

**Public Hearing** 

November 23, 2020





## AGENDA

- 1. DHA OPERATIONAL SHIFT
- 2. MTW OVERVIEW
- 3. PROPOSED MTW POLICY STRUCTURE
- 4. DHA'S ROLE IN MTW PROGRAM
- 5. MOVING FORWARD

## OPERATIONAL SHIFT















Capacity building



**Grow and formalize partnerships Broker data-sharing agreements** 



Data-tracking and analytics
Data-driven strategies

3

## 1. Moving to Work - MTW





### HUD's Goal of the Moving to Work (MTW) Program

- 1. Use federal dollars more efficiently
- 2. Help Residents find employment/become self-sufficient
- 3. Increase housing choice

#### Public Housing Authorities (PHAs) to achieve HUD's Goal

- 1. Design programs in partnership with residents to meet the needs of HCV families
- 2. Exemption from some HCV rules and law

## MTW PROGRAM, HOW DOES IT WORK?



**CURRENT** Rules in the Federal

Housing Program



What if we modify some of the rules in the program? Would it work better for our families?



MTW program allows to test a new rule to see if it works better





Some families will be participating in the housing program, following the current rules















## 1. Moving to Work - MTW





#### **CURRENT**

### Public Housing Agencies

- PHAs design their individual MTW plans and HUD approves
- Each PHA reports annually on MTW plan progress



## NEW Public Housing Agencies

- HUD created five major policy areas for PHAs to design new programs
- Programs designed with academic study



EARLY SURVEY RESULTS !!

## When your income increases, do you think it is fair that your rent increases?

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39% NO, it is very unfair
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30% NO, it is kind of unfair

15% I am neutral

**9%** YES, it is kind of fair

**7%** YES, it is very fair

## When your income increases, do you think you are financially ready to pay more in rent?

- 58% I am definitely NOT ready to pay more in rent
- 25% I am probably NOT ready to pay more in rent
- 9% I am not sure
- 5% I am PROBABLY ready to pay more in rent
- 2% I am DEFINITELY ready to pay more in rent

If your income increases and DHA does not increase your rent, what would you do with your additional income?

Number of answers

**986** Save it

1156 Pay my debt(s)

1360 Pay my bill(s)

651 Buy/Fix Car

798 Use it for medical/dental care

795 Use it for education for myself/my children

370 Use it for fun activities for me and my family

1258 Use it for daily, necessary purchases (groceries, gas, ...)

24 I don't know

**210** Other

Would you like to learn more about DHA's proposed Rent Reform Plan?

1523 individuals
Said YES!

Would you be interested in participating in a resident advisory council for DHA's proposed Rent Reform Plan and share your ideas with us?

707 individuals Said YES!



# OVERVIEW OF PROPOSED MTW PROGRAM DESIGN

## CURRENT RENT FORMULA RULE

- All PHA's must follow the law in how it determines how much each family pays in rent.
- 1960's & 70's Brooke Amendments
   Created Income Based Rent Structure for the nation's affordable housing programs
  - Families must pay rent based on income
  - Roughly 30% of the adjusted income is the family's
  - Families must timely report any change in income

Increase in Income = Increase in Tenant Rent Portion

Decrease in Income =
Decrease in Tenant Rent
Portion

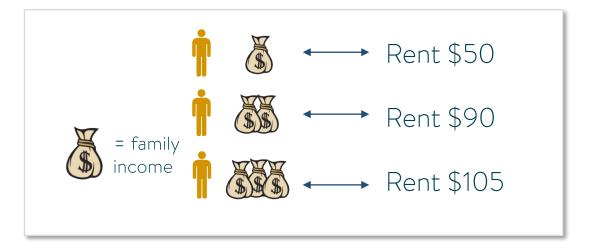


Is this rule beneficial for families?

Does it help families increase their income?

## RENT REFORM OPTIONS

1 <u>Tiered Rent</u>: families grouped by income tier



Stepped Rent: rent schedule with annual increase between 2% and 4%



3 PHA develop its own policy

?

## > PROPOSED MTW POLICY STRUCTURE

## M DHA

#### **OBJECTIVES:**



- Incentivize and foster self-sufficiency
- Reduce operational costs
- Incentivize relocation to higher-opportunity areas
- Incentivize assisted households to increase earnings
- Increase housing choice and mobility

#### **FACTORS CONSIDERED:**



- SAFMR policy landscape
- Current residential living patterns of Vouchers holders
- Housing and labor market trends
- Current operational costs and number of assisted households
- Organizational capacity and partnerships
- HUD policy and research priorities
- Previous MTW policy evaluations

## PROPOSED MTW POLICY STRUCTURE

Abundant research has tied employment opportunities and upward mobility to neighborhood quality. Thus, outcomes to enhance employment and increase self-sufficiency must be sensitive to the economic conditions of neighborhoods, which vary across communities.

#### 1. Appropriate Policy Structure?

- ☐ Tiered Rent
- Not Location Sensitive
- Stepped Rent Location Sensitive
- → Moderate Income Growth Incentive
- → Strong Income Growth Incentive

#### 2. Metric for Neighborhood Quality?

- Opportunity Index
- ☐ Labor Market Engagement Index
- **SAFMR** ■

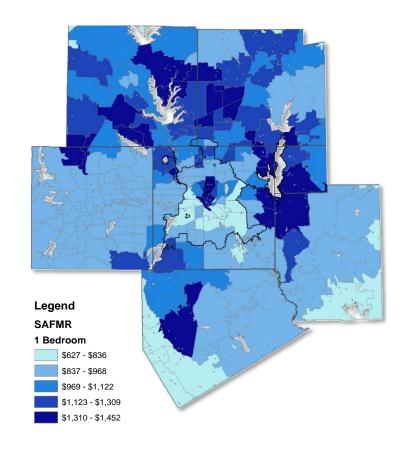
#### 3. Classification of Neighborhoods?



- Below 80<sup>th</sup> percentile value = 5% step
- Above 80<sup>th</sup> percentile value = 3% step



- Below 50<sup>th</sup> percentile value = 5% step
- Above 50<sup>th</sup> percentile value = 3% step



## POSED MTW POLICY STRUCTURE

#### **RENT REFORM**



#### STRUCTURE:



#### Mixed Stepped Rent Policy

- Families located in Low-Opportunity areas will be on a 5% step
- Families located in High-Opportunity areas will be on a 3% step



Low-Opportunity/Low-FMR



High-Opportunity/High-FMR



Stepped rent formula is by design tied to FMR and therefore to location.

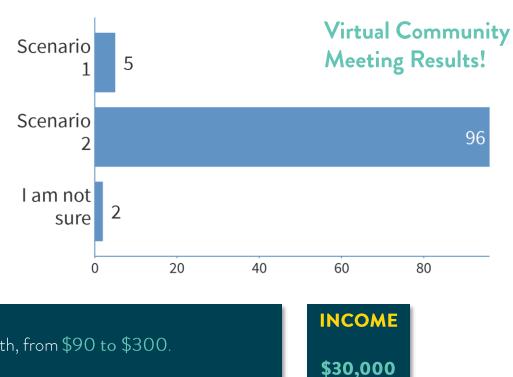
Leveraging SAFMR policy, and in an effort to incentivize move to opportunity-rich areas that are conducive to self-sufficiency, DHA proposes lower step in higher Zip Code FMRs.

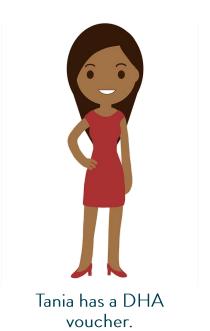


# EARLY FEEDBACK ON MTW PROGRAM DESIGN

Q5. Which scenario do you prefer? YOU CAN VOTE BY TEXTING YOUR ANSWER TO 22333 OR USING THIS LINK

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And she just got a new job!

#### **SCENARIO 1:**

- Tania's rent increases the very next month, from \$90 to \$300.
- Next year: monthly rent is \$300
- Following year: monthly rent is \$300
- Following year: monthly rent is \$300

#### **SCENARIO 2:**

- Tania's rent portion does not increase, it stays at 90\$. Instead, her portion increases on a yearly basis by a small regular amount.
- Following year: monthly rent is \$140
- Following year: monthly rent is \$190
- Following year: monthly rent is \$240

#### **INCOME**

\$30,000

Q6. DHA is thinking about making the rent amount you pay, the same for a whole year, even if you get a new/better paying job.

And instead the amount you pay will increase by 3% or 5% every year.

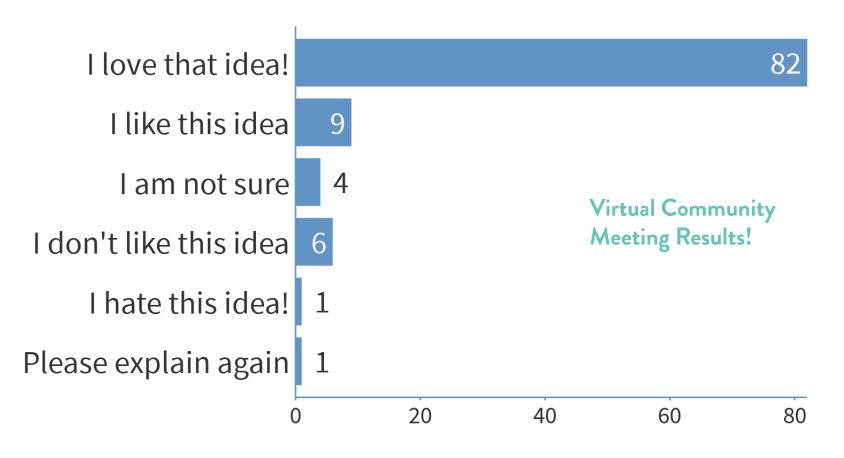
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## PROPOSED MTW HARDSHIP POLICIES

## M DHA

#### Draft hardship policies

#### On-boarding hardship policy:

This hardship policy can be requested by zero-income households for whom the initial on-boarding into the MTW program results in an increase in rent portion.

The on-boarding hardship policy will allow qualified households to maintain their current rent payment, that is their rent payment before the institution of the MTW rent reform formula, for a period of up to (3) three months.

#### Decrease in income hardship policy:

This hardship policy can be requested by households experiencing a loss of income due to extraordinary circumstances out of the household's control resulting in extraordinary financial distress and the household's inability to pay rent accordingly to their rent schedule.

If granted, the rent payment will be reset to the step closest to 30% the family's income.

#### Zero-income hardship policy:

This hardship policy can be requested by zero-income households who:

(1) have demonstrated good-faith efforts in securing employment income, and (2) are in financial distress due to extraordinary circumstances out of the household's control.

If granted, the rent payment will be set at the "Minimum Rent" for a period not to exceed (3) three months.

Extensions of each hardship policy are available on a case-by-case basis provided households can demonstrate that they are making a good-faith effort to secure income.



# EARLY FEEDBACK ON DHA'S ROLE IN MTW PROGRAM

Q2. What support services could DHA provide to help you get a job?

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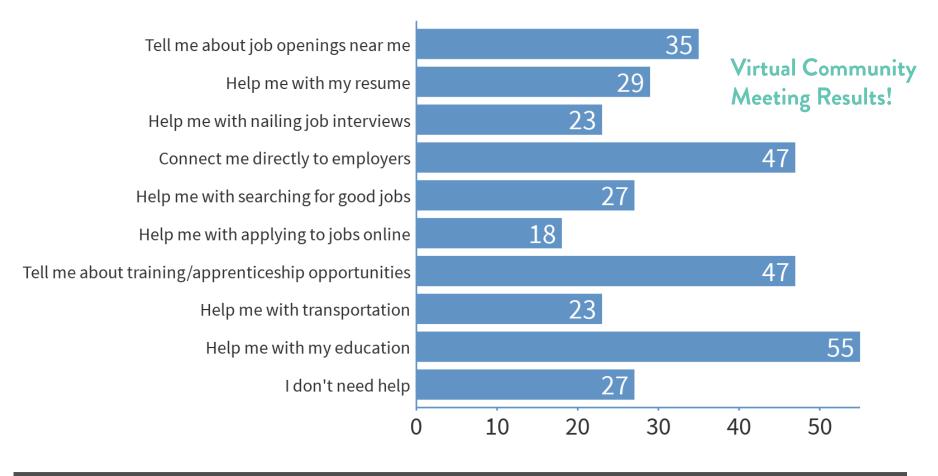
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OR

USING

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Q3. What support services could DHA provide to help you find housing in a high opportunity area??

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22333

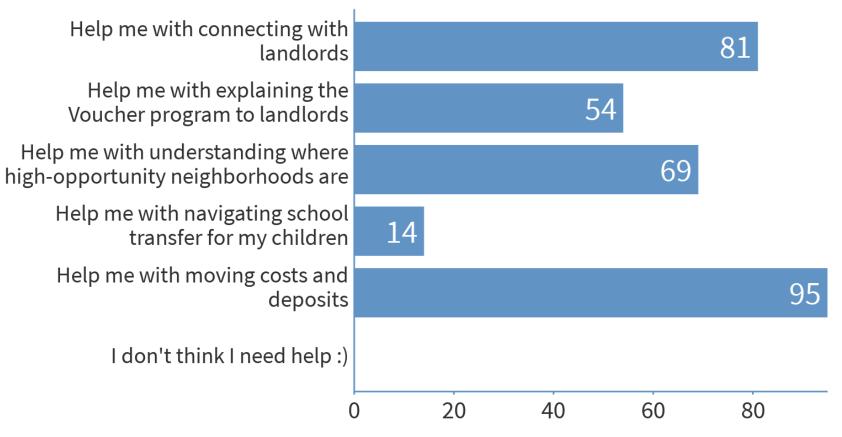
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## > OUR PARTNERS









Advancing Solutions...Empowering Lives











## > THE SERVICES

- > Transportation
- Mobility Counseling
- > Resume building
- Mock interviews
- Job placement
- > Training and certifications
- > Child care
- > Professional clothing

## HOW WE CAN HELP

#### Background:

- More than 400 jobs were about open in Dallas!
- The recruiting company scheduled a public fair for all interested candidates to attend.
- Interested persons needed to stand in line to be interviewed and tested with hundreds of other people!





### What did DHA do?

- We outreached to our families to see if anybody was interested in this great opportunity!
- We negotiated with the recruiting company, and secured early interviews for 80 DHA families <u>BEFORE the</u> <u>public fair!</u>
- DHA individuals got hired on the spot!
   We also offered training and educational opportunities through our trusted partners for other interested individuals.



- Community Meetings Ongoing
- Notice of Public Hearing October 19, 2020
- Draft Rent Reform Plan October, 2020
- Public Hearing November 23, 2020
- Board Meeting December 16, 2020
- MTW Plan submission to HUD by January 8, 2021
- HUD Announcement of Awardees March 2021
- Planning Period with Residents, Community Partners and HUD for final Rent Reform MTW Plan – March 2021
- Rent Reform MTW Plan Implementation March 2022

Note: Dates are subject to change

## MOVING FORWARD >>>>>

Please visit DHA's
webpage
www.dhantx.com/mtw
for latest updates but
here are a few major
milestones

## Thank you!

Q/A

## Appendix

## FOSTERING ACCESS TO EMPLOYMENT OPPORTUNITIES

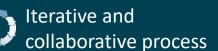
Developing data - driven best practices

+ 500

Full-time jobs (\$14/hour) created in Southern Dallas



In-depth analytics and spatial modeling to identify underemployed and unemployed DHA residents near employment hub





Multi-phase targeted e-outreach to identified DHA individuals to participate in skill and needs assessment survey



Executed MOU with third party to provide employment services and basic need assistance (pre and post-hiring)



Brokered dedicated early interview slots for competitive DHA individuals (80 interviews)



Maintain database of DHA individual's needs and skills for future employment opportunities



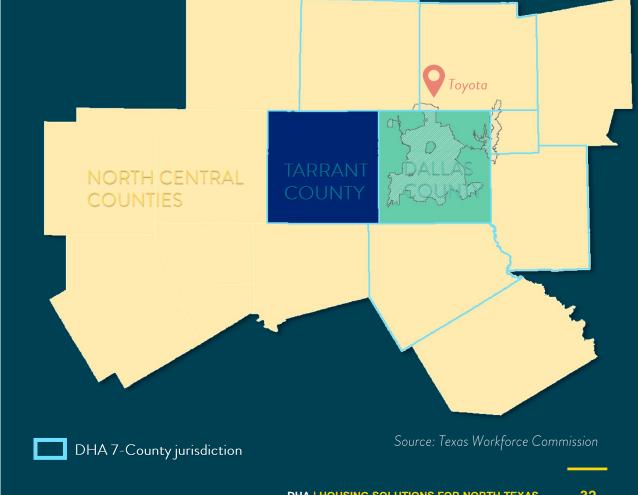
## ABOR MARKET PROJECTIONS 2026





Maintain database of DHA individual's needs and skills for future employment opportunities

	Emp. Growth	
TEXAS	+16.6%	+2,136,000 jobs
DALLAS COUNTY	+16.7%	+298,000 jobs
TARRANT COUNTY	+16.8%	+157,000 jobs
NORTH CENTRAL COUNTIES	+27.1%	+269,000 jobs



## ENHANCING MOBILITY, WIDENING HOUSING CHOICE

#### CHILDREN FIRST NORTH TEXAS INITIATIVE

Mission

Provide opportunities for families and their children to live in higher opportunity neighborhoods to break the cycle of generational poverty

Approach

Focus on assisting HCV families with children residing in R/ECAPs (Racially/Ethnically Concentrated Areas of Poverty)

Tool Box

Landlord recruiting in High Opportunity areas
Financial incentives for landlords in High Opportunity areas
Provide mobility assistance to families relocating
Partner with supportive agencies to assist families with transition
Development of Mobility Counseling software to facilitate housing search

Policy

Up to 125% FMR for High Opportunity areas 90% FMR for R/ECAP neighborhoods



### OUR STRUCTURE

DHA has several divisions and a robust community engagement effort.



Services HQ is the administrative office



Residential Communities is the division that manages DHA-owned properties



Compass Point is the division that manages the Housing Choice Voucher program



North Texas Housing Partners is the 501c3 division that leads our development initiatives and Public-Private Partnerships



DHA Cares is DHA's philanthropic arm through which all community engagement efforts are led

A key part of our mission is to provide supportive resources in our communities to give our clients a chance to thrive. We invest our time and effort across many Quality of Life Initiatives in order to be a catalyst for positive change.



Former Dallas Mayor Mike Rawlings unveiled the Child Poverty Action Lab (CPAL) in 2018 as a new nonprofit that recognizes the moral and economic imperative to reduce child poverty. One in three children in Dallas lives in poverty. The CPAL's mission is to reduce childhood poverty by 50 percent within a generation.

The CPAL Executive Leadership Council comprises chief executives from Dallas and local systems - level public agencies to elevate child poverty as a shared priority. DHA's president and CEO, Troy Broussard, is a member of the Executive Leadership Council.



Homelessness and housing insecurity have joined food insecurity, debt and inability to pay for textbooks and tuition on the list of financial struggles plaguing the campuses of American colleges and universities. Nationally, 14 percent of students struggle with some form of homelessness, according to a fall 2016 study conducted by the Wisconsin Hope Lab.

According to the Hope Lab survey of the district, 11 percent of students in the DCCCD were found to be homeless.

DHA is working with DCCCD on a potential partnership that would create a priority housing option for families with housing needs enrolled in DCCCD.

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86 percent of DISD students come from economically disadvantaged families. Only 36 percent of these disadvantaged students are performing on grade level for reading and 44 percent for math.

DHA is working with DISD on a data sharing program. DHA would receive data on behavior and academic performance as well as truancy records for DISD students who are also DHA residents. This will enable DHA to assist with afterschool programs, help reduce truancy rates; increase DISD TEA funding, and provide other services as needed to help DISD students perform better.



The DHA Family Self-Sufficiency (FSS) Program is a voluntary program designed to assist families in becoming economically independent and self-sufficient within a five (5) year timeframe. DHA Housing Choice Voucher residents are eligible to participate in the Family Self-Sufficiency Program.

Each family has an FSS case manager who provides one-on-one support to help them develop their plans, determine what resources and support they need to achieve their goals and access to resources including education, job training, credit repair, job search assistance, homeownership preparation and more. While in the Family Self-Sufficiency (FSS) Program, clients must be active; either in school or working at least 30 hours per week. While in the FSS program families may earn an escrow account. The escrow accrues monthly payments from DHA as the family experiences an increase in earned income. At the successful completion of the FSS program, the family is eligible to receive these tax free funds and may use them towards a down payment or closing costs for the purchase of a home.

In 2018, DHA provided Family Self-Sufficiency services to 838 families.

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Moving to Work (MTW) is a HUD demonstration program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally designed strategies that use federal dollars more efficiently; help residents find employment and become self-sufficient; and increase housing choices for low-income families. MTW allows PHAs exemptions from many existing public housing and voucher rules and provides flexibility with how they use their federal funds.

In June 2019, DHA submitted a letter of interest to HUD to participate in the MTW Rent Reform demonstration to examine different ways of determining the portion of rent that the tenant is responsible for. If accepted, DHA will provide a test group of 4,000 voucher participants as well as a control group of 4,000 voucher participants.

The purpose of this rent reform demonstration is to conduct a longitudinal impact study of alternative methodology in calculation of a family's portion of rent while receiving housing assistance from the federal government's affordable housing programs.



There are more than 55,000 people receiving affordable housing assistance through DHA's programs. 52 percent of the people we serve are children under the age of 18. Our goal for all the families we serve is to move toward self-sufficiency, where they can lead independent lives. Supporting younger generations through education and advancement affords us a great opportunity to achieve this goal.

Opportunity Rising provides access to postsecondary education and success for DHA students. We focus on expanding experiences through exposure, providing internships, mentorships, college tours and other learning opportunities. Though students from low-income backgrounds graduate at lower rates than their peers from higher socioeconomic backgrounds, our goal is to create clear paths for DHA students to dismantle that trend.

Through this 501c3, DHA has provided annual scholarships that total more than \$1.5m in non-federal funds for DHA high school graduates.

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As an element of its strategic crime prevention and suppression strategy, DHA is installing state-of-the-art digital video surveillance cameras at its properties. The systems include smart cameras that analyze recorded footage as well as facial recognition and license plate reader capabilities. These cameras have direct connectivity capability to the DPD.



DHA and Workforce Solutions are in discussions to share data that will help us explore employment services, training opportunities, child care, etc. that will ultimately link DHA families directly with projects Workforce Solutions is funding.

One example is Chime Solutions, a new employer coming to Red Bird Mall, that we would work with to directly recruit Housing Choice Voucher and Public Housing families that live within a radius of the mall.



DHA is very focused on investing in evidence - based programs and policies moving forward. We are working with several organizations on research that will help improve the lives of the families we serve.



Two examples of research we are participating in include Johns Hopkins' study about Housing Effects on Children's Development and the University of Michigan's Housing and Children's Healthy Development Study. Both studies are analyzing the impact of housing conditions on children's development and health over time.