Resident Advisory Board

Wednesday, September 23, 2009 10:00 a.m.
East Madison Community Center
8 Straubel Court

Meeting Minutes

RAB Members: Present: Aaron Blacks, Alice Fike, Der Xiong

RAB Members Absent: Debra Henning

CDA Staff: Lisa Daniels, Agustin Olvera

The RAB members had been provided a draft plan. The discussion was open to all portions of the plan and below is a summary of the discussion, which took place:

Public Housing Redevelopment –
The CDA is trying to redevelop some of its Public Housing at Truax Park Apartments. Original efforts were to build new, utilizing the Hope VI program, and build on vacant land. This changed when funding for rehab became available under the text credit program effort involving rehab of the existing buildings. The State of Wisconsin has awarded the CDA with approximately 13 million dollars in tax credits for the rehabbing of six (6) buildings. Market conditions are much different right now and current rates reflect 60 cents on the dollar. This will affect how much money the CDA will obtain to use toward this redevelopment effort. There are some preliminary drawings with different options for an elevator and a walkway between buildings. The current redevelopment efforts at Truax involve only six (6) buildings on Straubel Street. Architects had a meeting with Truax residents on September 16th and another is scheduled for September 24th. The RAB inquired about the status of Truax redevelopment and Augie Olvera explained that currently residents are looking at drawings and the CDA is looking for a response, so there is something to react to. The CDA will come back with revised drawings for residents to comment on. After final construction drawings are created, then the CDA will want to talk to residents about tile, colors, and carpeting. There will be a number of meetings and the CDA will explain how the process will work.

The RAB also discussed the fact that a transfer of ownership would take place once the tax credits are sold. The new ownership would just include the buildings, would not include the land, and would be for 15 years. The CDA would own the buildings after the 15 years period and the investor will have received their money from the investments. Augie Olvera pointed out that residents may hear that the CDA sold Truax and that they will become expensive condominiums. This is not true, and the CDA is concerned that residents will be afraid. Augie further explained that the CDA controls the Allied Drive development, but the CDA does not really own it. Bayview is another example, because the CDA owns Bayview, but does not operate that property, because it is leased to the Bayview Foundation. The investor will be concerned that Truax stays “afloat” for 15 years, and the investor will not care if the CDA makes a profit or not. All profits made go back into the properties. The more the CDA can sell the tax credit for, the more we can do with the buildings.

Public Housing Resident Employment Opportunities –
It was also noted that other Truax redevelopment meetings were scheduled for September 16th and September 24th (at a different time period) to provide all Public Housing residents with information on resident employment opportunities that may be available through the Truax redevelopment project. This is a joint program with the Madison Apprenticeship Program (MAP) and the Skilled Trades Apprenticeship Readiness Training (START) Program. This program will provide opportunities for CDA Public Housing residents who might be interested in becoming employed on construction crews, or as apprentices, on the Truax redevelopment project. Interviews for many jobs may be a few months away, but training could begin at the end of September. The RAB inquired if English would be a requirement. Augie Olvera stated that one of the programs might not require English, but that the apprenticeship program would require English (math and reading requirements). The RAB commented that this is a good program and it could provide a good learning experience, even if one were to shadow a skilled worker.

Public Housing Homeownership –
The CDA is still talking about selling some of the properties on Theresa Terrace for Public Housing homeownership, because of problems in that neighborhood. There are too many rental units in that neighborhood and more homeownership is needed. However, the CDA units are not the problem properties. The CDA is actually a more stabilizing force in that neighborhood; and perhaps the actual problem units in that neighborhood should be sold as homeownership instead of the CDA properties.

Section 8 Project-Based Vouchers –
To promote housing and make housing available to people, the CDA decided to give vouchers to certain agencies. These agencies can serve people with special needs and some of the vouchers can be used to help stabilize the Allied Drive neighborhood.

Section 8 Landlords –
The CDA provides outreach to landlords and works closely with the Apartment Association of South Central Wisconsin. These efforts have helped to attract good landlords to the Section 8 program. The CDA has a good working relationship with landlords and problems can be worked out. Landlords receive rent directly from the CDA every month. The CDA has only had a few landlords say they do not like the Section 8 program. The RAB commented on the Dane County ordinance restricting Section 8 discrimination by landlords.

Section 8 Terminations –
In recent discussions on crime on the West side of Madison, particularly in the Gammon Road and Hammersley Road area, people have said that crime is related to the Section 8 program. That area has a high concentration of rental properties. Out of 1,400 Section 8 participants, the CDA has terminated 14 people for drug and criminal activity, which is one percent. The CDA also has Public Housing in that area. The CDA believes that it is helping to stabilize the neighborhood, because program participants know they will lose their subsidy if they have negative behavior or drug activity. Assumptions are made that any low-income family renting in that area, is receiving Section 8 assistance. The RAB stated that the CDA has a good, strict screening process, which they all went through and appreciate.

Section 8 Housing Choice Voucher Program –
The CDA was notified a few months ago that there was not going to be enough assistance. Therefore, in the month of August, assistance was reduced from 110 percent of Fair Market Rent (FMR) to 90 percent of FMR. Some voucher holders were cut short, as 75 percent of the Section 8 participants were affected by this change. About half were affected by less than 100 dollars. In September, HUD allocated additional money and the CDA changed the payment standards back to 110 percent of FMR. Now, the CDA will have to see how much money is left over to know if they can go back and repay the reductions from August. This happened to many other Housing Authorities and hundreds of Section 8 programs were affected. Minneapolis was going to kick 1,000 people off the program. The CDA had the choice to cut assistance to everyone on the program, or to drop a certain number of people from the program. The RAB stated that the CDA made the right decision not to cut people from the program.

Section 8 VASH and FUP –
CDA asked HUD for more vouchers and received two allocations - - the first award since 2001. One award includes 35 vouchers through the Veterans Affairs Supportive Housing Voucher Program (VASH), which is strictly for homeless veterans who are referred to the CDA by an eligible Veterans Administration (VA) medical center in the City of Madison. This program has modified screening criteria, but also includes case management and clinical services provided by the Veterans Administration. VASH is scheduled to start in November of 2009.

The CDA also received 50 vouchers, through the Family Unification Voucher Program (FUP), which is specifically for families who are to be reunified with their children, who are in foster care. Referrals for FUP will be coming from Dane County Human Services. HUD only distributed 17 FUP awards in the nation. The CDA submitted an excellent grant proposal and was awarded 50 vouchers.

Section 8 Housing Assistance (Payment Standards) –
Under the Section 8 program, the CDA does not know how much funding it will receive for 2010. The CDA has always tried to maximize people's ability to rent in a tight housing market. Now, there is a lot of student housing, so there is less competition in the private market for apartments. The CDA also markets the Section 8 program to landlords, and 200 landlords were added in 2003. The housing market is not as tight as it used to be. With 120 days total to use a voucher to find an apartment, it is very rare that vouchers are returned to the CDA. HUD determines what the rent should be in each jurisdiction for each bedroom size (affordable units – 40 percent level for the market area). The CDA agrees to go 110 percent above that. Recently, the newspaper reported that a woman with several children, was renting a 1,500 dollar, four-bedroom apartment. People, who read the article, were very critical because the CDA paid the full amount of her rent. Critics thought it was too generous and they did not like the fact that this woman had so many children. However, the CDA is trying to create dispersion, without concentrations of low-income people in low-income neighborhoods. Most section 8 participants are in the middle (reasonable) range of rent. Some Section 8 participants can rent a more expensive place, but they choose to rent less expensive apartments, which saves the CDA money.

The CDA can continue to work on dispersion, or cut back on assistance to help more people. With average assistance of 500 dollars, the CDA can serve about 1,400 people. If the CDA cut their payment standards back, then the CDA could serve more families. Reducing the payment standards would involve a two (2) year process. If a Section 8 participant moved within the first year, they would have to find a unit that was cheaper. If the participant did not move, then they would have to move in the second year. The CDA could go down to 108 percent, which might be only 20 dollars for a person to come up with for the rent. So far the CDA Board has preferred the payment standard to stay at 110 percent. There is no right answer - - help more people, or work at keeping dispersion, as a public policy. The RAB stated that they do not want groups of low-income people concentrated in certain neighborhoods, because it creates a strain on the City with crime, and children might also suffer if they lived in a cheap apartment.

Violence Against Women Act –
Historically, the CDA has taken domestic violence into consideration before terminating Section 8 program assistance or evicting a Public Housing resident. The Violence Against Women Act (VAWA) allows victims certain rights, and HUD is now requiring Housing Authorities to take VAWA into consideration during an action to terminate or evict. The CDA will now look more carefully at the situation, take an assessment of what happened, and then make a determination to terminate both parties, or have the perpetrator removed from the program household. Some RAB members commented that they have recently been asked to sign a lease addendum regarding VAWA rights.

The RAB meeting adjourned at 11:03 a.m.