

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

The Boston Housing Authority created its 5 year plan covering the years 2015-2019 as part of the 2015 Annual Plan. Each year with the submission of the annual plan, the BHA will provide an update in the Progress Report. The goals and key initiatives from 2015 are listed below in the left hand column and those will remain the same for the five-year period. The updates and progress made on achieving those goals and key initiatives are described below in the right hand column and will be updated each year.

BACKGROUND

The BHA is the largest public housing authority in New England and the sixth largest in the nation. Within the public housing program, BHA owns and operates 63 family and elderly/disabled developments that are home to more than 25,000 Boston residents (12,623 households), most of whom are extremely low-income, averaging about \$14,000 in annual income per household. Most of these units are federally-funded, with 2,305 state-funded units.

BHA developments are among the most diverse communities in the city of Boston across a spectrum of measures: race, ethnicity, religion, age, disability status, languages spoken, immigration/refugee status, and family status. BHA residents are roughly 42 percent Latino, 32 percent Black, 16 percent White, and 10 percent Asian. The public housing waitlist includes about 36,000 applicants at this time.

The BHA also administers Housing Choice Vouchers (Section 8 or Leased Housing) to over 12,000 families that lease apartments from private landlords. The Leased Housing Waiting List Portfolio includes about 16,000 applicants at this time; however the Tenant Based Housing Choice Voucher Waiting list has been closed since 2008.

The BHA is a large municipal employer, with over 800 employees, and invests over \$300 million into the local economy each year that translates into construction jobs, goods and services.

Almost one in every ten households in Boston either lives in BHA-owned housing or receives financial assistance from the BHA to rent private housing.

BHA has enjoyed a long period of continuous improvement in housing quality, vacancy reduction, innovative financing initiatives, and capital upgrades. The Authority currently has an all-time high 98% occupancy rate, and has earned a national reputation for its redevelopment efforts, energy efficiency and healthy housing initiatives.

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

CHALLENGES

The Authority now faces an unprecedented lack of support at the federal level. This reduced funding is expected to continue. The funding shortfalls threaten to severely impact the public housing program, and will constrain the BHA's ability to continue on the positive trajectory it has established in the past 20 years. The funding context is not the typical cyclical adjustments that are common in the public sector depending on which party controls the Legislature and/or Executive branches of the federal government. This is, rather, a more structural change to the public housing program, with HUD increasingly encouraging housing authorities to find alternative funding mechanisms, including private sector funding, to sustain their portfolios.

The BHA and other housing authorities are confronting long-term budget deficits to their federally-subsidized housing portfolios. The budget deficit is due to chronic underfunding, sequestration cuts, and the ongoing federal budget battles in Washington D.C. The future of the public housing program and the viability of the physical buildings themselves remain threatened. The Leased Housing budget has stabilized for the time being--avoiding the need to take families off of the program—however, the BHA is emerging from one of its worst deficits in history with this program.

KEY ISSUES

HUD Funding Levels: In recent years, HUD, as a result of reduced congressional appropriations, has provided PHAs with anywhere from 80 – 95 percent of PHA annual eligible funding. In the current calendar year, PHAs (including the BHA) expect to receive 92.81 percent of their eligible Operating Program funding. For the BHA, in the current year, this underfunding means that the BHA will not receive \$4.4 million of operating subsidy for which it is eligible based on HUD's own funding formula and which HUD acknowledges is needed to operate the property. (Update to 2018 Plan: Over the past six years, there has been a shortfall of over \$39 million cumulatively.)

Capital funding has also been drastically reduced alongside operating funding, with an allocation to BHA of just over \$16 million annually, compared to nearly \$30 million annually a decade ago. Of that allocation, approximately \$6.7 million annually is committed to repayment of a capital bond issuance until the year 2028. BHA estimates its overall capital need at about \$500-750 million.

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

A growing deficit exists in funding for security and protective services, which costs the BHA \$5.9 million annually, with no dedicated funding source from HUD. In previous years, the BHA received supplemental security funding, which has been eliminated.

Spending Levels: Current spending in the federal operations program is \$97 million, of which \$62 million is for non-utility expense categories (i.e., maintenance and operations). This equates to a per unit month (PUM) cost of \$515, which is comparatively low relative to other large urban PHAs around the country as well as other housing providers in Boston. It is also below HUD's own formula expense level derived specifically for the BHA. In addition, the BHA is not always reimbursed dollar for dollar for its utility expenses, further straining the non-utility budget.

Personnel/Staffing: The BHA has reduced its workforce by over 100 employees in the past two years through attrition, retirements and reductions in force, an overall 11% reduction. The BHA has taken very deliberate and challenging steps to reduce personnel costs in order to confront its budget challenges.

Reserves: The BHA has responsibly generated and safeguarded public housing operating reserves over the past many years. Unfortunately, in order to confront these budget deficits, it is spending down these operating reserves and is unable to keep the reserve at the HUD recommended level.

OPPORTUNITIES

In spite of these challenges, new opportunities are available and continue to arise. The BHA is committed to acting upon these opportunities.

BHA's primary short-term goal is to raise awareness of the scale of the challenges we face, and grow local support for a variety of preservation strategies. After moving from a mode of incremental, continuous improvement, BHA is threatened with a backslide that could result in units being slowly taken off line as uninhabitable.

Within this context, the Authority proposes the following initiatives:

Goals	Updates and Progress Made
Strategic Focus: Achieve and maintain high performer status for public and leased housing	

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

<p>Maintain 97% or higher Occupancy Levels: Consistent with the City’s <i>Housing a Changing City</i> strategy, BHA’s top priority is keeping units available and occupied. Functions and activities that do not directly support this goal will be reviewed first to address funding shortfalls.</p>	<p>BHA’s Occupancy rate as of March 31, 2017 was 98.1%; 98.0% for the federal program. BHA staff will continue working closely with all the City of Boston and advocacy agencies to ensure the City’s and BHA’s goals are met while addressing the needs of those in dire need of affordable housing.</p>
<p>Maintain 100% Utilization of Section 8 Resources: We will continue to maximize vouchers “on the street”, seek all available housing voucher resources, and ensure that those resources are being fully utilized.</p>	<p>We will continue to maximize vouchers “on the street”, seek all available housing voucher resources, and ensure that those resources are being fully utilized. Progress: From April 1, 2015 to present (Oct 2016) screened 4362 applicants and issued 2347 vouchers and leased 1164 (new admissions). BHA was awarded 45 new VASH vouchers in July 2016 and 35 VASH vouchers in September 2016. For most of calendar year 2016 and into calendar year 2017 the BHA was in shortfall and did not issue vouchers other than VASH. Once the 2017 funding award was received, the BHA began screening and issuing vouchers in July 2017. From April 2017 to present (October 2017) 504 applicants have been screened, 164 vouchers have been issued and 38 leased (new admissions).</p>
<p>Strategic Focus: Preserve the BHA portfolio of affordable housing by developing a site-by-site preservation strategy</p>	
<p>Ensure alignment between BHA priorities and the City’s Housing Strategy (<i>Housing A Changing City</i>). It is critical that public housing preservation is prioritized within the broader City context, as reflected in Mayor Walsh’s recently released housing plan.</p>	<p>The BHA has worked closely with City housing partners since 2015 to ensure alignment between City and BHA goals. All of the BHA preservation activities are in support of the City’s goals. In particular, BHA’s initiative to create more public-private partnerships to preserve and in some cases add new affordable housing is an important part of the progress shown toward the City’s goals. The BHA now has a pipeline of roughly 4000 redevelopment units, with another 4000 units of moderate and market housing being added as well.</p>
<p>Explore Federal Legislation to Allow Funding Flexibility</p>	<p>The BHA continues to work with our senators and congressional leaders on potential legislative initiatives that would benefit the</p>

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

<p>between the Public and Leased housing programs: This flexibility would promote efficiencies and better decisions about how to apply scarce resources to local conditions. Currently PHA's are restricted from using public housing operating, public housing capital, and Section 8 funds except within highly regulated silos of spending.</p>	<p>federal public housing program. It is very difficult to gain traction on these initiatives given the negative national climate for funding public housing.</p>
<p>Develop a site-by-site preservation strategy that optimizes for local markets and opportunities: The BHA will initiate a review of all properties to develop or affirm approaches to ensure long-term viability and optimize strategies to close budget shortfalls.</p> <p>Where appropriate, we will utilize Choice Neighborhoods, Rental Assistance Demonstration, Energy Performance Contracting and other approaches that can help preserve the portfolio for future generations of low-income residents.</p>	<p>The BHA issued a major Request for Qualifications in 2015 to invite ideas and proposals from the non-profit and for-profit development community to preserve deeply affordable units at all of its federal sites, particularly those in high-market neighborhood. The response was very strong (56 proposals across 32 sites). The BHA has moved forward with eight of these proposals (at Charlestown, Clippership, Lenox, Amory, West Newton, Eva White, Mary Ellen McCormack and Hailey Apartments), and is also working to identify appropriate RAD conversions in the elderly portfolio. The BHA was successful in securing a Choice Neighborhoods grant for the Whittier site in December of 2016.</p>
<p>Strategic Focus Area: Support resident capacity-building and self-sufficiency initiatives that help residents meet their own goals</p>	
<p>Support BHA's Center for Community Engagement: Established in March 2014, the Center for Community Engagement and Civil Rights (CCECR) is designed to support sustainable communities that are economically, environmentally and socially vibrant. One of CCECR's key roles is engaging residents to participate in and lead a wide range of programs. In the next five years, CCECR will build its capacity incrementally and integrate an infrastructure by which residents and applicants could easily and readily access information and services.</p>	<p>CCECR's Resident Empowerment Coalition and its partners have accomplished many of its goals and objectives in 2017, including A) completion of eleven (11) elections, B) providing leadership training at four (4) public housing developments, C) training or providing technical support to fourteen (14) election committees D) provided training on roles and responsibilities to four (4) LTOs, E) provided training or support on finances to all duly recognized local tenant organizations for a total of thirty-four (34) and F) provided technical support such as organizing meetings, language access, board development, conflict resolution, management relationships to duly recognized tenant</p>

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

organizations or leadership groups for a total of (32). From October 2016 to September 2017 REC held four citywide meetings (and its annual Summit/Gala would take place on 10/22), for emerging leaders or local tenant organization members to come together for resident engagement opportunities which included, training in finance, employment and educational opportunities, partnership opportunities, health resources, education on BHA redevelopment process, policy changes such as grievance policies for public housing and mixed finance, Fair Housing, Sugar Sweetened Beverages and Smoke Free housing. In addition, REC created an election manual in which five residents were trained as poll monitors/election committee members. REC also assisted the Mildred Hailey Tenant Organization create a partnership manual in both Spanish and English.

CCECR continues to ensure BHA resident engagement as fully as possible, and meaningful access to information and resources by translating vital documents (439 pages in 2017) and providing interpreters (2,175 requests in 19 languages) at meetings, hearings, community forums (AFFH, Choice Neighborhood, etc.) and resident events, as well as disseminating resource information through standing programs such as the ROSS, FSS, Wellness Connect, AmeriCorps VISTAs, REC, and Boston REACH; utilizing a combined approach of participatory workshops, mini-grants, guest speakers, Unity Days, One Boston Day, online listservs, multilingual mailings and publications (Healthy Food Purchasing Handbook in 3 languages, updated lease with VAWA and Smoke Free policies in 5 languages), outreach door-to-door and during residents' coffee hours. CCECR also uses social media (i.e. web-postings and blogs at www.bostonhousing.org,

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

	<p>Facebook: https://www.facebook.com/bostonhousingauthority, Twitter: https://twitter.com/BHA_CCECR, YouTube: https://www.youtube.com/channel/UCPTnL5o-c-GaACuXsl3OXnQ) and other internet and phone enabled apps such as HelpSteps to gradually build an online infrastructure that would broaden info access to residents.</p> <p>CCECR fully recognizes the importance of forging and deepening partnerships with other agencies in order to expand opportunities for our residents, and to support our residents in housing preservation-redevelopment, as well as health in housing. In 2017 CCECR continues to assist City Hall in implementing the City’s Communication Access Ordinance, the Age Friendly Boston initiative, and the Healthy Incentive Program on food security. Through the support of BHA’s Community Affairs staff and BPHC’s Boston REACH, CCECR also partners with Fair Foods, Fresh Truck, Daily Table, Baraka Wellness, and Boston Foods to increase food access. BHA now has partnerships with 196 organizations over 118 programs.</p>
<p>Link efforts to Education, Jobs, Public Safety and Health: Federal funding for these sectors can be more available than public housing funding and BHA must tie its housing programs to these sectors in order to optimize funding potential. BHA will also continue to seek ROSS, Family Self-Sufficiency and other federal funding when available.</p>	<p>BHA applied for the FSS 2017 (\$288,000). BHA was also awarded the following grants applied for in 2015: ROSS Service Coordinator 2015 (\$738,000) and Juvenile Reentry Assistance Program (\$100,000) grants. BHA was awarded 1 of 9 Jobs Plus Pilot Program grants of \$1,977,607 to implement an innovative program at the Charlestown development & we have now entered the 3rd year of this 4 year grant designed to transform the community into a community fully supportive of work. We have also raised through various other funding sources \$20,000 in funding to support the BHA Charlestown Adult Education Program at 76 Monument St. including ESOL, HiSET (GED), and career readiness programming. To support health equity and healthy homes among residents and Section 8 tenants, BHA</p>

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

	<p>receives a sub-award of \$973,793 total for 2015-2018 from the Boston Public Health Commission for Boston REACH, Partners in Health and Housing project. The grant supports the improved implementation of BHA’s Smoke Free Policy, No SSB (Sugar Sweetened Beverages) Policy and expands residents’ access to affordable healthy foods. The BU School of Dental Medicine has submitted a grant for additional funding from the National Institutes of Health in collaboration with the BHA to continue work on improving the Oral Health of its residents at various developments over a 4 year period. BHA has also launched a state-funded (DHCD) Family Self Sufficiency Program – Mass LEAP – to state aided public housing & voucher holders (MRVP); the program is in the 4th year of the 5 year grant with the combined grant amount to BHA, Compass, and JVS of \$278,637 (9/2017-8/2018) with the expectation the grant will be extended through 8/2019 at a similar amount as this current year.</p>
<p>Strategic Focus: Create healthy and supportive living environments through policy and partnerships</p>	
<p>Formalize Partnerships to deliver an equitable baseline of services across all BHA sites: Implement a consistent and strategic approach to partnerships across the portfolio which brings a baseline level of defined services to every BHA site. Develop measurement tools to enable tracking and ensure progress.</p>	<p>The BHA has awarded a Resident Service Coordination Contract to the following supportive services agencies: Catholic Charities, Boston Senior Homecare, Ethos, Central Boston Elder Services.</p> <p>With the award of this contract, the BHA has implemented supportive services in all BHA managed elderly/disabled properties. The supportive services began in September 2017. As part of the contract, all supportive services agencies are required to periodically conduct community/neighborhood resource audits to identify and develop partnerships that help address resident needs and supports resident involvement in the community and to coordinate one health and well-being service event at minimum once a month for residents, such as periodic</p>

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

	<p>eye, podiatry, hearing, and dental clinics, visiting nurse, exercise, health fairs, and other similar events.</p>
<p>Establish resident health, energy-efficiency and sustainability as priorities in the planning process for new initiatives consistent with the BHA’s Strategic Sustainability Plan: The BHA issued a Strategic Sustainability Plan in January, 2014 outlining an overall goal to reduce Greenhouse Gas Emissions by 25% by 2020 in addition to several other goals. The BHA will continue to track and report on its progress.</p>	<p>As of December 2015 BHA has seen a reduction of 27% in our Green House Gas production as compared to the baseline year of below 2008 levels. BHA realized its 25% reduction in Green House Gas goals five (5) years ahead of schedule. Operations energy managers are working closely with Real Estate Development/Capital Construction on the Rental Assistance Demonstration applications in an attempt to identify & incorporate long term energy, health & resiliency upgrades into the refinancing costs for the identified RAD developments. In addition, staff have begun the process of initiating another Energy Performance Contract (EPC) on the balance of the portfolio that BHA assumes we will be managing & owning for the next 15 to 20 yrs. The bulk of which is comprised of our Elderly/Disabled developments.</p> <p>The BHA continues to engage in many resident health partnerships.</p>
<p>Strategic Focus: Continue to improve systems and customer service so the BHA is a more efficient and responsive organization</p>	
<p>Raise awareness of the challenges that BHA faces: Consistent with the City’s <i>Housing a Changing City</i> strategy, in order to position the BHA for a future with less federal subsidy, it will be important for the community and all stakeholders to understand the BHA’s situation and decision-making.</p>	<p>The BHA continues to run a significant yearly operating deficit that is continuing to deplete reserves that are available for the day to day operations of the Authority. The BHA is working with the City of Boston to address unfunded Public Safety costs that are a major component of the deficit. In addition, our available capital funding is steadily diminishing.</p> <p>The Administrator organized and attended dozens of events in 2015 to deliver this message to residents, resident leaders, elected officials, advocates, City partners and many others. The BHA continued to aggressively engage in this type of outreach in</p>

PROGRESS REPORT: BHA FIVE-YEAR PLAN (FY 2015 – 2019)

	2016 and 2017.
<p>Analyze Wait List practices and develop strategies to streamline placements while communicating more effectively with applicants: The BHA must consider all options to reduce its 36,000 waiting list, manage applicant expectations, and optimize staffing resources toward placements.</p>	<p>The BHA along with many other PHAs is facing the reality of a drastic increase in the need for affordable housing and has discussed with various PHAs nationwide best practices. The BHA is working on implementing computer software that may assist with managing applicants need to access their applicant information. We will also continue to work closely with the City of Boston and other advocacy partners to educate applicants about the various BHA available housing programs and to help partners to assist applicants with successfully completing the screening process for the selected housing programs.</p>
<p>Continued Customer Service and Efficiency Enhancements: Formalize a customer-service function within BHA to improve satisfaction and responsiveness. Provide training to maintain professional staffing and expertise in a changing environment.</p>	<p>The Director of Communications and constituency services has been meeting with HR and Operations to explore staff training options that include outsourcing and recurring trainings. On trainings for staff specifically we are looking into incorporating (2) mandatory trainings per year for all staff who interact with our residents (management). Additionally we are considering an updated handbook or manual that would give the basics of customer/constituent service etiquette; how do we treat those who we serve?</p>