



# Moving to Work

Application Package  
Cohort #2  
Rent Reform

DRAFT



## VISION FOR TGHA'S LOCAL MTW PROGRAM

**The Greenville Housing Authority (TGHA)** has an essential mission to provide quality affordable housing that serves as a foundation to improve lives. Our Vision for the Moving to Work Program is vibrant, mixed-income housing communities of opportunity, that maximize individual potential, while sustaining financial viability of our organization. The MTW designation will enable TGHA to empower low-income families, create opportunities and strengthen our community through innovative programs that promote economic mobility and empower our residents.

*Self-Sufficiency Vision* – MTW provides TGHA with the opportunity to increase economic security for the families we serve through mobility mentoring and a coordinated network of innovative and collaborative services that will create a pathway to economic independence.

The low-income families we serve in our housing programs struggle to address their basic needs and are generally unable to increase financial stability. Typical service programs focus on a single program area and rarely address the overlapping nature of issues faced by low-income families. Mobility mentoring is premised on a comprehensive approach that will address all areas of self-sufficiency to effectively promote sustainable economic independence. Long-term individualized coaching provides guidance and over time, builds participants' decision-making, problem solving, and goal setting skills. The long-term success of achieving economic independence depends on families increasing earning potential; building savings; attaining and sustaining assets; and, achieving financial stability.

Poverty today is different from poverty in decades past. The current knowledge-based economy has transformed the labor market to one in which family-sustaining jobs require advanced education or training as well as soft skills.

TGHA's MTW self-sufficiency model, working in collaboration with our community partners, will combine the tools that illuminate what people need to develop concrete, informed, individualized pathways to economic security and "*maximize their individual potential*".

***Housing Choice Vision*** – To provide "*vibrant mixed income housing communities of opportunity*" we will complete the conversion of our remaining Public Housing units to Project Based Vouchers providing access to Choice Mobility options for all families we serve. The MTW designation will also enable us to implement a Local Project Based Voucher Program which will expand mixed-income communities through combining PBV assistance in high-end market rate developments in the core central city which is currently unattainable for voucher holders. The "communities of opportunity" model we envision also includes the implementation of various initiatives that will provide voucher families with expanded options in higher cost neighborhoods that are more convenient to services, employment and educational opportunities.

***Cost Effectiveness Vision*** – Our Vision of sustaining financial viability of our organization through more efficient business processes embraces operational improvements and procedures that will result in cost savings in the overall administration of our programs. Cost savings will be targeted to support MTW initiatives that will result in further cost benefit through higher tenant rents and reduced subsidy payments.

***Why Participate in MTW: Challenges*** – The Greenville Housing Authority is extremely enthusiastic and eager to participate in the Moving to Work Program. Every community across our country is unique in its place and its people. The federal approach to standardized programs has failed to recognize the distinct characteristics of the communities we serve. The MTW Program will provide TGHA with the ability to design housing solutions specific to the needs of our community.

**Welcome to the Greenville Everyone is Talking About:**

*Yeah, THAT Greenville... Greenville, South Carolina*

*Yeah, that Greenville...“the next big small town” (People Magazine)*

*Yeah, that Greenville...“#3 top small city in the U.S” (Conde Nast Traveler Awards)*

Greenville was recently named one of the top moving destinations in the country and is projected to add 35,000 new households by 2029.

With growth comes challenges... housing costs are rapidly increasing with rents going up at a rate triple the national average. Rents in Greenville rose 4.2% in the past year, compared to the national growth rate of 1.3%. Approximately 85,000 Greenville County households have incomes at 80% AMI or below. Of this group, approximately 54% are housing cost burdened with 29% paying more than 50% of their income towards the cost of housing.

There are many constraints on housing demand including a falling number of active listings on the market; an above average length of residency in rental units; limited for-sale product; and, a limited variety in unit sizes. This demand and its constraints put a heavy burden on the existing market, driving prices up. With a high value market, more and more naturally occurring affordable housing is being lost to the market. Single Family development costs are increasing multifamily rental demand. Multifamily Rental production is inconsistent and demand significantly outweighs supply. A disproportionate share of cost-burdened households are renters under the age of 35.

**Why Participate in MTW: Opportunities** - MTW presents an opportunity for TGHA to address the many challenges of our community. TGHA is a founding member of the recently formed Greenville Affordable Housing Coalition; a coalition comprised of 40 organizations with members from philanthropic, and non-profit organizations, neighborhood associations, Greenville City and County government, and private housing developers formed to address the affordable housing crisis in our community. MTW flexibilities will enable TGHA to develop initiatives to support the strategic local investment of the Coalition through incentives for developers and landlords to reduce costs, encourage economic development, enhance economic mobility and improve health and educational outcomes for the residents of our community.

**Experience and Skills of PHA Personnel** – The Chief Executive Officer of the Greenville Housing Authority has significant experience working with the MTW Program. Shawn Williams previously served as a Director at an MTW Agency and was a key member of the MTW Executive Team where she collaborated to develop and test innovative strategies that enabled the PHA to use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families.

David Samloff, TGHA's Director of Housing Choice will lead the TGHA's MTW initiatives. David brings extensive MTW experience having worked in leadership positions at two MTW agencies. In his role at one agency, David provided valuable input and direction in creating more efficient business processes and was responsible for developing, recommending, and implementing various MTW initiatives for the HCV program. At a second MTW agency, David served as the Director of Rental Assistance where he was responsible for developing, recommending, and approving various MTW initiatives for the Public Housing Program as well as the HCV program.

**Fair Housing and Civil Rights Statement** - The Greenville Housing Authority will carry out the MTW Demonstration Program in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing by examining the MTW activities and initiatives or proposed activities, identifying any impediments to fair housing choice within those activities, addressing those impediments in a reasonable fashion in view of the resources available and working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the NSBHA's involvement and by maintaining records reflecting these analyses and actions.

#### **PLAN FOR FUTURE COMMUNITY/RESIDENT ENGAGEMENT**

Great community engagement entails hearing from a large and diverse audience and collecting meaningful public input to inform decisions. Our plan for successful community and resident engagement is designed to inform and shape our MTW Program to better serve our residents and the community; generate needed stakeholder support, and facilitate plan implementation.

TGHA has long term relationships with community stakeholders which include most community service organizations and representative of City and County government. We will continue to deepen these relationships as we engage our partners in the MTW process. To further engage our residents, we will refocus the Resident Advisory Board and assure there is a "community captain" form each of our affordable housing communities. It is our intent to utilize these extensive existing community partnerships along with the community captains to create an MTW Advisory Committee that will work jointly with us in the development and implementation of our MTW Program.

The Advisory Committee will also serve as ambassadors to communicate accurately about the purpose and goals of our MTW Program. MTW Advisory Committee meetings will be posted in advance and open to the general public and all residents who will be encouraged to attend.

General communication will include a specific section on our website dedicated to our MTW Program; quarterly newsletters to residents; guest articles in community-based publications; fact sheets for each specific initiative to be developed; and a specific implementation plan for each activity adopted.

### **OPERATING AND INVENTORY INFORMATION**

The Greenville Housing Authority currently has 155 Public Housing units and a Housing Choice Voucher Program with 3,105 baseline vouchers.

TGHA has extensive affordable housing development and management experience having developed almost \$200 million dollars of new affordable housing through mixed financing methods. TGHA has successfully implemented two large HOPE VI redevelopment projects and participated in both the ownership structure and managed the subsequent mixed income properties. Greenville Redevelopment Corporation is a 501c3 created and controlled by TGHA to serve as the sole member of single asset owner entities. TGHA's real estate portfolio consists of 1,112 units of affordable housing and includes three primary property types as described below.

1. Low Income Housing Tax Credit Properties in which TGHA, through a wholly owned affiliate, serves as the Managing Member. Currently, we have 6 communities with 665 units under this structure.
2. Rental Assistance Demonstration (RAD) properties in which TGHA, through a wholly owned affiliate, is the sole owner of the property. Currently, we have 4 properties with 209 units under this structure.

3. Low Income Housing Tax Credit Properties in which TGHA is a member or a sponsor.  
Currently, we have 4 properties with 238 units under this structure.

TGHA embarked on an aggressive plan to reposition its Public Housing portfolio and exit the Public Housing Program. The remaining 155 units are part of larger mixed-finance communities and will be converted under the Streamlined Voluntary Conversion program by the first quarter of 2021.

TGHA's Public Housing Program consists of 99% single headed households and 1% couples; 90% of all heads of households are female while 10% are male; 31% of all households have earned income from wages; 38% receive Social Security and/or SSI benefits; and the balance of 31% have other sources of income, including 4% with no reported income. Public Housing families are 3% White; 94% Black; 2% of Mixed Race and 1% Native Hawaiian; of these families, 99% are non-Hispanic and 1% are Hispanic.

TGHA's Housing Choice Voucher Program includes 290 Rental Assistance Demonstration Project Based Vouchers; 619 NON-RAD Project Based Vouchers; 144 Veterans Affairs Supportive Housing (VASH) vouchers; 26 Mainstream Vouchers; and, approximately 2,000 tenant-based Vouchers.

TGHA's Voucher Programs consists of 98% single headed households and 2% couples; 85% of all heads of households are female while 15% are male; 22% of all households have earned income from wages; 33% receive Social Security; 18% receive SSI benefits; and the balance of 27% have other sources of income, including 1% with no reported income. Voucher families are 12% White; 86% Black; 2% of Mixed Race; of these families, 98% are non-Hispanic and 2% are Hispanic.

## PLAN FOR LOCAL MTW PROGRAM

The Greenville Housing Authority will initially implement the following types of initiatives under its local Moving to Work Program. We understand that as part of the MTW Expansion under Cohort #2, we cannot utilize certain waivers/activities outside the scope of the rent reform evaluation for a period of six years after the enrollment period has concluded.

### COST EFFECTIVENESS

- **Rent Reform, Tiered Rents** will be implemented as part of the MTW expansion Cohort #2, TGHA will implement the Income Based Tiered Rents in accordance with all MTW Test Rent #1 and the cross-cutting provisions applicable to the MTW Test Rents.
- **Alternate Inspection Requirements** will include an initial baseline inspection and assignment of a unit quality rating; based on rating, owners may only certify to HQS compliance. Each year a minimum of 20% of all units will be randomly selected for inspection but TGHA will reserve the right to inspect any unit based on resident feedback.. This initiative will significantly reduce the number of inspections resulting in reduction of staff hours and associated costs, thus, lowering administration costs.
- **Simplified Utility Allowance** will include a flat utility allowance by bedroom size for all units types. This will reduce the costs of annual utility allowance third party studies and simplify the rent calculation reducing staff time and thus, reducing administrative costs.

### SELF-SUFFICIENCY

- **Economic Mobility Pathways** will provide a self-sufficiency continuum that is integrated and holistic, designed to assist individuals to acquire the skills and competencies to secure a sustainable wage.

EMP will provide Mobility Mentoring, in which participants work one-on-one with mentors to develop the skills, resources, and sustained behavioral changes necessary to achieve and preserve economic independence. Because the path to economic self-sufficiency cannot be found in any one health or human service category, EMP's coaching approach bridges multiple areas of life: family, finances, education, employment, and well-being.

- **School Links to Homeless Families** will support the Greenville County School district efforts to eliminate the barriers that can delay or prevent a homeless student's access to public education. TGHA will work with the School District to support academic success for students experiencing homelessness by providing a vouchers to families to stay in one school and eliminate their residential mobility.

### **HOUSING CHOICE**

- **Local Project Based Voucher Program** will increase the percent of baseline vouchers that will be project based and the number of units per project that can be project based. The local PBV program will also allow for an upfront commitment of PBV units to enable NSBHA to be more competitive in the LIHTC process. This initiative will enable NSBHA to expand housing choice through the development of new housing options particularly in areas of opportunity throughout our community.
- **Local Payment Standards** will expand housing choice through higher payment standards in the higher cost areas of our jurisdiction. Working with a real estate market firm, we will determine the submarkets and complete a rental analysis for each submarket. Payment standards will be established at 50% of the median rent within each submarket.

- **Landlord Incentive Program** will provide a bonus to properties located in areas with a poverty rate and minority concentration rate less than the overall city rates and owners that have never participated in the HCV program when they accept a voucher. This initiative will expand housing choice to areas of opportunity.
- **Local Homeownership Program** will develop and implement a local homeownership program in partnership with Habitat for Humanity. We envision a model similar to Habitat but with additional program requirements for our participants and a return of a percent of equity upon resale.

### **PROPOSED USE OF FUNDS**

The Greenville Housing Authority requests authority to use Public Housing and Housing Choice Voucher funds flexibility for implementation of its Moving to Work initiatives. Our proposed uses of funds include Non-Traditional Housing Programs; Landlord Incentive Programs; Secondary Financing to Support Housing Development Projects; and, Economic Mobility Pathways to support our Mobility Mentoring and Supportive Services as described in our MTW Vision.

TGHA also anticipates use funds in a fungible manner across traditional Section 8 and Section 9 programs. These uses may include support of vouchers, particularly local Project Based Vouchers above our baseline or additional self-sufficiency cash incentives.

### **EVIDENCE OF SIGNIFICATION PARTNERSHIPS**

The Greenville Housing Authority has an extensive Resident Services program and a rich history of community partnerships. Partnerships that support our MTW Self-Sufficiency Vision and will support the alternate rent policy include South Carolina Works who provides job training; job search assistance; resume assistance and job placement services.

“Ripple of One” provides mentoring services and life-coaching support. Greenville County Human Relation Commission is a certified homebuyer counseling agency and provides support to our residents pursuing homeownership including financial literacy; credit repair and counseling; and pre- and post-purchasing support. One of the challenges in our housing programs are residents who will quit a job when they experience a rent increase. These partnerships will support the alternate rent policy through assisting with participants achieve improved comprehension of the benefit of increased income.

Partnerships that support our MTW Housing Choice Vision include the Greenville Housing Fund; comprised of the Community Foundation of Greenville; the Graham Foundation; Hollingsworth Funds; and the United Way of Greenville County; along with the City and County of Greenville. Together with these partners, we work to increase and preserve diverse housing choices in Greenville that ensure economic growth and promote prosperity for all residents. These partnerships will provide leveraged funding that will support many of our MTW particularly initiatives to expand housing choice.

### **RENT REFORM INFORMATION**

The Greenville Housing Authority will utilize MTW Test Rent #1 – Tiered Rent (Income-Based). TGHA has chosen this rent policy because we believe that it will prepare residents to exit assisted housing while still providing a level of security for unexpected circumstances. Residents will benefit from increased income over a period of three years, without a rent increase. When rent is adjusted it will remain within a range related to their income. The use of Tiered Flat rents will incentivize families to reach self-sufficiency goals and increase household income. As household income increases, the rent burden will decrease as the percent of income to rent decreases.

Based on the Family Median Income for Greenville, we have a total of 30 tiers with the first tier ranging from \$0 to \$2,499 with a total tenant payment of the minimum rent of \$50.00. Tier 2 expands from \$2,500 to \$4,999 with a TTP of \$94.00. The total tenant payment is calculated as 30% of the monthly income of the midpoint of the range. For Tier 2, the calculation would be as follows:

<b>TGHA TIERED RENTS - TIER 2</b>		
Bottom Range	Rages of \$2500 of	\$2,500
Top Range	Area Median Income	\$4,999
Mid-Point Range	Bottom + Top Divided by 2	\$3,750
Monthly Income	Mid-Point Divided by 12	\$312
Range Rent	Monthly Income times 30%	\$94

Household income is gross annual income with no deductions. Income will continue to be defined in accordance with application regulations with corresponding income exclusions. The rent resulting from the calculation above is total tenant payment and a utility allowance will still apply for tenant paid utilities. Utility Housing Assistance Payments will also remain applicable under the MTW Test Rent.

Rent will change at the time of a triennial recertification. Between the triennial recertification, rent will only change if a family is granted a temporary hardship. A hardship will be provided when a family’s income falls to a tier lower than the current one on which their current rent is based. When the temporary hardship expires and is not renewed, the rent will return to the rent applicable based on the most recent triennial recertification.