

Durkee, William W.

From: Diana Young <youngdianac@msn.com>
Sent: Tuesday, September 08, 2015 10:38 AM
To: Bob LeBlanc; Creonte, Thomas; Dan Melnechuk; Jerry Dufromont; Justin Barrett; Kevin Dwyer; Randy Leblanc; Sean Wilson; Durkee, William W.
Subject: WATCH-WHA Proposal
Attachments: Minutes 8-31-15 Pond Street.docx; TBRA Summary 9-4-15 ver2.docx; Minutes 8-13-15 Pond Street.docx; WATCH-WHA Proposal.xlsx

Dear All- attached ate materials for tonight's discussion of the WATCH-WHA rental assistance program. Bill will have copies in each of your folders.

Regards,

Diana

Minutes
WATCH- WHA Proposal Committee Meeting
August 31,2015

Participants: Daria Gere,WATCH;Walter Maguire, WHA;John Gallinger, WHA;Justin Barrett,COC;Bob Leblanc,CPC;Randy Leblanc, CPC;and Diana Young,CPC (recorder).

Note that Walter,John,Daria and Diana meet before this expanded meeting to figure out administrative issues of how WHA would be paid by the City if this proposal is accepted and how a lottery would be run. The payment process will need to be worked with the City Auditor's office but it would be essential to have the money in a WHA account by the 20¹h of each month so that checks to landlords could go out on the last business day of the month. In this way,landlords would receive payment at the beginning of the month.

For the lottery,Walter suggested a pull of 200 names. The initial pull would be from those who had filled out a basic form that showed that they met the initial qualification. In order to actually obtain a voucher, a full qualification process would take place to make sure the applicants were actually qualified.

The whole group discussed the following:

- Minimum rent- the desire is to attract the working poor as we would like to limit this program to a three year benefit. The program is in no way limited to the working poor, but it is our hope that this program will be a stepping stone to financial security for some families. We chose a flat \$300 minimum. We discussed the fact that a three year limit could have exceptions especially for the disabled and older applicants. Walter noted that the wait for public housing is 3-3½ years and the wait for senior housing is 1½ years, so there may be other alternatives for households that were unlikely to reach financial independence. We also noted that the Dukes County rental assistance program which has been on place for 13 years uses a minimum rent.
- Applicant status – it appears that the program can be limited to people with documents. Although no opinion has been rendered, Dukes County only provides a benefit to documented applicants and has for its history. The case law that limits some state housing programs does not appear to apply.
- Case Management – I discussed my finding that CPA funding for case management does not seem to be allowed. I agreed to follow-up by doing more checking. After the meeting, Daria pointed me to an article in a Bedford local paper that said that the Bedford CPC had funded a life skills program. I spoke with a Bedford official who indicated that the town has used CPA funds for a pilot program and that they received written approval from the Department of Revenue. I've asked for a copy but have not yet received it.

Waltham Rental Voucher & Up-front Lease Costs Pilot Program

Background:

WATCH CDC submitted a proposal on 3/3/15 to Waltham Community Preservation Committee for a local rental voucher. Through subsequent conversations with the CPC and the Waltham Housing Authority, WATCH and the Waltham Housing have developed a revised proposal. This is a summary of the current proposal.

The current program being proposed:

To spend \$2.1 million of CPC funds for a rental voucher program for those who live or work in Waltham to assist 50 families. The proposed 3-year pilot program provides rental subsidies to landlords to supplement the monthly rents.

Who will administer the program?

The Waltham Housing Authority will administer the program. WHA will receive applications, do the final income verification with the tenant, enter into agreement with the landlord who accepts the voucher, and conduct the initial apartment inspections. WHA will renew eligibility annually with income verification and inspect the apartments. WHA may contract with other organizations, including WATCH, for some assistance in administering the program.

What will be the role of Waltham landlords?

Landlords who choose to participate will get a tenant who has had a CORI screening, has taken a class on tenant responsibilities, and has had rental history checked. After the apartment passes inspection, the landlord will sign an agreement with the Housing Authority that will list the rent amount paid by WHA and the amount paid by the tenant. The agreement will be renewed annually if tenant and landlord wish to renew for another year and the tenant is still eligible for the program.

How will applicants be chosen?

Applicants will be chosen through a lottery administered by the Waltham Housing Authority.

Where can the voucher be used?

The voucher can only be used in Waltham and the payment goes directly to the landlord.

Who is eligible?

Qualified applicants will have income below 50% AMI and live or work in Waltham. Applicants must be able to pay at least \$300 toward their rent while receiving the voucher.

The current "very low income" limits for Waltham are:

1 person - \$34,500	3 people - \$44,350
2 people - \$39,400	4 people - \$49,250

What about move-in costs?

- Those receiving the voucher will receive one time assistance paying the security deposit. Their voucher will cover a portion of first and last months' rent.
- There will be a separate program for help with move in costs- up to \$2,000 for Waltham households with income below 50% AMI who did not receive a rental voucher. Funds can

go to help with first, last month's rents and security deposit.

Will there be a CORI check on tenants?

Yes, WHA will perform the CORI check and apply their standards to determine if the tenant is appropriate for the program.

Project budget:

1. Rental Voucher

\$1,800,000- Rental Voucher for 50 families for 3 years at average of \$1,000/month

\$50,000- One time security deposit assistance for 25-30 voucher families, up to \$2,000/each

\$201,451 -Admin costs for WHA

\$2,051,451 -TOTAL

2. First, Last, Security voucher- for those who did not get the rental voucher

\$50,000- First, last months' rent, security deposit for 25 low-income households

6,250 - Admin costs

\$56,250 - TOTAL

\$2,107,701 Total Project Cost

Administrative Expenses

Voucher (Payable to WHA)	First/last/ security (Not a WHA Program)	
135,000		\$75 per voucher per month for 3 years
7,500		Inspection at \$75/unit twice during three years
23,000	2,000	Start up costs (advertizing, setting up forms, programs etc.)
3,750		Assistance Filling out applications for 300 applicants 1/2 hour each
5,000		Housing Search 4 hours per household x50
650		Orientation- 3 two hour sessions, 20 hours Designing training & materials
25,000		Lease Compliance average of 20 meetings with each tenant over 36 months
1,050		Program Evaluation- analyzing WHA data and assisting in preparing reports, 10 hours/yr
500		Assist with Affirmative Marketing/ translation of forms, 20 hours
	875	25 hrs develop program and forms
	2,500	Assist applicants in completing application for 50 households, 2 hours each
	875	Approve/Deny applications and administer checks 1/2 hour for SOHH
<u>201,450</u>	<u>6,250</u>	Total

Highlighted amounts could be shared or contracted with WATCH. \$5,000 of the \$23K start up would be solely for WHA.

WATCH- WHA Proposal

Cost of Vouchers	Rental Vouchers Program*	Cost of first & last month's rent and security deposit.(FLS)	FLS Program#	TOTAL for both programs
Average monthly voucher/houshold	1,000	Maximum award/household	2,000	
Cost of three years vouchers/unit	36,000	Cost per houshoulshold	2,000	
Times number of recipients	50	Times number of recipients	25	
Cost of rentalvouchers for 3 yr	1,800,000	Cost of FLS program	50,000	1,850,000
Administrative cost	201,450	Administrative cost	6,250	207,700
Total 3 year cost	<u>2,001,500</u>	Total cost	<u>56,250</u>	<u>2,057,750</u>
Administrative expense as percentage of the totalcost	10%	Administrative expense as percentage ofthe toal cost	11%	10%
* Assumes a minimum rent paid by households of \$300/month. Possible Security Deposit Grant for voucher recipients		#This program is only avai;able to non-voucher recipients		
Maximum benefit	2,000			
Maximum number	<u>25</u>			
PotentialCost	50,000			
Total Program w/security deposit	2,051,500			