable Accommodation Policy;
- Participants who are required to relocate due to termination of the HAP Contract by SLHA for landlord's breach (including but not limited to violation of Housing Quality Standards (HQS)); or

- Participants facing exigent circumstances as determined by SLHA's Executive Office.

SLHA authorized \$250,000 in administrative fees to provide eligible HCV Program applicants and participants with security deposit assistance. As of December 31, 2023, SLHA received 570 applications for security deposit assistance valuing over \$755,303.51. Whereas all previously obligated funds could not be issued before the December 31, 2023 program expiration date, SLHA seeks Board approval to continue implementing this program to resolve outstanding requests for assistance and disburse previously obligated funds.

Excess Damage Reimbursement

SLHA offered eligible landlords up to \$3,000 reimbursement per leased unit for tenant-caused damage (beyond normal wear and tear) exceeding the account's security deposit.

SLHA authorized up to \$175,000 in administrative fees for damage claim payments. As of December 31, 2023, SLHA received 18 damage claim requests totaling \$30,455. Whereas this program was instrumental in improving landlord relations and recruiting new landlords to the program, SLHA seeks Board approval to continue program implementation until all previously obligated funds are disbursed.

Signing Bonus

SLHA offered a one-time signing bonus of \$500 to private-market landlords that rent to a household participating in SLHA's HCV Program and an additional \$500 incentive for a total one-time bonus of \$1,000 for landlords in high-opportunity areas. The following landlords were eligible for this one-time signing bonus under the pilot program:

1. First-time landlords in SLHA's HCV Program; and
2. Landlords who have been inactive in SLHA's HCV Program for the preceding six (6) months.

The incentive payment was scheduled to be issued to the participating landlord ninety (90) days after execution of the unit lease and the Housing Assistance Payment (HAP) Contract, as long as the unit has been maintained in accordance with Housing Quality Standards (HQS).

SLHA authorized \$75,000 in administrative fees for signing bonuses. As of December 31, 2023, several new landlords have yet to receive eligible bonus payments due to the mandatory ninety (90) day waiting period. SLHA seeks Board approval to continue program implementation until all previously obligated funds are disbursed.

Authorizing and Approving the Continuation of the HCV Security Deposit Assistance and Landlord Incentives Pilot Program

WHEREAS, HUD Notices PIH 2022-18 and PIH 2021-15 (Notices) acknowledge that in some rental markets, public housing agencies (PHAs) need to employ strategies and undertake activities beyond the mandatory Housing Choice Voucher (HCV) administrative responsibilities to facilitate successful leasing and use of vouchers by families; and

WHEREAS, in the Notices, HUD encouraged PHAs to use administrative fee funding to support administrative activities that recruit and retain owners to participate in the HCV Program, should the PHA have the resources available to do so; and

WHEREAS, the Notices identify signing bonuses, damage mitigation funds, and security deposit assistance as other eligible expenses related to the leasing of units and recruitment/retention of HCV owners; and

WHEREAS, SLHA implemented a pilot program to offer three (3) financial incentives that reward program participation and mitigate the perceived risks of participation in the HCV Program; and

WHEREAS, the HCV Security Deposit Assistance and Landlord Incentives Pilot Program was operational from August 1, 2023 through December 31, 2023, or until the allocated funding was fully utilized, whichever occurred first; and

WHEREAS, SLHA allocated up to \$250,000 in administrative fees to assist eligible HCV Program applicants and participants with security deposits; up to \$175,000 in administrative fees for damage claim payments to eligible HCV landlords for tenant-caused damage beyond normal wear and tear that exceeds the security deposit amount; and up to \$75,000 in administrative fees to offer signing bonuses to eligible private-market landlords that rent to a household participating in SLHA's HCV Program; and

WHEREAS, an extension is requested to continue implementation of the program up to the previously authorized amounts, the Administrative Plan will be updated to include the continuation of the vital pilot program until obligated funds are fully disbursed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ST. LOUIS HOUSING AUTHORITY THAT:

1. The HCV Security Deposit Assistance and Landlord Incentives Pilot Program may continue until all previously authorized funds are fully disbursed:
 - a. \$250,000 in HCV administrative fees for security deposit assistance.
 - b. \$175,000 in HCV administrative fees for excess damage reimbursement.
 - c. \$75,000 in HCV administrative fees for signing bonuses.
2. SLHA staff is authorized to amend the Administrative Plan to reflect the continuation of the pilot program.
3. The Executive Director is hereby directed to take all actions necessary to implement the pilot program.