

ARRA BUDGET REVISION

PUBLIC COMMENTS

C = Comment, R = Response

Public Process & Participation, Public Hearing on November 16, 2009

PROPOSAL DETAILS

C: One commenter asked if all the state public housing units are proposed for federalization.

R: CHA indicated that its ARRA proposal would federalize 11 developments with a current unit count of 448 units. The only CHA state public housing properties not included in this proposal are: (1) Jackson Gardens and Lincoln Way with a total of 105 units which are being federalized through a different methodology and have already been reviewed by HUD, (2) Jefferson Park, 109 units, which is currently slated for demolition in 2 to 5 years, and will likely require a switch to the federal Project Based Voucher program, (3) Roosevelt Towers Mid-Rise and Putnam School, which total 108 units, and were rehabilitated or built with Section 8 vouchers, and follow the federal voucher rules, and (4) Special Needs Housing, 25 units, which are operated in conjunction with the MA Department of Mental Health, and do not require any operating subsidy.

C: One commenter asked if there would be any state public housing left in Cambridge after all this federalization.

R: Given the exceptions noted above, the only fully state public housing left in Cambridge if all the planned rehabilitation proceeds as scheduled (including the plans for Jefferson Park) will be the Special Needs Housing.

C: One commenter asked what rules are followed at Roosevelt Towers-Mid-Rise and Putnam School since it is state public housing but uses federal housing vouchers.

R: CHA noted that the properties follow the federal rules, and have done so since the buildings were rehabilitated in 1981 to 1983.

C: One commenter was curious to the numbers in parentheses after the name of each state development on the CHA's proposed transfer list.

R: CHA noted that these are the state identifying numbers, and indicate the type of development is denoted by the first three digits – 200 being state veteran's housing, 667 being elderly housing, and 705 being scattered site family housing. The number after the three digits just indicates the order the property came onto the CHA's state public housing portfolio.

C: One commenter wondered how this opportunity happened so suddenly.

R: CHA explained that a provision in the federal stimulus bill signed by President Obama in February 2009 allows housing authorities to add federal public housing units above the cap established for each locality by the U.S. Department of Housing and Urban Development (HUD) which is known as the "Faircloth Cap" provided it does so with only federal stimulus funds. DHCD and HUD formally notified CHA of this opportunity on October 15th, and established a November 23rd deadline for proposal submission, as stimulus funds must be fully obligated by March 2010.

C: One commenter indicated that they were still not convinced that it made sense to transfer the state public housing units to the federal program.

R: CHA reiterated its reasons that the switch to the federal program will result in additional operating subsidy and capital grant funds as well as new grant opportunities for these properties. The switch will enable the CHA to obtain the resources needed to operate and preserve the units as affordable housing at a time when state resources are not readily available. CHA noted that it has been using \$600,000 to \$900,000 of federal funds annually to support state public housing in Cambridge given the paucity of state resources. Given today's challenging economic times, the State has indicated that housing authorities may need to board up units because DHCD cannot provide adequate funding for operations, and the CHA cannot risk the loss of these affordable units.

C: One commenter understood the economic advantage of the proposal, but wondered if there would be any human equation that would push the CHA to reconsider its plans, or consider leaving one property as State public housing.

R: CHA understands the concerns being expressed regarding the impact to current state public housing residents, and will commit to continue to work with its residents and the advocate community to mitigate any hardships created from implementation of these plans. The CHA also noted that a proposal that leaves one development as state public housing would not effectively address the concerns being raised, because there is so little turnover on an annual basis.

MIXED FAMILY STATUS

C: One commenter questioned if the rent chart attached to the CHA Handout on the Transfer of State Public Housing reflects that households having mixed immigration status will have to pay a higher rent.

R: CHA noted that the charts attached to that handout do not reflect the higher rents charged to those households with mixed immigration status. CHA does not have any data on the number of households with mixed immigration status in state public housing at this time, and will need to collect information for some households during December. The CHA noted that in federal public housing there are only 19 households with mixed immigration status out of nearly 1900 households. CHA does expect the number in state public housing will be higher.

C: Several commenters expressed about the higher rent burden that the federal government places on households with mixed immigration status, and asked that the CHA modify its current MTW policy that sets the rent at 40% of a household's adjusted income.

R: CHA indicated that the MTW policy on the rent simplification for households with mixed immigration status was established as part of its FY 2009 MTW Annual Plan, and outlined that the policy resulted in rent decreases, many substantial, to 14 of the 19 mixed family households in federal public housing. An issue came up approximately 2 weeks ago that mixed families with higher incomes were being significantly impacted. CHA has reviewed the circumstances impacting these families, and will be implementing a change to the ceiling rents on the mixed family rent chart that will establish a ceiling rent at 110% of current ceiling rent on the standard rent chart. Residents affected by the changed to the ceiling rents on the mixed family rent chart will have their rent adjusted retroactively.

C: While recognizing that CHA's 40% rate established under MTW is better than the way HUD has housing authorities calculate rents for mixed families, several commenters noted that it was not as good as the state rent calculation method. The commenters requested that the CHA use 32% rather than 40%, or have an extra \$5 per person per month charge for each undocumented household member.

R: Any state public housing development transferred to the federal public housing program will need to comply with federal requirements as modified by CHA's MTW agreement and our annual plans. The MTW policy on how rent is calculated for households with mixed immigration status was established in CHA's FY 2009 MTW Plan, subject to a public comment and hearing at that time. The CHA will not consider any changes to its MTW policy on mixed families as part of its hearing on its proposed revision to the Annual Statement of the Cambridge Housing Authority's Capital Fund Formula Grant from the American Recovery and Reinvestment Act (ARRA) of 2009.

C: A commenter inquired as to how the CHA developed its rent formula for mixed immigrant families.

R: The CHA developed its rent formula as part of its FY 2009 MTW Plan, and based the rent upon a 40% of adjusted income rather than the standard 30% of the federal program. The formula was intended to mitigate the impact any transition from state to federal public housing may have on mixed immigrant families. As noted earlier, the implementation of this formula in federal public housing has resulted in rent decreases for 14 of 19 affected mixed immigrant families.

IMMIGRATION STATUS

C: One commenter wanted assurances that no immigrant would be moved as the result of the proposed federalization.

R: CHA is aware that there may be households currently living in its state public housing developments who do not meet the federal government requirement regarding their citizenship/immigration status and therefore would not be eligible for federal housing assistance. The CHA understands that this will create a hardship for these households, and has committed to keep all affected households in their current developments. This means that the switch from state public housing to federal public housing will not displace any family from their housing. CHA will need to find another way to fund the operating costs for the units housing families who do not meet the federal citizenship/immigration requirements.

C: Several commenters expressed continuing concern about the CHA's ability to house households who do not meet the federal citizenship/immigration requirements.

R: CHA has determined that such a household can live in a federal public housing, provided that the CHA does not receive federal subsidy for that unit. The CHA is trying to get DHCD funds to provide the needed subsidy for affected families. It was also suggested that City funding could be used in this manner if available. CHA restated its commitment to serving current families, and to ensuring that no family is displaced because of the transfer of state public housing to federal public housing.

CHA further outlined potential strategies due to its MTW designation to use existing Massachusetts Rental Voucher Program (MRVP) vouchers to provide the needed operating subsidy both for existing families, but also potentially for families from the waiting list. Basically, the CHA would transfer some existing MRVP voucher holders to the Federal Housing Choice Voucher program to free up the state resource. The CHA is working on such a proposal to submit to the MA Department of Housing and Community Development, but needs to complete its research on whether the MRVP vouchers can be

used in federal public housing and can be reissued. Other DHCD funding options could be available once DHCD knows how many state developments are being federalized.

The CHA also pledged the use of fee income to support affected families, but cannot pledge fee income on a long-term basis to house new families from the waiting list.

C: One commenter wondered if Cambridge would be the only place in the State without the ability to house households who do not meet the federal citizenship/immigration requirements.

R: CHA does not have information on the ability of other communities to house such households.

C: One commenter stated that when rent control ended in Cambridge the immigrant community was particularly hard hit as illustrated by reduction in half of the children participating in the School's Amigos program. The commenter was concerned that the proposed transfer of state public housing to federal public housing would further close the door to immigrants living in Cambridge.

R: As noted earlier, CHA will continue to work with DHCD and the City of Cambridge to identify and obtain funds to allow it to continue to serve the same number of households from its waiting list who do not meet the federal immigration requirements as it currently serves.

C: One commenter asked if the proposal to switch from state public housing to federal public housing was meant to find and/or identify illegal immigrants.

R: CHA responded that the proposal was not meant to find and/or identify undocumented immigrants.

C: One commenter noted that many homeless families would be impacted by the federal public housing program restrictions on assistance to households who do not have the required citizenship/immigration status, and asked that the needs of these families who would be applicants on CHA's waiting list be considered.

R: As noted earlier, CHA will continue to work with DHCD and the City of Cambridge to identify and obtain funds to allow it to continue to serve the same number of households from its waiting list as it currently serves who do not meet the federal immigration requirements.

C: Several commenters expressed a willingness to support CHA's request to DHCD to provide funding both now and in the future to house immigrant families excluded from the federal program.

R: CHA is appreciative of the offer of support.

IMPLEMENTATION

C: A commenter wanted to know how the CHA would be obtaining information on to their immigration status from current state public housing residents. They also wanted to know if there was a plan to do the same for applicants currently on the waiting list.

R: CHA indicated that it would contact, as needed, both current residents and wait list applicants to request information on immigration status. CHA noted that its pending software change would be triggering a massive outreach to both residents and wait list applicants so outreach activity was already anticipated. CHA also indicated that it would be sensitive in how it would ask for information given the potential for scaring people. More details of the timing of CHA's plans will be forthcoming.

C: On the ARRA budget forms it notes that the scope of work at the state public housing properties was denoted as "Scope to be Determined". One commenter wanted to know what this meant. Another commenter wanted to know if the residents could have some voice in how those funds would be spend.

R: CHA noted that the scope of work for each property is still being determined by the CHA as the CHA awaits the results of inspectors that it hired to inspect the properties. The scope will be identified prior to the CHA's Board of Commissioners meeting on November 18th. Absent the need to complete work resulting from the inspection, the CHA will complete work identified in its most recent Capital Plan. This plan was last updated in June 2006.

C: A commenter noted that Willow Street was under going a substantial renovation and wanted to know if the CHA would be expending the ARRA funds on that bigger project.

R: CHA indicated that the timing is such that the renovation work will be complete prior to federalization. It is expected that funds would be spent on site improvements such as fencing, grading and landscape as the current work did not include any site improvements.

C: A commenter asked who designed the federal rent schedule.

R: CHA designed the rent schedule, and has used it successfully for the past 4 years in its federal program. CHA also presented a chart indicating that, absent consideration of mixed immigrant families since that information is not available, 77% of current state public housing residents will have their rent decreased by an average of \$44.

C: A commenter wondered why if the federal program requires recertification every two years they were being recertified every year as a housing choice voucher participant.

R: CHA noted that the rent simplification program only covers federal public housing, though in the future it would like to consider extending it to the housing choice voucher program.

C: A commenter asked if any relocation, other than what is planned for Jackson Gardens, Lincoln Way or Jefferson, is anticipated.

R: CHA indicated that no additional relocation from the transfer of state public housing to federal public housing would be required as part of the ARRA funded program.

C: A commenter noted that the inspection process on the federal program could benefit from more timely notification and more sensitive implementation especially around timing as CHA indicates that inspections could occur over a 5-day period, rather than one specific day.

R: CHA will note these concerns. CHA indicated that often times can not control timing how the inspections occur especially the REAC inspections. The maximum notification period is three days.

C: A commenter wanted to know if the lease for federal public housing is the same as state public housing.

R: The CHA noted that the lease is the same except that there is an addendum to the lease for federal public housing incorporating the "One-Strike" provisions. These provisions allow the CHA to proceed with eviction for criminal activity on or off the property. The addendum also provides that the tenant can be evicted for conducted of a guest even if they are not award of their guest's conduct. The state lease provides for eviction for acts of a guest if a resident should have known that the guest would engage in misconduct.

C: Several commenters wanted to know the schedule for implementing the proposed transfers of state public housing to federal public housing.

R: CHA noted that applications are due to HUD on November 23rd. It is CHA's understanding that HUD will review these applications through December, including visiting to inspect developments, and will make final decisions during December and early January. HUD has indicated that it wants to begin closing on these transfers beginning January 15th given the mid-March deadline for funds to be obligated.

Public Process & Participation, Written Comments, dated November 9, 2009, and received November 16, 2009

The CHA received a letter signed by several Cambridge Elected Officials, Board Members of the Alliance of Cambridge Tenants, and representatives from CEOC, CASLS, HomeStart, LIFT, CLSACC, and Mass Alliance of Portuguese Speakers and others. Salient comments from the letter is provided below.

C: Commenters request that the CHA take steps to protect existing immigrant families, current applicants on CHA's wait list, and those families who may need subsidized housing in the future by (1) ensuring the existing CHA tenants who do not have any household members with the HUD-required immigration status have the right to remain in affordable CHA housing; (2) ensuring that federalization does not result in large rent increases for existing immigrant families; (3) ensuring that future immigrant families (both those with and without household members with HUD-required immigration status have affordable rents in CHA public housing; and (4) ensuring that at least the same percentage (or same number) of CHA apartments are available in the future for immigrant families without any HUD-required immigration status.

R: Please see earlier responses applicable to each requested action.

C: Commenters requested that CHA utilize a different rent formula for mixed immigrant families than its current program. They proposed that the rent schedule only require a slightly higher rent for immigrant families at either 32% of income or a surcharge of \$5 per month per household member without HUD-immigration status.

R: Please see earlier response.

C: Commenters request that if the CHA cannot NOW commit to ensuring access to its public housing then they strongly urge that the CHA NOT federalize all 441 units it currently proposes but rather retain some number of units as state public housing. It was further noted that Cambridge is a sanctuary city, committed to the rights of immigrants to live in Cambridge with dignity and without fear.

R: Please see earlier response.

**Public Process & Participation, Written Comments, Greater Boston Legal Services,
dated November 17, 2009**

C: Commenters have reiterated concerns regarding the effect the proposed changes will have on immigrants as stated in the November 9th letter.

R: CHA duly notes this.

C: Commenters expressed concerns about the significant rent increases due to the differences in the state rent formula and CHA's rent simplification formula for federal public housing. Specific concerns identified include the imposition of a \$50 minimum rent, elimination of a large number of income deductions and exclusions including medical expenses for all (not just elderly or disabled), the exclusion of \$8320 of elder wages, and exclusion of child support payments for children living outside the home. Commenters propose that the CHA: (1) establish a transitional period of one year to allow households to prepare for any resultant increases; (2) limit rent increases to \$50 per month; (3) expand eligibility criteria for hardships and remedies to include for example medical expenses of families (not just disabled or elderly households; and (4) use a lower formula for rent for mixed-immigrant families, either 32% or 30% with \$5/month/person surcharge.

R: CHA duly notes concerns, and has started to analyze the potential impact resulting from these differences. The initial data indicates that 77% of affected households will have rent decreases, and only 23% will have rent increases with the bulk of those increase \$50 and below. CHA will continue to assess the impact of the change especially as it gets additional information on families' immigration status, and work to mitigate any hardships which results. CHA will limit any increase in rent to \$100 per month for the first two years or alternatively the CHA could delay the transfer to the federal rent simplification for one year for all households transitioning from the state public housing program to the federal program.

C: Commenters requested assurances that the CHA will honor its previous commitment to make the agreed upon changes to the preference/priorities and emergency criteria for admission.

R: The proposal to transfer state public housing units to the federal public housing program does not impact CHA's previous commitments to the preference/priorities and emergency criteria for admission.

C: Commenters request that the CHA commit (in writing) to comply with state regulations at 760 CMR 6.09(3), which allow for important resident council input absent a formal MOU.

R: Once the proposed migration from state public housing to federal public housing is complete, the developments will come under federal rules. On a practical basis, we have treated all tenant councils the same whether federal or state and will continue to do so.