

<b>Annual PHA Plan</b> <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 03/31/2024
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**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

**Applicability.** The Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.																																
A.1	<p> <b>PHA Name:</b> Dane County Housing Authority _____ <b>PHA Code:</b> WI214 _____  <b>PHA Type:</b> <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA  <b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): 1/2025 _____  <b>PHA Inventory</b> (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)  <b>Number of Public Housing (PH) Units</b> 86 <b>Number of Housing Choice Vouchers (HCVs)</b> 1,446 <b>Total Combined Units/Vouchers</b> 1,532 (Includes 153 Mainstream Vouchers and 45 Emergency Housing Vouchers)  <b>PHA Plan Submission Type:</b> <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission         </p> <p> <b>Availability of Information.</b> PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.         </p> <p> <input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a Joint PHA Plan and complete table below)         </p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="width: 25%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 25%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2" style="width: 20%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 10%;">PH</th> <th style="width: 10%;">HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																							
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Lead PHA:																																	

**B. Plan Elements**

**B.1 Revision of Existing PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA?

- Y N
- Statement of Housing Needs and Strategy for Addressing Housing Needs
  - Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
  - Financial Resources.
  - Rent Determination.
  - Operation and Management.
  - Grievance Procedures.
  - Homeownership Programs.
  - Community Service and Self-Sufficiency Programs.
  - Safety and Crime Prevention.
  - Pet Policy.
  - Asset Management.
  - Substantial Deviation.
  - Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

**Deconcentration and Other Policies that Govern Eligibility, Selection and Admissions.**

During 2020, DCHA updated the eligibility chapter of its HCV Admin Plan to reflect several new preferences that were outlined in our successful response to HUD’s NOFA for Mainstream Vouchers. The new preferences that were incorporated into our plan include current homelessness, institutionalization, risk of institutionalization, and those residing in Permanent Supportive Housing (PSH) or Rapid Rehousing (RRH). As required by the Mainstream Voucher rules, households who qualify for these vouchers must be on the PHA’s regular waiting list and are not drawn from a separate waiting list. To comply with the preferences outlined here, DCHA did a limited opening of its waiting list in 2020 targeted specifically to households who met these preferences.

In 2021, again updated the HCV Admin Plan to increase the weighting preference of households residing in rapid rehousing programs, as well as to include a preference for any family that due to health/safety concerns was displaced or faces imminent displacement from Public Housing within Dane County. The HCV Admin Plan 2021 updates also included a new section covering our Emergency Housing Vouchers (EHV), which started leasing toward the end of 2021.

During 2023, several sections of the HCV administrative plan were updated to strengthen our ability to serve families in need in a timely fashion. The HCV admin plan was updated to broaden the displacement preference that was adopted in 2023, allowing assistance for families that due to health/safety concerns or disaster was displaced or face imminent displacement from federally subsidized housing in Dane County rather than just Public Housing. The Plan was also updated to allow DCHA to use a lottery system when opening our HCV and Project-Based Voucher (PBV) waiting lists. The lottery system is designed to better manage the size of the list and the length of time that applicants spend waiting to be pulled from the lists, as it took eight years to fully deplete the Section 8 waiting list that was last opened in 2015. We also clarified the section of the HCV admin plan that discusses the voucher size a family qualifies for to better reflect our actual practices, and updated the section that discusses PBV’s to reflect two developments that opened since that chapter was last updated in December of 2021.

We will continue to refine the Administrative Plan in 2023 and 2024 as needed to accommodate any additional voucher programs or changes in preferences as we work to maintain and increase voucher utilization and lease our remaining inventory of Mainstream Vouchers.\\

**Operation and Management**

DCHA restructured the staffing of its accounting/finance function in 2020. At the direction of the Board, when the part time accounting clerk retired in the spring of 2020, DCHA made the decision to hire a full time Controller. The Controller was hired in August 2020 and DCHA has been continuously working to rely less on outside contracted accounting services and manage most of its accounting and finance functions internally. Turnover in this position occurred in September 2022 and DCHA has been operating with a temporary part-time finance director and support from a third party fee accountant and the DCHA Executive Director from 9/22 until 8/23, when a new Finance Director was hired. The new Finance Director is currently working to learn DCHA and HUD systems and increase our in-house capacity to manage our finances and programs.

DCHA has also added new members to our Finance Committee and Personnel Committees to bring a wider range of experiences and resources to the Authority and its Board of Commissioners and will continue efforts to draw upon skilled local resources to enhance our committees. All active Commissioners, and the DCHA Executive Director, have completed HUD’s Lead the Way training and this training will also be required of future Commissioners.

**Community Service and Self-Sufficiency Programs**

In 2020 DCHA brought the staffing for our shared FSS program with the Madison CDA in-house with a full time FSS Coordinator joining the DCHA staff for the first time. Previously, this work had contracted to a third party, the Community Action Coalition for South Central Wisconsin (CAC). One of the primary reasons for making the decision to bring this staff into DCHA was the high amount of turnover experienced in the

position when it was housed at CAC, which resulted in inconsistent case management for our FSS participants and did not maximize the effectiveness of the program.

Our initial FSS Coordinator was hired in February of 2020, shortly before our office closed to the public due to COVID-19, which impacted our ability to grow the program. We experienced turnover in this position in the fall of 2021 and a new FSS Coordinator was hired in December 2021. An updated Action Plan that was created in conjunction with the Madison CDA, was approved by our Board in 2021, and another update to the Action Plan to conform to the new FSS rule was approved in 2022.

In 2023 for the first time, we added another partner, the Bayview Housing Partners, LLC, to our grant application/award. In addition to the longstanding partnership with the Madison CDA, we were approached by this owner of a development with a Multifamily Section 8 contract about joining our team, as they were not optimistic about their chances of obtaining an FSS grant on their own. We have a PBV HAP contract with Bayview as well, and they wanted the FSS program to be available to all their residents, not just the PBV holders. Marketing to the broader population at this multifamily development is underway, but still in somewhat early stages.

Our goal in 2022 was to grow participation the program to at least 30 to 40 participants between both agencies, which we have accomplished. As of August 2023, our joint program has 37 participants, with some upcoming graduations. We anticipate increased program participation in the coming year as well.

Expanding the Program Coordinating Committee (PCC) has also been a focus of our FSS program in the past several years and these efforts have produced broader partnerships that are benefiting the program and participants. We will continue this work and outreach to build more resource links in the community during 2024.

#### **Asset Management**

Since 2020, DCHA began improving asset management practices and oversight of its owned real estate portfolio. The following initiatives are underway and will be continued in 2023.

1. Better recordkeeping – a SharePoint site has been established with a master folder for each owned development and each multifamily loan in DCHA’s portfolio of loans.
2. Better tracking of insurance costs – insurance had not been included as an operating cost on a project level prior to 2021
3. Assessment of physical condition of properties and development of strategies to address and fund deferred maintenance. We are using proceeds from refinancing Belleville Senior, School Street Apartments, Mount Horeb Apartments, St. Albert the Great Apartments, Bird Street Apartments, and Lothe Apartments to fund capital improvements at those properties. Extra cash flow from Valley View Apartments is funding improvements at that property as well as at Riverview Apartments.
4. Pursuit of outside grants to facilitate property improvements, Successful applications include WHEDA Foundation grants to help with roof replacement at Belleville Senior that was completed in 2021 and improvements to energy efficient lighting and accessibility in bathroom showers that were completed in 2023. In addition, we obtained a WI DNR grant for portfolio-wide tree evaluation.
5. Active monitoring of RE tax assessments and PILOTS – appeal or renegotiate when appropriate. Successful tax appeals were achieved in DCHR Verona (2020) and DCHR Stoughton (2021).
6. Created a real estate owned schedule that will be updated annually to measure project performance.
7. Consider selling assets that are not helping DCHA meet its mission and/or achieve sustainable operations.
8. Continue to move forward on our Public Housing physical improvement and repositioning initiative, which has become more of a long-term objective for the organization. Our current work includes evaluating and improving unit condition and potentially selling some units that may not pass HQS inspections. We will also assess income qualifications of existing public housing tenants as part of this process as well. This initiative has been delayed due to COVID-19; however, a Capital Needs Assessment inspection was completed in July 2021, and the process is moving forward though at a slower pace than originally planned. DCHA will evaluate both the Section 18 repositioning and the Section 18/RAD blend strategies available through HUD to ensure that we end up with the best possible eventual outcome.

#### **Significant Amendment/Modification**

A proposed demolition, disposition, creation of a homeownership program, capital fund financing, development activity, mixed finance proposal, additional sources of capital for repairs/renovations outside of Capital Fund Grants, and repositioning activity is considered a significant amendment to the HUD Capital Five-Year Action Plan, and DCHA’s potential repositioning of the public housing would fall under this category.

(c) The PHA must submit its Deconcentration Policy for Field Office review.

#### **Deconcentration Policy**

Per the DCHA Administrative Plan the Authority will attempt to deconcentrate low-income housing through the following strategies:

1. Briefing packet will include a list of landlords or other parties willing to lease to assisted families or help families find units, especially outside areas of concentrated poverty.
2. DCHA will encourage participation by owners of suitable units located outside areas of concentrated poverty or low incomes.
3. While determining payment standards the DCHA will review the cost and availability of units in areas with low concentrations of poverty.

<p><b>B.2</b></p>	<p><b>New Activities.</b></p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA’s current Fiscal Year?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Hope VI or Choice Neighborhoods.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Mixed Finance Modernization or Development.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Over-Income Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Police Officers.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Non-Smoking Policies.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project-Based Vouchers.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Units with Approved Vacancies for Modernization.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</p> <p>(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan.</p> <p><b><u>Demolition and Disposition</u></b></p> <p>DCHA will be evaluating its real estate portfolio to ensure that the Agency’s holdings are a good fit with the mission of the Authority as well as financially feasible. The agency will consider disposition if there is not an alignment with the mission and/or if continuing the hold a property is not financially feasible.</p> <p><b><u>Project Based Vouchers</u></b></p> <p>DCHA has extensively used PBV’s to ensure that very low-income households have access to units in new affordable housing that is being constructed in Dane County. As of July 2024, the Agency has 22 active PBV contracts.</p> <p>DCHA is not anticipating entertaining any new requests for additional PBV awards in 2025; after extraordinary growth in the PBV program from 2014 to 2022, DCHA is fine tuning the PBV portion of its HCV program, and may seek to revise our waiting list structure to project based lists versus the current combined list for all non-referral PBV projects.</p> <p><b><u>Units with Approved Vacancies for Modernization</u></b></p> <p>DCHA will monitor its Public Housing renovations and use this category whenever repairs or renovations to a unit will result in a unit being offline for a substantial period of time. We have been using this category since 2022 to renovate several duplex and single family PH units.</p>
<p><b>B.3</b></p>	<p><b>Progress Report.</b></p> <p>Provide a description of the PHA’s progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p>DCHA’s stated mission is to is to promote safe, decent and affordable housing for those who participate in our programs, as well as to support efforts to expand the supply of affordable housing in Dane County. DCHA’s goals for the years 2025-2029 include the following:</p> <ol style="list-style-type: none"> <li>1. Support efforts to expand the supply of affordable housing in Dane County <ul style="list-style-type: none"> <li>• Seek to expand DCHA’s HCV program through additional vouchers/funding</li> <li>• Partner with housing developers to help create more units via AHP sponsorship or tax-exempt bond issuance</li> <li>• Partner with Dane County on Affordable Housing Development Fund and other potential housing funding mechanisms to create affordable housing products</li> </ul> </li> <li>2. Promote self-sufficiency and economic opportunity <ul style="list-style-type: none"> <li>• Expand Family Self Sufficiency program</li> </ul> </li> <li>3. Improve the quality of housing owned by DCHA</li> <li>4. Continue to implement best practices for asset management of DCHA portfolio, including a review of DCHA’s portfolio for alignment with mission and feasibility</li> <li>5. Evaluate the conversion of Public Housing to tenant-based assistance or a RAD/tenant- based assistance model and potentially exit the Public Housing program</li> <li>6. Strengthen DCHA Operations <ul style="list-style-type: none"> <li>• Review and update policies and procedures</li> <li>• Maintain reliable vendor relationships for corporate services such as Information Technology and Human Resources</li> <li>• Continue to expand and strengthen Board Committees</li> <li>• Improve Public Housing and Agency financials to achieve an upgrade from Financially Substandard to Standard Rating</li> </ul> </li> </ol> <p><b><u>Expand HCV Program</u></b></p>

## **Mainstream Voucher Program**

DCHA has been awarded a total of 153 Mainstream Vouchers in three separate funding increments. An initial award of 60 vouchers, for which the increment began on 1/1/2020, an additional 18 voucher award, for which the increment began on 10/1/2020, and a third increment of 75 vouchers, for which the increment began on 4/1/2021. As of August 23, approximately 89 of these vouchers have been leased, with approximately 10 households currently shopping for units.

These vouchers, which are intended to serve households containing an adult family member with a disability, are currently being issued to households on DCHA's waiting list who meet this baseline qualification as well as preferences chosen by DCHA in our original NOFA response. The preferences include households who are currently homeless, institutionalized, or in danger of institutionalization, or previously homeless and currently a client in a permanent supportive housing or rapid rehousing project. To facilitate this process, DCHA updated its HCV Admin plan and did a limited opening of its HCV waiting list in the fall of 2020, and an additional wait list opening is likely pending in Q32023 to ensure that enough households to use this resource are identified. DCHA is working with the local Continuum of Care office, as well as its member agencies to ensure that voucher holders are successful in obtaining housing and that the services that we agreed to provide in the NOFA are available.

Issuing and leasing of these vouchers is a major initiative for DCHA. This resource expands access to available housing for some of the lowest income people in our community and has been valuable as a tool to help us build stronger relationships with the Continuum of Care office and several local nonprofit groups, such as The Road Home and the Salvation Army. We were recently awarded extraordinary administrative fee funding by HUD in the amount of \$76,500. These funds can be used to help remove leasing barriers for these units by providing landlord incentives, security deposit help, etc. and will be deployed as we work to complete the lease up of these vouchers.

## **Emergency Housing Vouchers (EHV)**

DCHA was awarded 45 Emergency Housing Vouchers (EHV) in a funding increment that began on 7/1/2021, and the agency entered into a Memorandum of Understanding (MOU) with the Community Development Authority of the City of Madison (CDA) and the Homeless Services Consortium of Dane County (HSC) to govern our EHV program in Dane County. The eligible populations for these vouchers are individuals or families that are homeless, at risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking, or recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. Eligible households were referred to DCHA and the CDA by the HSC. The MOU indicates that DCHA's 45 vouchers will be targeted toward families. Of the total, 15 to 20 of DCHA's vouchers were targeted towards households currently experiencing homelessness and on the Coordinated Entry housing priority list and/or currently fleeing domestic violence with a child under the age of 5. Case management is being provided by The Road Home and Domestic Abuse Intervention Services (DAIS). The remaining 25 to 30 EHV's in Dane County's voucher award were used for households with children for a move-on strategy from Permanent Supportive Housing (PSH) Rapid Re-Housing, or Transitional Housing, with PSH programs prioritized the highest. The HSC referrals to DCHA for this program began in the fall of 2021, and as of August 2022, 41 of our 45 vouchers are currently under lease and we have a few EHV clients who were previously housed who are currently shopping for a new unit, bringing us to be virtually fully utilized.

The Madison CDA and DCHA reached an agreement that DCHA's Mainstream and EHV voucher holders may lease anywhere in Dane County, including the City of Madison, to take advantage of Madison's public transit and more convenient access to services. The Madison CDA is not treating the County as a single market, and we have received, and continue to receive, a substantial number of EHV clients who are porting to our jurisdiction from the City of Madison. We absorbed approximately five of these EHV port-in households and chose to bill the CDA for additional port-ins to preserve vouchers for the families that were originally referred to us by the CoC.

We have added a landlord information section to our website and will continue to work with HUD to expand communication and marketing to landlords for EHV, Mainstream and our general HCV program.

## **Other Development Partnerships**

### **Ownership in Housing Developments**

In 2020, DCHA entered into two transactions with for-profit developers to sponsor AHP grant applications to the Federal Home Loan Bank of Chicago (FHLBC) in order to facilitate more housing development in Dane County. The first property was Oak Ridge at University Park I, which is an 81-unit senior development located in Madison on the site of the former Westgate Mall, developed by JT Klein. The second application was The Waterford, which is a 49-unit senior development located in McFarland, WI, developed by Northpointe Development. DCHA has an ownership interest in both of these properties, which are both complete as of August 2023.

In 2022, DCHA entered into another transaction with Northpointe Development sponsoring an AHP grant application for Broadway-Monona, LLC, a 75-unit development located at 1208 E. Broadway in Monona, WI. DCHA will have an ownership interest in this development, which is under construction and expected to be complete in the fall of 2024

In 2024, DCHA entered into MOU'S with Northpointe Development to sponsor AHP grants for two more potential developments: a 60-unit affordable development located at 1050 N. Edge Trail in Verona and an 80-unit development located at 709 Northport Drive in Madison. It is not known if these developments will be successful at obtaining the AHP grant or other financial resources needed to move ahead with construction.

### **Tax Exempt Bond Issuance**

DCHA issued tax-exempt bonds for two developments in Q4 2021 to facilitate the development of new affordable housing in Dane County. These developments are both part of JT Klein, Inc's Westgate Mall redevelopment on the west side of the City of Madison. The developments include the Oak Park at University Park I project that is mentioned above (81-unit senior LIHTC development) and University Park Commons, which is a 68-unit LIHTC development. Both buildings are now complete.

DCHA also issued tax-exempt bonds in Q4 2022 to facilitate the development of an affordable housing development at 402 Wilson Street in the City of Madison. This 54-unit LIHTC property is being developed by Bear Development, LLC, and is current in lease-up.

DCHA has not issued any tax-exempt bonds to facilitate affordable housing development in 2023, but the agency is open to potentially working with developers in 2024 to help with the creation of more housing within Dane County. The issuance fees earned from these tax-exempt bond transactions have also helped stabilize the financials of the organization.

#### **Partnership with Dane County on Affordable Housing Development Fund**

In 2015, DCHA executed an MOU with Dane County in which DCHA would be the lender of record for a new loan fund to facilitate the development of affordable housing that the County planned to create. A revised MOU was approved by the County Board in 2021, which will provide \$10,000 to DCHA for its work closing and monitoring each loan, starting with projects funded from the 2022 County funding round. These loans are structured as soft, subordinate loans in larger affordable housing developments that are typically using LIHTC's. Four loans closed into this fund prior to 2020, and two new loans closed into the fund during 2020. In total, as of July 2024, approximately 25 loans have closed into the fund, reflecting the additional resources that have been committed by Dane County.

DCHA is involved in closing and funding these loans, as well as in ongoing monitoring along with Dane County. A change in accounting treatment beginning with DCHA's 2019 audit reflects these loans on the PHA's balance sheet.

#### **Addressing Deferred Maintenance in DCHA Portfolio**

In order to best serve our residents, DCHA is committed to evaluating the physical condition of our portfolio and reinvesting in the real estate to create and maintain quality housing. In 2020 through 2021, we were hampered from truly assessing all capital needs due to COVID-19 limitations on physical inspections of individual units, and we have also experienced challenges with obtaining competitive bids, as contractors and materials have been scarce at times once projects are identified. However, the following progress was made:

1. Public Housing – In 2020 a new roof and elevator were installed in 14-unit building in Stoughton, we funded numerous A/C replacements in duplex units in Stoughton and Sun Prairie as well as furnace repairs and replacements in Monona and Mazomanie, and removal of dead trees in Monona. In 2021, a new roof was installed on one of the Sun Prairie duplexes, a water heater was replaced, and extensive remodeling was performed in a unit that had damage from a burst pipe in February 2021. In 2022 and 2023, we renovated a duplex that was offline for modernization and that is now fully occupied again. We have also completed paving projects at Mazomanie and Stoughton, as well as new interior flooring and common area painting at the 10 and 14-unit buildings in these locations. Ongoing replacement of appliances, water heaters, water softeners, furnaces and air conditioning unit is occurring. New roofs were installed at the Mazomanie site in 2024 and new siding is planned for several buildings in Stoughton this year as well. Planning and prioritizing for additional improvements is ongoing.
2. School Street Apartments – replacement of deteriorated wooden walkways, replacement of flooring in units to improve condition and marketability is ongoing as apartments turnover, removal of three dead trees in 2021, as well as repairs to damaged garages and garage doors, replacement of a water heaters (two serve each of the 24-unit buildings), and new mulch in the playground area. In 2022, the development was refinanced to provide \$225,000 of equity that we are using address needed repairs; to date, we have replaced the roof on one of the 24-unit buildings and replaced deteriorated wood siding panels on both buildings. 2023 work has included installing additional insulation in both buildings, replacing two additional water heaters, and repairing and re-stripping the parking lot. Current projects in 2024 have included replacing exterior doors.
3. Bird Street Property – Replacement of the building's water heater, roof, soffit, fascia, gutters and water heater were completed in 2021. In addition, a unit that was uninhabitable due to water damage was renovated and brought back online in Q4 2021. A refinance intended to provide funds for additional rehab has been used to install insulation and replace the exterior doors at this property. We have done some work to improve the interior common hallways.
4. Lothe Street Property - A refinance intended to provide funds for additional rehab has been completed. Repaving the parking lot was completed in 2023 and replacement of deteriorated concrete stoops and patios is underway in 2024. These two projects will likely use all proceeds from the refinance. We have also renovated the kitchens of two of the twelve units and will continue to upgrade units as we experience turnover and as funds allow.
5. Belleville Senior Housing – A successful application for a roof replacement grant from WHEDA's Foundation covered roughly half the cost of a new roof at this property that was completed in 2021. A refinance of the property in the fall of 2020 allowed us to pull \$100,000 of cash out and invest that in the property's replacement reserve, which was used to cover the remaining roof replacement costs as well as replacement of the building's boiler and the retaining walls that lead to the entrance of the underground parking structure. We also received a \$50,000 grant from WHEDA's foundation in 2022 to upgrade to more energy efficient lighting and convert the bathrooms in 10 units from tub to walk-in showers improving accessibility. A future project targeted here is repaving the drives and private streets that serve this larger senior housing neighborhood working on updating the documents that govern the property's share of the costs.
6. Valley View Apartments – In 2022 a deteriorated retaining wall was replaced at this 16-unit senior Section 8 property. In addition, remodeling of 1<sup>st</sup> floor common areas and replacement of the roof were completed in 2023.
7. Riverview Apartments – Dead tree removal has been completed at this 16-unit property in Black Earth, and in 2023 the doors and windows were replaced, the security/intercom system has been repaired/replaced, flooring has been replaced in the common areas and these areas have also been painted, and a water softener has been installed for the entire building. Additional 2023 improvements included adding insulation, landscaping work and upgrades to the exterior lighting.
8. Mount Horeb Apartments – In 2022, we completed a refinance pulling \$100,000 in equity to fund needed repairs, which to date have included new roofs on these two 8-unit buildings, replacement of a retaining wall, sidewalk and concrete replacement, repaving of the asphalt parking lot, a new boiler in one building, and new flooring in common area hallways as well as common area painting.
9. St. Albert the Great Apartments – This 4-unit property in Sun Prairie is financed under the same loan as Mount Horeb Apartments. Pending improvements include new windows and patio doors.
10. Mazomanie Downtown Apartments – The roof was replaced on this historic building located in downtown Mazomanie in 2022. The roof contains four sections and this repair totaled approximately \$100,000. Work to repair deteriorated stairs was completed in 2023 and replacement of the doors in the commercial area of the building is underway in 2024. Additional masonry work on the exterior doors of the commercial space is also planned for this property.
11. Sawmill Road Group Home – Repairs made to accessible bathroom with roll-in shower. Damage from leaks in the tile floor in bathroom lead to extensive damage to floor joints and beams beneath the tile and required extensive repairs. This work was completed in

Q1 2021. In addition, repairs to the garage door opener and tuckpointing of exterior brick walls have also been completed in 2021 and additional siding repairs were made in 2022.

12. Entire DCHA portfolio – Successful application for tree evaluation funded by WI DNR. The evaluation of DCHA’s trees has been completed and final reports have been prepared. DCHA has begun removal of dead trees at several properties (School Street Apartments, Riverview Apartments, DCHA public housing) using other funds.

**Repositioning of DCHA’s Public Housing** – On April 16, 2020, HUD’s Special Application Center (SAC) approved DCHA’s application to dispose of 25 buildings containing 40 dwelling units and 5.8 acres of underlying land. This units that were approved for disposition are located in three communities (Monona, Stoughton, and Sun Prairie), and HUD SAC concurred that disposition of the unit was in the best interests of the PHA due to the challenges of maintaining and managing these scattered site units as public housing. DCHA submitted a formal request to SAC in September 2022 to withdraw the existing approved Phase I application, which was approved by SAC on September 22, 2022.

The original application was submitted in February of 2020, and a full analysis of the physical condition of the properties was not completed prior to applying, nor was the PH tenant base evaluated for impact of differences in rules and occupancy standards between PH and HCV. Furthermore, the difficulties posed by COVID-19 in being able to fully evaluate the housing stock and find contractors to obtain bids and make repairs has delayed our progress. Staffing shortages and turnover have also impacted DCHA and the third-property manager that manages the public housing during the pandemic and that has delayed our ability to move ahead more rapidly.

Improvements to the physical condition of the housing stock are underway; physical inspections of the public housing portfolio were conducted by an architect in July 2021 and DCHA has begun addressing issues noted in this Capital Needs Assessment. This physical analysis will help DCHA decide whether the sale of any units of public housing that are not likely to pass a Housing Quality Standards (HQS) inspection without a substantial capital outlay is in the authority’s best interest, or whether the Authority should look at a new RAD/Section 18 Blend option that was created since the initial application was approved in April 2020. This review will ensure that units that are taken through the repositioning process with HUD will be eligible for the project-based tenant protection vouchers and that DCHA will be able to commit to keeping the units affordable for the required 30-year affordability period.

Likewise, a review of the occupancy standards and tenant rents will confirm how the differences between the public housing and project-based voucher rules and regulations would impact our current residents, and this will be taken into account as we compare the Section 18 repositioning option with the Section 18/RAD blend as well.

We have also been awarded approximately \$2.5M in capital improvement grant funding from Dane County to invest in our public housing stock. We anticipate these funds to be deployed primarily in 2023 and 2024 in conjunction with our repositioning strategy.

Work to improve the condition and performance of our public housing is underway at DCHA, making repositioning a longer-term objective for the agency. It is unlikely that repositioning will occur in 2023, but these improvement efforts and evaluation of the best path forward will be ongoing.

#### **Strengthen DCHA Operations**

##### **Review and Update Policies and Procedures**

Work to ensure that our policies and procedures are up to date and reflect current regulations and practices is ongoing at the DCHA. HUD has major policy changes underway that will affect our HCV (HOTMA and NSPIRE) and Public Housing (HOTMA) programs and ensuring that our policies and practices are current will be essential in 2025 and the following years.

Additional policy work will include planned updates to our Employee Handbook as well as reviews of our Accounting and Procurement policies.

##### **Maintain Reliable Vendor Relationships for Corporate Services**

Ensure that DCHA has adequate third-party professional resources to meet its operational needs. These services include payroll processing, human resources, legal services, information technology supplemental fee accounting, etc.

##### **Continue to Expand and Strengthen Board Committees**

By statute, DCHA is limited to a 5-person Board of Commissioners. We have added non-Board members to both our Finance and Personnel Committees to bring additional support and expertise to the Agency. Continuing to recruit volunteers with experience that can help DCHA meet its mission and succeed will be beneficial to the governance of the Agency.

##### **Continue to Improve Public Housing and Agency Financials**

DCHA currently is labeled Financially Substandard, and we have submitted an Improvement Plan to HUD that outlines our plan for improvements. These improvements are centered around ensuring that our Public Housing occupancy and rent collection remain strong, deferred maintenance in our Public Housing is addressed and low maintenance materials are incorporated in repairs, the mission and feasibility of our market rate properties is reviewed, and financial oversight of agency incorporating HUD scoring metrics is monitored.

#### **Violence Against Women Act (VAWA) Compliance**

DCHA continues to follow VAWA protections and provisions, including notifying applicants and program participants of their rights under VAWA, as well as including VAWA language in DCHA’s Section 8 Housing Assistance Payment Contract and DCHA’s leases for Public Housing. DCHA’s HCV program offers a preference to families that include victims of domestic violence, dating violence, sexual assault, or stalking who are seeking an emergency transfer under from the PHA’s public housing program or other covered housing program operated by the PHA. DCHA has added a description of VAWA to its website as part of a broader effort to provide more information and resources to our residents and the larger community.

<b>B.4</b>	<p><b>Capital Improvements.</b> Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.</p> <p>See HUD Form- 50075.2 approved by HUD on 8/24/2020.</p>
<b>B.5</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<b>C.</b>	<b>Other Document and/or Certification Requirements.</b>
<b>C.1</b>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>RAB Comment: Continue to look for ways to make our public housing units more accessible to residents/persons with disabilities. No specific suggestions were given. We agree with this comment and will seek to achieve promote increased accessibility in our public housing.</p>
<b>C.2</b>	<p><b>Certification by State or Local Officials.</b></p> <p><a href="#">Form HUD 50077-SL</a>, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>C.3</b>	<p><b>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</b></p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>C.4</b>	<p><b>Challenged Elements.</b> If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>
<b>C.5</b>	<p><b>Troubled PHA.</b></p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?</p> <p>Y N N/A  <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>Although DCHA is no longer classified as a Troubled PHA by HUD, the Agency is still labeled Financially Substandard.</p> <p>(b) If yes, please describe:</p>



DCHA currently is labeled Financially Substandard, and we have submitted an Improvement Plan to HUD that outlines our plan for improvements. These improvements are centered around ensuring that our Public Housing occupancy and rent collection remain strong, deferred maintenance in our Public Housing is addressed and low maintenance materials are incorporated in repairs, the mission and feasibility of our market rate properties is reviewed, and financial oversight of agency incorporating HUD scoring metrics is monitored.

In addition, DCHA has a 2020 Shortfall Improvement Plan that was approved by HUD on 1/21/2021, a 2021 Shortfall Improvement Plan that was submitted to HUD on 12/10/2021, and a 2022 Shortfall Improvement Plan that was approved by HUD on 12/23/2022, which relate to additional funds allocated to DCHA due to a shortfall in public housing reserves. We are building a public housing reserve by using these shortfall funds to cover public housing operations, which allows DCHA to use our regular operating subsidy and regular rental income to build this reserve. As of July 2024, the reserve has grown to nearly \$850,000.

**D. Affirmatively Furthering Fair Housing (AFFH).**

**D.1 Affirmatively Furthering Fair Housing (AFFH).**

Provide a statement of the PHA’s strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

<p><b>Fair Housing Goal:</b></p> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p>DCHA is in compliance with all fair housing laws and has included fair housing policies in both its Housing Choice Voucher (HCV) Administrative Plan and its Admissions and Continued Occupancy Policy (ACOP) for public housing.</p>
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<p><b>Fair Housing Goal:</b></p> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p>
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<p><b>Fair Housing Goal:</b></p>
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*Describe fair housing strategies and actions to achieve the goal*

Empty text area for describing fair housing strategies and actions to achieve the goal.