



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Greensboro Field Office
Office of Public Housing
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Greensboro, North Carolina 27407-3838
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March 2, 2021

Ms. Shannon Judd
Chief Executive Officer
Sanford Housing Authority
P. O. Box 636
Sanford, North Carolina 27331

Dear Ms. Judd:

This letter is to inform you that the Sanford Housing Authority's (SHA) Annual Plan (Plan) for the PHA's Fiscal Year beginning October 1, 2020, is approved. This approval does not constitute an endorsement of the strategies and policies outlined in the Plan. In providing assistance to families under programs covered by this Plan, the PHA will comply with the rules, standards, and policies established in its approved Plan, as provided in 24 CFR Part 903 and other applicable regulations.

Your approved Plan and all required attachments and documents must be made available for review and inspection at the principal office of the PHA during normal business hours. Once posted, your plan should remain on display until your next submitted plan (whether it is next year's plan or an intervening significant amendment or modification) is approved by HUD.

If you have any questions regarding your PHA Plan or the information in this letter, please contact Kathy Budd, Portfolio Management Specialist at (336) 851-8101, or by email at Kathy.L.Budd@hud.gov.

Sincerely,

Digitally signed by: Raquel Hardin
Date: 2021.03.02 18:18:07 -05'00'

Raquel Hardin
Division Director, Office of Public Housing
Office of Field Operations
U. S. Department of Housing and Urban Development

Correspondence Code : PH21-59	Originator 4FPH	Concurrence 4FPH	Concurrence	Concurrence	Concurrence	Concurrence
Name	Budd <i>/s/ Kathy Budd</i>	Brimmer MB				
Due date: 3/3/2021	2/25/2021	2/25/2021				

Official Record Copy



Fiscal Year 2021 Annual Plan

Annual PHA Plan <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: 02/29/2016
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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, 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. 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 of 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, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 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 exceeds 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> PHA Name: <u>Sanford Housing Authority</u> PHA Code: <u>NC035</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>10/2020</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>270</u> Number of Housing Choice Vouchers (HCVs) <u>932</u> Total Combined Units/Vouchers <u>1,202</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission </p> <p> Availability of Information. PHAs must have the elements listed below in sections B and C 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"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below) </p> <table border="1"> <thead> <tr> <th data-bbox="167 1518 443 1591">Participating PHAs</th> <th data-bbox="443 1518 573 1591">PHA Code</th> <th data-bbox="573 1518 873 1591">Program(s) in the Consortia</th> <th data-bbox="873 1518 1144 1591">Program(s) not in the Consortia</th> <th colspan="2" data-bbox="1144 1518 1448 1591">No. of Units in Each Program</th> </tr> <tr> <th></th> <th></th> <th></th> <th></th> <th data-bbox="1144 1591 1291 1623">PH</th> <th data-bbox="1291 1591 1448 1623">HCV</th> </tr> </thead> <tbody> <tr> <td data-bbox="167 1623 443 1686">Lead PHA:</td> <td data-bbox="443 1623 573 1686"></td> <td data-bbox="573 1623 873 1686"></td> <td data-bbox="873 1623 1144 1686"></td> <td data-bbox="1144 1623 1291 1686"></td> <td data-bbox="1291 1623 1448 1686"></td> </tr> <tr> <td data-bbox="167 1686 443 1791"></td> <td data-bbox="443 1686 573 1791"></td> <td data-bbox="573 1686 873 1791"></td> <td data-bbox="873 1686 1144 1791"></td> <td data-bbox="1144 1686 1291 1791"></td> <td data-bbox="1291 1686 1448 1791"></td> </tr> <tr> <td data-bbox="167 1791 443 1881"></td> <td data-bbox="443 1791 573 1881"></td> <td data-bbox="573 1791 873 1881"></td> <td data-bbox="873 1791 1144 1881"></td> <td data-bbox="1144 1791 1291 1881"></td> <td data-bbox="1291 1791 1448 1881"></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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B.	Annual Plan Elements					
B.1	<p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Grievance Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Safety and Crime Prevention.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Pet Policy.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Asset Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):</p> <p>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p>					
B.2	<p>New Activities.</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 checked="" type="checkbox"/> <input 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 checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance 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>					
B.3	<p>Civil Rights Certification.</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>					

B.4	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>2019-001 Reporting-Inadequate Controls Over Financial Reporting 2019-002 Eligibility-Tenant Files (Public and Indian Housing) 2019-003 Eligibility-Tenant Files (Section 8 Housing Choice Voucher Program) 2019-004 Special Tests and Provisions-Waiting Lists (Public and Indian Housing)</p>
B.5	<p>Progress Report.</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>
B.6	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(c) 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>
B.7	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <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.8	<p>Troubled PHA.</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 type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
C.	<p>Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>
C.1	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>See HUD Form- 50075.2 approved by HUD on August 2018.</p>

Statement of Housing Needs and Strategy for Addressing Housing Needs

City Community Development Plan & Homelessness in Sanford

S3 Housing Connect: Sanford NC Homelessness Task Force (Source: City's website)

The need for this task force was identified after 22 homeless people were found to be living in an uninhabitable building and had to be relocated after the building was deemed condemned. This situation proved to Sanford that resources for the homeless needed to be located and brought to light immediately. The intent of this initiative is to identify all existing resources in our community and bring those resources together to create a coordinated and comprehensive approach to end homelessness in our community.

As envisioned, the planning committee wanted to create a core group that would serve as the lead steering committee that will guide the effort to "end homelessness in Sanford/Lee County." The idea was to create a committee that would include a good cross-section of representation in terms of local agencies and citizens, while maintaining a reasonable limit in membership.

The 13-member Task Force. Core tasks include the following:

- Establish the overarching goals and objectives of this initiative
- Initial work will be to lead the discussion to define these goals and identify preliminary objectives or measures that will assist in reaching stated goals.
- Meet (at a minimum) monthly to assess and review the progress of the initiative.
- Define the subcommittees that will assist in guiding this process
- Lead the discussion to determine what subcommittees are to be created
- Make the final decisions regarding the actions of this initiative
- Vote, as necessary, to determine the path of action on key decisions as we move through this initiative to define the steps necessary to create and/or improve our homelessness support network.

The planning committee identified persons in this role that can provide expertise and/or input to a subcommittee that will focus on specific "to be determined" issues related to homelessness. Similar to the role of the non-voting members, subcommittee members will be tasked with providing input on specific issues as identified by the task force moving forward. Six essential subcommittees were identified and implemented:

- Community Engagement
- Data and Metrics
- Housing
- Low Barrier Shelter
- Resource Development
- Service Provision

S3 Accomplishments as of January 2020 – In no particular order, here are some of S3's proudest accomplishments.

- Outreach Mission, Inc. shelters became "low-barrier" and expanded services (Meaning there are very few barriers to entering OMI's shelters)
- Bread of Life Ministries' Extreme Weather Shelter- This emergency shelters opens when outside temperatures are too high or too low. BOLM has AC and heating capabilities
- Updated 211- 211 is now Lee County's coordinated entry system, and help for the homeless is now only a call away- Dial 211, and a person in need will be connected to all local resources
- H3- Dr. Hall's street medicine initiative
- Landlord engagement/conversations around affordable housing
- Multitudes of people assisted with finding shelter, housing or other resources

- Federal grant funding applications have been applied for. Various S3 nonprofits have received federal funding
- Community buy-in, education and collaboration
- A comprehensive resource directory for Lee County was made
- Point in Time Count data- Real-world data for homelessness in Lee County
- Nonprofit board development
- Local nonprofits are now connected in a service network

The S3 Housing Connect completed a housing study for Lee County in 2019 with the following findings:

1. Diverse Population Growth- Continued growth of older adult, non-white, and Hispanic households who experience disparate housing situations by race, ethnicity, age and location.
2. Many Cost Burdened Households- One in two low-and moderate-income households pay more than 30% of their incomes for housing.
3. Housing Supply/Demand Mismatch- There are more small households than there are small houses. Existing housing types are not serving the changing needs of the community.
4. Housing Quality Needs for Affordable Units- Many market-rate properties in Sanford have affordable rental rates, but they may be older, have deferred maintenance needs, or be of poor quality.

S3 Housing Goals

Four goals were defined to address housing needs throughout the County based on the housing study.

1. Incentivize development of a variety of housing types and price points within priority locations.
2. Provide education, resources, and incentives to improve housing conditions and preserve affordable housing options.
3. Increase local funding for affordable housing initiatives.
4. Improve housing conditions through efficient code enforcement and community outreach.

The Sanford Housing Authority is responsible for operating the Lee County public housing units, and the Lee and Harnett County HCV programs. Based on information provided by HUD, and other generally available data, SHA shall make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

The Sanford Housing Authority found the following needs, objectives, and strategies for addressing housing needs:

Need	Objective
Housing Revitalization and Construction	
Many of SHA's developments need overall interior and exterior renovation efforts, as well as address structural issues.	Perform interior and exterior renovation efforts at all its housing locations, to include addressing structural issues.

In addition, there is a need for added housing in Lee County based on the number of persons on SHA's waiting lists.	In addition, construct more quality, affordable housing in Lee County.
Housing for Persons with Special Needs	
There is a shortage of safe, decent, and affordable housing available to special needs populations to include the elderly, persons with disabilities, and substance abuse problems, homeless individuals and families, and persons with HIV/AIDS.	Increase the supply of permanent affordable rental housing for the special-needs populations, especially those experiencing homelessness and those with disabilities. Enhance coordination among service providers to ensure ongoing case management by supporting the efforts of the Continuum of Care.

SHA will continue to apply for grants to provide supportive services to its customers.

SHA applied for the following grants during FY2020:

- Family Self-Sufficiency Grant; awarded \$118,651;
- GitHub Digital Inclusion Grant; awarded \$3,500.00

Housing for Persons with Special Needs

SHA expects to carry out several initiatives such as revitalization of 226 Linden Avenue, a vacant, boarded building, to provide housing for homeless families; and further implementation of a repositioning strategy to address the long-term operating, capital investment, modernization, and other needs of SHA's housing inventory.

SHA received funding to renovate 226 Linden Avenue. The renovation costs will be funded by a construction loan (to-be obtained) and a \$350,000 Community Development Block Grant. SHA also received a \$440,000 conditional commitment for the North Carolina Housing Finance Agency's Supportive Housing Development Program permanent loan.

To further assist with housing for persons with special needs, SHA applied for additional HUD VASH funding and received an additional 10 vouchers to help homeless veterans with housing needs.

Housing Revitalization and Construction

Via the Rental Assistance Demonstration Program, SHA converted three of its public housing developments to housing choice voucher units. Thereby, HUD's Declaration of Trust was removed from the public housing units, allowing SHA to secure funding to make major improvements to its portfolio. The first phase of units for conversion is Matthews Court, Garden Street and Gilmore Terrace, a total of 176 units. SHA received an award of low-income housing tax credits and tax-exempt bonds from the North Carolina Housing Finance Agency for major renovations of three of its affordable housing developments: Matthews Court, Garden Street and Gilmore Terrace. Matthews Court is an elderly/disabled development, and Garden Street and Gilmore Terrace are family developments.

SHA applied for the funding in 2017 and was notified of the award in February 2018. SHA has since swapped the 2018 low-income housing tax credits for a 2019 allocation. The award includes over \$9 million of federal low-income housing tax credits and over \$15 million in short-term tax-exempt bond allocation. The low-income housing tax credits will be purchased by a private equity investor, and the tax-exempt bonds will enable SHA to obtain a loan insured by the Federal Housing Administration (FHA) at a low interest rate.

SHA will use the following strategies to address the needs:

Whenever possible, SHA will continue to apply for grants and loans from governmental and private sources to increase the supply of affordable housing stock available in the community.

SHA's strategies for addressing the housing needs of families in the jurisdiction and on the waiting list include maximizing the number of affordable housing units available by conducting imperious maintenance and management policies to reduce turnover time for vacated housing units, reducing the time to renovate and lease housing units, and minimize the number of housing units off-line. SHA will also seek to construct additional affordable housing units. It implemented policies for over-income persons currently residing in housing, to allow for the lower-income families in need, an opportunity to obtain housing.

SHA will work to achieve its HCV lease-up and/or utilization rates of at least 98%, as required by HUD, by effectively monitoring lease-up and utilization on a weekly basis and screening applicants to increase owner acceptance of the program. SHA will actively select from the waitlist to screen and issue vouchers to improve lease up. To help with the new admissions and the caseload of the new RAD units, the HCV looks to hire an additional specialist to help with the additional work.

SHA will continue to hold annual landlord workshops to educate existing landlords participating in the HCV program, and to engage new potential landlords.

SHA intends to expand the number of project-based vouchers in the upcoming years. SHA has a Project-Based Voucher Program and may issue a Request for Proposals once a year to encourage and support the development of affordable housing. The maximum number of project-based vouchers is 148, of which there are currently 37 project-based vouchers issued, unless otherwise allowed by HUD. PHAs may commit PBVs to a property owned or controlled by the PHA, without competition. SHA will commit PBVs to properties it owns or control, without competition.

SHA will renovate its property located at 226 Linden Avenue, to produce additional housing units for homeless families. In addition, it is SHA's goal to provide and/or create additional housing opportunities for homeless families. SHA will accomplish this through housing choice voucher program's and public housing program's homeless preferences adopted in 2015.

SHA's Public Housing and Housing Choice Voucher programs admissions selection preferences include elderly and disabled families, and the homeless, to include homeless veterans.

SHA will pursue other affordable housing resources and seek resources other than Public Housing and HCV tenant-based assistance, as opportunities become available.

The HCV program assists property owners by providing access to the GoSection8.com and/or socialserve.com websites which allows the listing of vacant properties at no cost, as well as allowing applicants and current participants to search for housing. The housing locator website is NChousingsearch.com. The N.C. Housing Finance Agency manages this site and provides customer service to individuals seeking assistance without the aid of a computer.

SHA maintains waiting lists of eligible applicants for its Housing Choice Voucher and Public Housing Programs.

SHA transitioned to site-based waiting lists in 2019. We currently have waiting lists for the 270 public housing units, and the 176 low-income housing tax credit units undergoing RAD renovations. All of these waiting lists are open. SHA may close the waiting list when the estimated waiting period for housing applicants reaches 12 months for the most current applicants. The waiting list for Public Housing is currently 649 applicants.

Currently, the Housing Choice Voucher program waiting list is closed to applicants. The waiting list is currently comprised of 1,035 applicants. The baseline for this program is 756 vouchers, which includes 15 HUD-VASH vouchers, awarded during FY2020, representing an annual budget authority of approximately \$3.2 million.

If the waiting list for any program falls below a level where the agency will be able to assist each family within one year, SHA will reopen the waiting list. SHA conducts outreach to potential clients by advertising in the local news media and distributing Public Housing and HCV program brochures/flyers to community centers and service providers. SHA serves on community focus/action groups and makes presentations about its programs to various service providers.

SHA will continue to evaluate the housing needs of families. SHA will review community priorities and consult with local government, advocacy groups, current residents, and the Resident Advisory Board, to ensure that the strategies described above, continue to address the needs of individuals and families in our jurisdiction and on our waiting lists.

SHA's Family Self-Sufficiency programs aid's clients to achieve self-sufficiency by helping clients to increase earned wages. Goals for clients include moving to fair market rental units or becoming educated homeowners. SHA assists clients with improving their credit standing and increasing their ability to maintain homes that they purchase.

De-concentration and Other Policies that Govern Eligibility, Selection, and Admissions

Chapters 3 and 4 of the ACOP and Chapter 3 of the HCVAP indicate the eligibility requirements for the Public Housing and Housing Choice Voucher Program. Eligibility requirements include family and household criteria, income criteria and limits, citizenship and eligible immigration status, documentation of social security numbers, and consent authorization documents.

SHA shall screen applicants in accordance with the Eligibility Determination Standards set forth in Chapter 3 of the ACOP and Chapter 3 of the HCV Admin Plan. The Authority's Chief Executive Officer (CEO) or designee shall have the authority to interpret or clarify any misunderstanding or application of the Eligibility Standards of the ACOP. Misunderstandings and interpretations of the HCVAP shall be managed by the Director of Operations, in conjunction with the Housing Choice Voucher Program Manager. Such interpretations or clarity must be documented in writing.

Although social security numbers are required to determine eligibility, if a family lacks the documentation necessary to verify a social security number for a child(ren) under the age of 6 years, an applicant family may still become a program participant. In this event, the family will be given 90 days to present such documentation. An extension of one additional 90-day period shall be granted if the PHA determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. If the applicant family does not produce the required documentation within the authorized time-period, the PHA shall impose appropriate penalties, in accordance with 24 CFR 5.218.

De-concentration

For the purposes of de-concentration, the definitions of income types are important. In Chapter 3, Section II.A. of the ACOP, the definition of an extremely low-income family will be defined as a family whose annual income does not exceed the highest of 30 percent of the area median income or the federal poverty level, adjusted for family size.

Chapter 4, Section III.B. Selection Method (De-concentration of Poverty and Income-Mixing) of the revised ACOP explains that SHA will provide for de-concentration of poverty and encourages income mixing by bringing higher-income families into lower-income communities and lower-income families into higher-income communities. In partnership with various Sanford supportive service providers, SHA offers programs that help residents achieve self-sufficiency.

DECONCENTRATION ANALYSIS

09/2020

Property	Average Income
AMP1 - Linden Heights, Utley Plaza, Foushee Heights	\$10,279.00
AMP2 - Stewart Manor, Matthews Court	\$11,403.00
AMP3 - Gilmore Terrace, Garden Street, Harris Court	\$10,195.00
TOTAL	\$31,877.00
ESTABLISHED INCOME RANGE	
85% of Average Property Income	\$9,031.81
115% of Average Property Income	\$12,219.51
30% of Area Median Income	\$17,400.00

AMP - Asset Management Project

In SHA's case, each AMP consisted of 2-3 individual properties.

All AMPs fall within the established EIR.

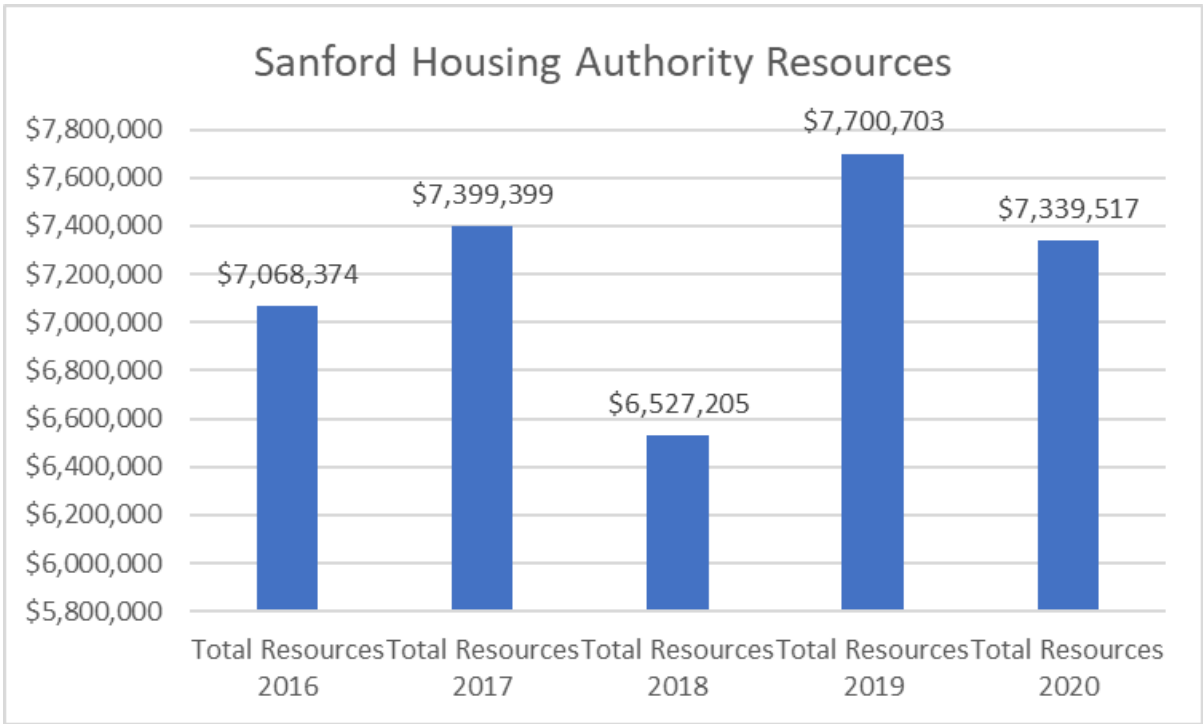
All AMPs have average incomes lower than 30% of the Area Median Income.

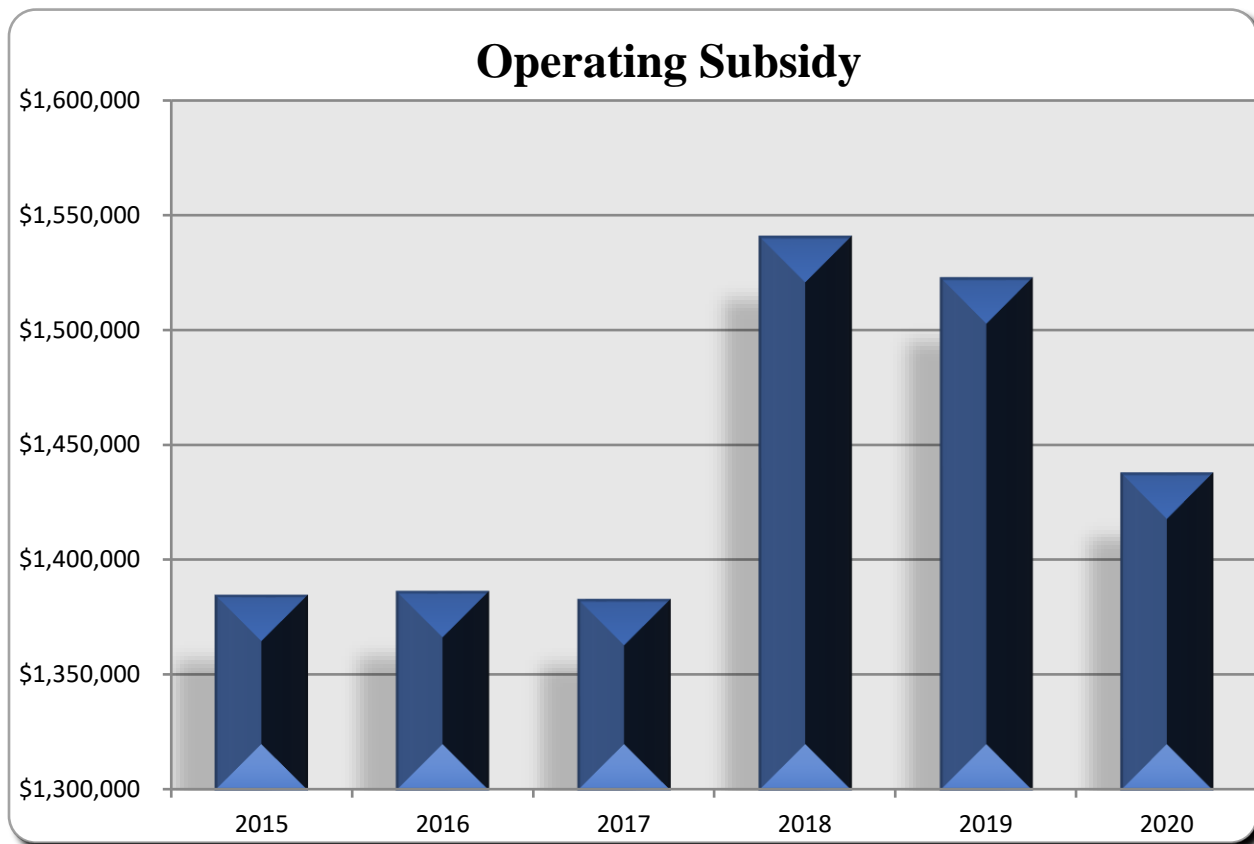
Financial Resources

Sources

Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2020 grants received)		
a. Public Housing Operating Fund (2020 subsidy actual)	\$ 1,437,593	
b. Public Housing Capital Fund (2020 actual)	1,097,899	
c. Annual Contributions for HCV HAP and Admin. Fee (2020 actual)	3,421,393	
d. ROSS Grant - FSS Coordinators (2020 actual)	118,651	
e. CARES ACT Funds- PH	194,401	
f. CARES ACT Funds- HCV	155,941	
 2. Prior Year Federal Grants (unexpended and unobligated funds) - Public Housing Capital Improvements		
2019 Capital Fund Program	13,685.76	
 3. Public Housing Dwelling Rental Income		
● Rental Income (2020 budget)	\$ 827,665	PH Operations
 4. Other Income (listed below)		
● Excess utility charges (2020 budget)	\$ 22,844	PH Operations
● Investment Income (2020 budget)	\$ 150	PH Operations
● Other Miscellaneous Income - PH (2020 budget)	\$ 48,295	PH Operations
● Other Miscellaneous Income - HCV (2020 budget)	\$ 1,000	HCV Operations
 Total Resources	<hr/> \$ 7,339,517.76 <hr/>	

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HUD provides operating subsidies for public housing at the project level on a calendar year basis. The chart displays the amount of Public Housing operating subsidy received from 2015 through 2020. It is estimated that the calendar year 2020 operating subsidy will decrease by \$84,665.

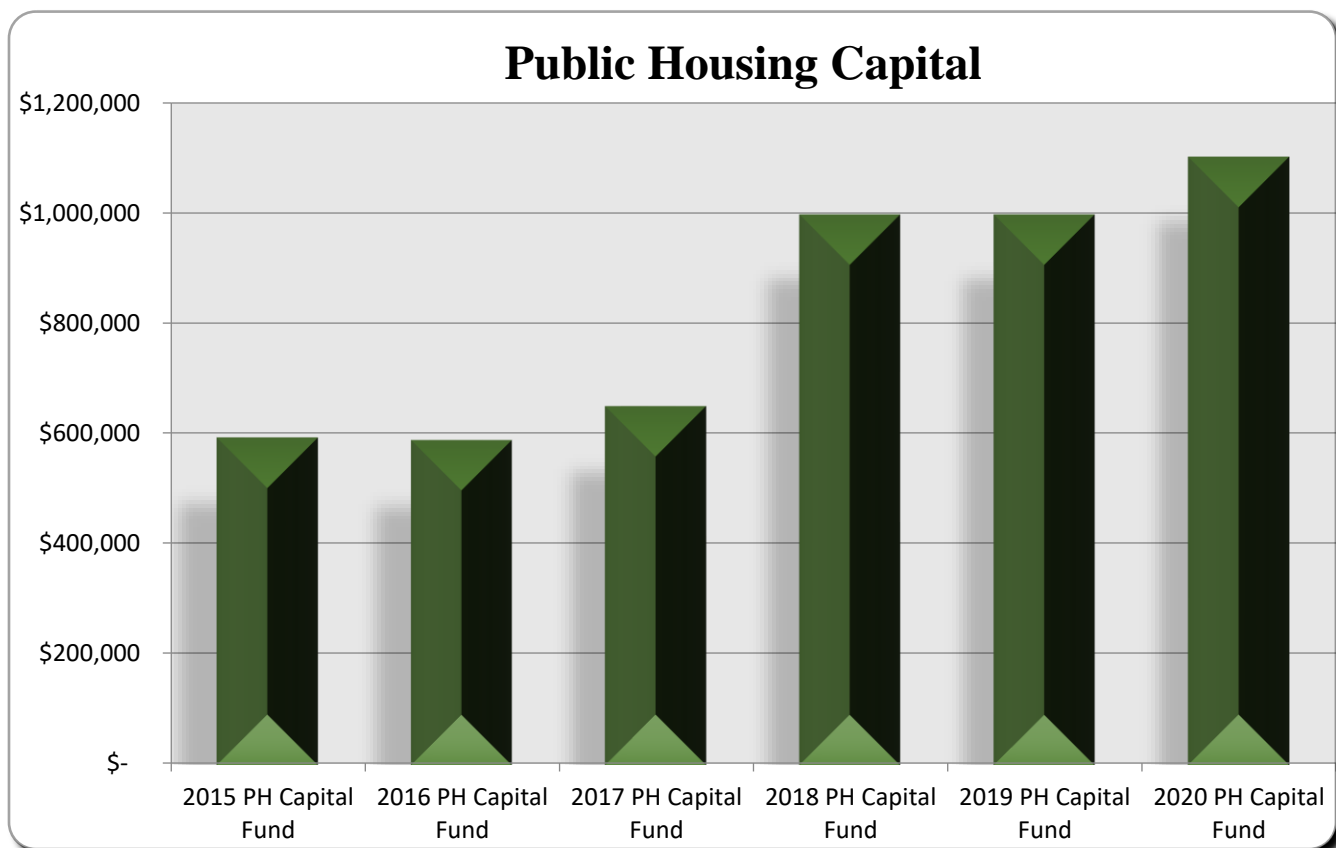
SHA may use up to 20 percent of the Operating Subsidy obligated for each funding year, starting with CY 2019 appropriated funds and each year thereafter, for CFP activities.

At both the PHA-wide and the project level, the PHA will estimate, for planning purposes, the amount of Operating Subsidy to be used for CFP activities. Based on that estimate, PHAs should plan throughout the year for the amount of Operating Subsidy they intend to use for CFP activities. The PHA may estimate any amount of Operating Subsidy for CFP activities at any project provided the following conditions are met:

- (1) the Operating Subsidy to be used for CFP activities at all projects does not exceed the maximum amount of 20% allowed at the PHA-wide level; and
- (2) the Operating Subsidy to be used for CFP activities at any one project does not exceed that project's total amount of Operating Subsidy.

Example – Allowable Project-Level Budgets of Operating Subsidy for CFP Activities

	Project A	Project B	Project C	Total
Total Operating Subsidy Obligated for Year	\$200,000	\$150,000	\$50,000	\$400,000
Example 1	\$40,000	\$30,000	\$10,000	\$80,000
Example 2	\$80,000	\$0	\$0	\$80,000
Example 3	\$0	\$40,000	\$40,000	\$80,000
Example 4	\$30,000	\$10,000	\$20,000	\$60,000
Example 5	\$0	\$20,000	\$50,000	\$70,000



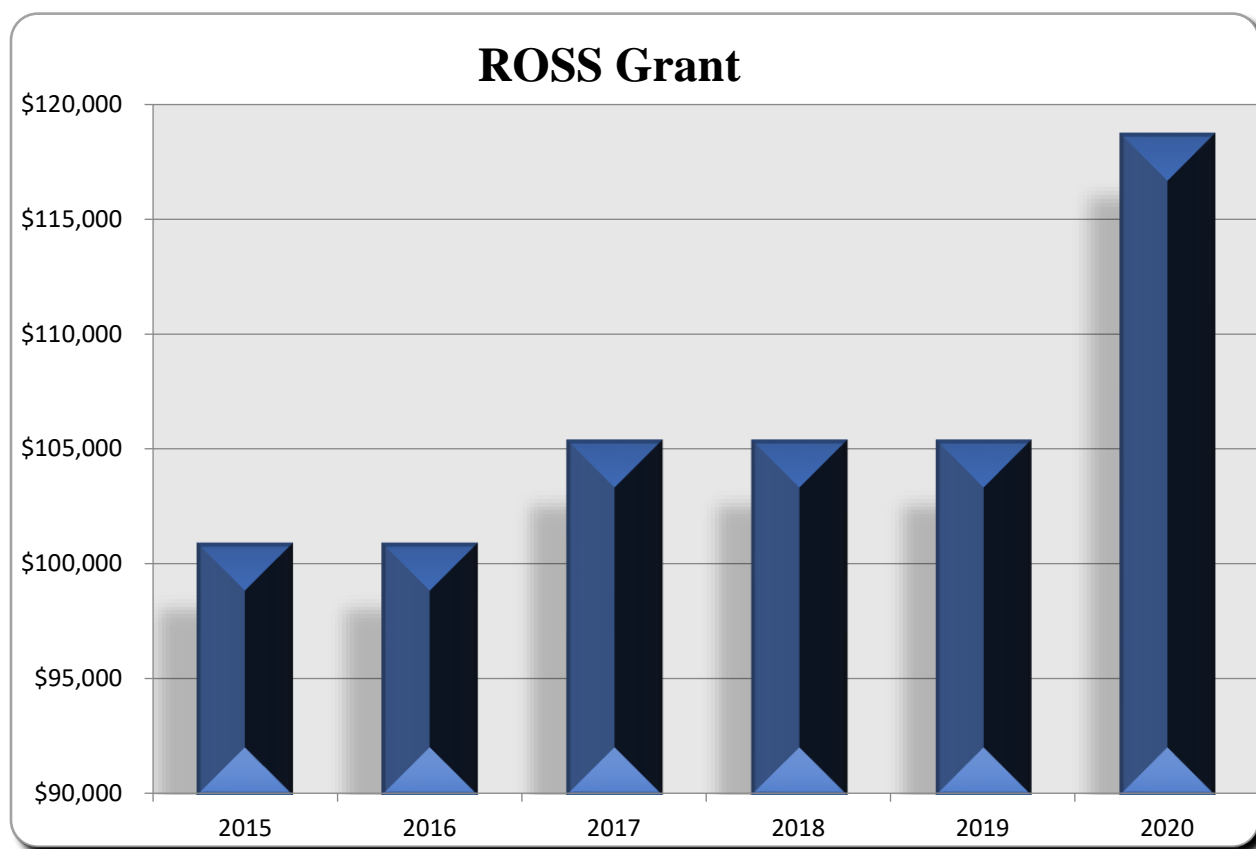
The Office of Capital Improvement is one of three Offices under the Deputy Assistant Secretary for Public Housing Investments (PHI). The other two offices under the DAS for PHI are Office of Urban Revitalization (HOPE VI) and the Special Applications Center (SAC), which is located in Chicago, Illinois.

The Office administers the Capital Fund program, which provides funds annually via a formula to approximately 3,200 public housing agencies (PHAs) across the country.

The Sanford Housing Authority receives capital funding on an annual basis. The chart above shows funding from calendar year 2015 thru 2020, for the development, financing, and modernization of public housing developments and for management improvements. The funds may not be used for luxury improvements, direct social services, cost funded by other HUD programs, and ineligible activities as determined by HUD on a case-by-case basis. SHA has two years to obligate and four years to expend a single capital fund grant.

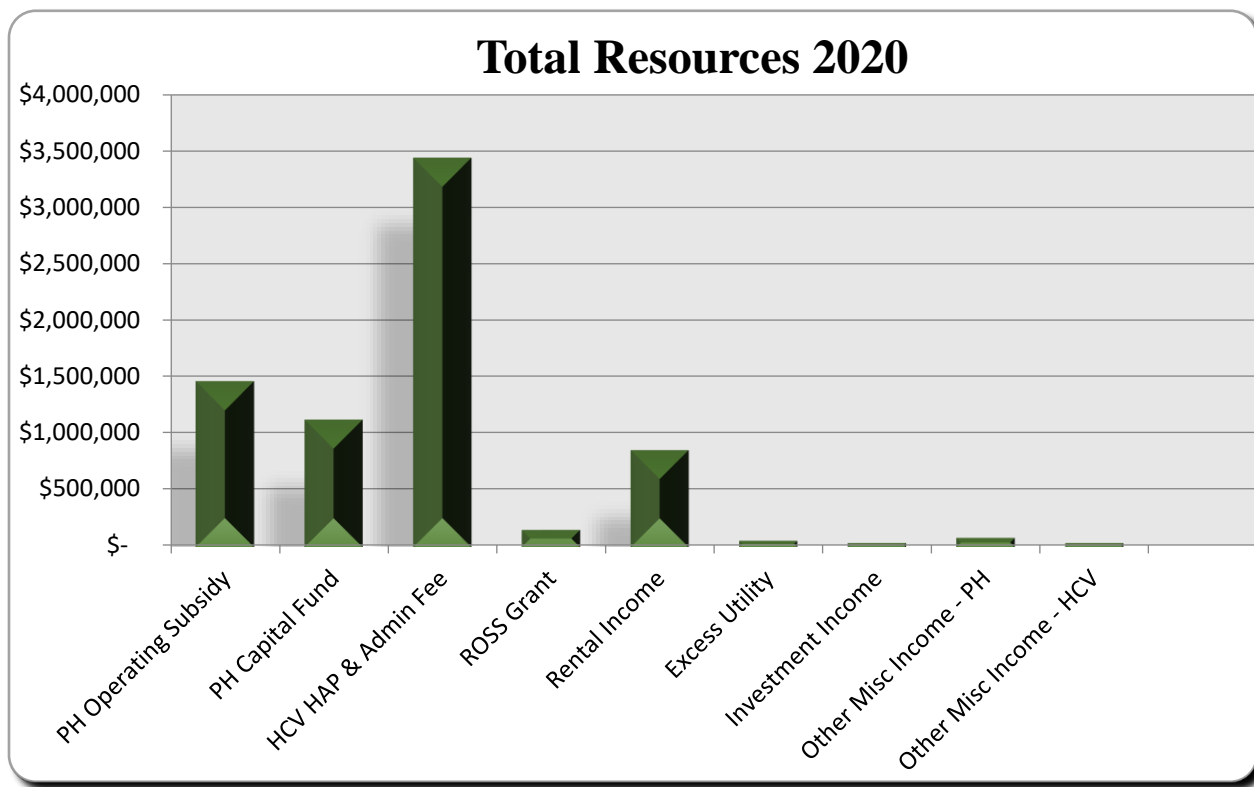
SHA received a Capital Fund Financing Program (CFFP) loan in 2006 to make improvements to Gilmore Terrace and Linden Heights. Because SHA was converting some of its public housing units to the RAD program, it was required to pay off the CFFP loan prior to the RAD closing. March 1, 2018, SHA paid the remaining loan balance of approximately \$924,000.00. Per the program requirements, the CFFP loan could only be repaid with Capital Fund Program (CFP) dollars. Therefore, SHA had less CFP funds to show as a revenue source.

SHA received the fiscal year 2020 Capital Fund program grant amount of \$1,097,899.



SHA was awarded the Public and Indian Housing Family Self-Sufficiency (FSS) Program Grant. The grant amount has increased over the years. This year's FY2020 grant amount is \$118,651. The FSS program for families in public and tenant-based assisted housing was enacted as part of the Cranston-Gonzalez National Affordable Housing Act of 1990, with significant amendments in 1992. The mission of the Family Self-Sufficiency program is to help low-income families build assets and increase their earnings, so they can better meet their families' needs and become independent of welfare assistance. Participants enter into contracts of participation with the SHA under which they agree to accomplish personal goals related to employment, education, and training within 5 years. The program is incentivized with the establishment of an escrow account, managed by the SHA. Deposits are made to the account by the SHA when participants have an increase in earned income. The family receives the entirety of the account as a lump sum payment upon successful completion of the contract.

The FSS grant award supports the salary and benefits of two FSS staff, who promote the development of public and private resources for supportive services and resident empowerment activities.



The 2019-2020 resources are estimated at \$7,339,517.76. SHA's current budget is made of resources such as the public housing operating subsidy, public housing capital funds, housing choice voucher housing assistance payments and administrative fees, a Resident Opportunity and Self Sufficiency grant, capital funds, tenant rental income, tenant excess utility payments, etc.

Rent Determination

SHA's rent policies changes for the conventional Public Housing (PH) program are as follows:

These rent policy changes will also be made in the Public Housing Admissions & Continued Occupancy Policy (ACOP). Flat Rents have been established based on the operating cost of the public housing units; rental value of the units; market rent comparable units in the private, unassisted rental market. Flat rents must be set at no less than 80% of the applicable fair market rent; and SHA and Quality Housing and Work Responsibility Act (QHWRA) objectives for encouraging residents to work. SHA does not currently offer ceiling rents. There are no proposed changes to rent policies.

SHA's rent policy changes for the Housing Choice Voucher Program are as follows:

SHA is retaining the calculation of the participant's contribution at greatest of 30% of adjusted income, or 10% of monthly income.

SHA is not adding any income exclusions to the statutory requirements in the calculation of adjusted income.

SHA is retaining its rent determination policy, as updated in the 2015 Administrative Plan.

SHA will use the payment standard at or above 90% but at or below 110% of the FMR to increase the mobility of HCV program participants when needed. SHA's current payment standards currently range from 97 % to 107% for families to afford greater opportunity to find units in the Lee or Harnett County jurisdictions in this category. The use of a higher payment standard is consistent with SHA's plan to afford participants the opportunity to relocate outside of poverty-impacted areas, while keeping program costs within the budget allocation.

SHA is retaining the minimum total tenant payment of \$50.00. SHA is retaining its minimum rent hardship exemption policies. To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years SHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. SHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, SHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

SHA anticipates a revision of its Administrative Plan to allow for triennial re-certifications of families on a fixed income, pending the implementation of the FAST Act final rule.

Operations and Management

To fulfill its mission, SHA employs twenty full-time employees to carry out its daily activities. In addition to the Office of the Chief Executive Officer, there are three major organizational areas: Finance, Housing Choice Voucher Program and Operations.

The Housing Choice Voucher Program department employs two Housing Choice Voucher Specialists and one Program Manager. Both Specialists obtained certifications in Occupancy, Eligibility, Income and Rent Determination in 2016. One HCV Specialist obtained the Low-Income Housing Tax Credit Certification during fiscal year 2018. The second housing specialist and the HCV Program Manager completed their Low-Income Tax Credit Certifications during the fiscal year 2019. The HCV Program Manager obtained her certification in HQS Inspections and Program Management during fiscal year 2019. In addition, the department contracts with a third-party to complete the Housing Quality Standards inspections.

Housing Operations has the responsibility for ensuring that rules, standards, and policies are established for governing maintenance and management of housing owned, assisted, and operated by SHA. Our Property Management staff includes two property managers and three Assistant Property Managers. One property manager has the Low-Income Housing Tax Credit Certification, Public Housing Manager Certification and RAD Project Based Voucher Certification. The second Property Manager has tax credit property management experience and will obtain the certification during FY2019.

To achieve its goals and objectives, SHA has transitioned to project-based management, by employing skilled and semi-skilled maintenance technicians who perform a variety of trades to ensure quality service to SHA residents. Amongst our technicians, there are certifications in HVAC universal and plumbing. Maintenance consists of six technicians and one pest control technician, who is a Pest Control Applicator certified by the North Carolina Department of Agriculture and Consumer Services.

All maintenance staff and vacancy prep contractors will continue to receive asbestos refresher, asbestos certification, and lead-based paint certifications as necessary.

SHA contracts with many vendors and contractors to perform janitorial, lawn care or other functions to ensure prompt, effective and quality service to SHA customers.

SHA anticipates lease revisions and/or amendments for resident-paid utilities.

Public Housing Lease Revisions

15. C. Default by the Resident Upon default by the resident, SHA shall have rights to all legal remedies, including lease termination and summary ejectment under state statute. In the event we file a summary ejectment lawsuit against the resident, we may recover a complaint filing fee of \$126. This fee shall also be collected if we elect to dismiss the complaint after cure of default by the resident. SHA also has the right to recover attorney's fees and all other litigation costs to the extent permitted by law.

COVID-19

Due to the COVID-19 virus, SHA has made some changes to our policies based on the HUD PIH Notice 2020-5 and HUD PIH Notice 2020-13. These expectations touch many of our functions.

Pursuant to the authority under the Coronavirus Aid, Relief and Economic Security (CARES) Act, HUD is waiving and establishing alternative requirements for numerous statutory and regulatory requirements for the Housing Choice Voucher (HCV) program. These waivers provide administrative flexibilities and relief to public housing agencies in response to the COVID-19 national emergency.

PH and HCV-2: Family Income and Composition: Delayed Annual Examinations

PHAs are required to conduct a reexamination of family income and composition at least annually. Recognizing the foreseeable difficulties in complying with this requirement considering the COVID-19 pandemic, HUD is waiving this statutory and regulatory requirement to permit PHAs to delay annual reexaminations of HCV and public housing families. However, if the PHA delays annual reexaminations for HCV families under this authority, it must also comply with the alternative requirement regarding the application of an increase in the payment standard amount during the Housing Assistance Payment (HAP) contract term (see HCV-7 below) if applicable, so as not to delay the application of the increased payment standard amount to the family's HAP calculation. Period of Availability: All annual recertifications due in Calendar Year (CY) 2020 must be completed by December 31, 2020.

PH and HCV-3: Family Income and Composition: Annual Examination - Income Verification requirements

Based on the PIH Notice 2020-5, HUD is waiving the requirements to use the income hierarchy described by PIH Notice 2018-18 and will allow SHA to forgo third-party income verification requirements for annual reexaminations, including the use of EIV since SHA will continue to conduct annual recertifications rather than delaying the family's annual recertification.

During the allowable period, SHA may consider self-certification as the highest form of income verification to process annual recertifications. This may occur over the telephone (but must be documented by SHA staff with a contemporaneous written record), through an email or postal mail with a self-certification form by the tenant, or through other electronic communications. SHA will incorporate procedures to remind families of the obligation to provide true and complete information.

SHA will address any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows the tenant's employment continued, the SHA must take enforcement action in accordance with their policies and procedures.

The period of availability to conduct annual reexaminations using these modified verification requirements ends on December 31, 2020.

PH and HCV-4: Family Income and Composition: Interim Examinations

In most cases, the reason a family requests an interim determination is due to a loss in income or a change in family composition. PHAs are required to use EIV for verification of family income at interim reexamination. 24 CFR § 5.233(a)(2) requires PHAs to use EIV as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance

with §5.236 and administrative guidance issued by HUD. PIH Notice 2018-18 further describes the required verification hierarchy process PHAs must follow.

To assist PHAs that may be prioritizing the processing of interim reexaminations due to decreases in family income and mitigate the challenges of transferring documentation during periods of shelter-in-place/stay-at-home efforts in response to the COVID-19 emergency, HUD is waiving the requirements to use the income verification hierarchy as described by PIH Notice 2018-18. HUD will allow SHA to forgo third-party income verification requirements for interim reexaminations, including the required use of EIV.

During the allowable period of eligibility, SHA may consider self-certification as the highest form of income verification to process interim reexaminations. This may occur over the telephone (with a contemporaneous written record by the SHA staff person), through an email with a self-certification form by the family, or through other electronic communications. As noted in the previous waiver description, there is no HUD requirement that income and family composition examinations and recertifications must be conducted in-person unless it may be necessary as a reasonable accommodation for a person with a disability as long as applicable public health guidelines are followed (e.g., social distancing) and any local and state ordinances is followed.

SHA will address any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows the tenant's employment continued, the SHA must take enforcement action in accordance with their policies and procedures.

The period of availability ends on December 31, 2020.

PH and HCV-5: Enterprise Income Verification (EIV) Monitoring

PIH Notice 2018-18 specifies the required monitoring of EIV reports. For example, PHAs are required to monitor the Deceased Tenants Report, the Identity Verification Report, the Immigration Report, the IVT Report, and the Multiple Subsidy Report and the New Hires Report on a monthly basis. Recognizing the challenges PHAs are facing with many if not all staff working remotely, HUD is waiving the mandatory EIV monitoring requirements.

SHA will not monitor the EIV reports. The period of availability ends on December 31, 2020.

PH-12: Public Housing Agency Annual Self-Inspections

The statute requires PHAs which own or operate public housing to make an annual inspection of each public housing project to determine whether units in the project are maintained to applicable standards and remain safe for residents. HUD is waiving the requirement that the PHA must inspect each project during CY 2020.

This waiver does not alleviate the PHA of its responsibility to provide safe housing. PHAs are reminded to expeditiously identify, respond to, and address serious conditions that could jeopardize life or property. HUD encourages PHAs that choose not to utilize this waiver, or that wish to conduct inspections on a more limited basis to consider establishing and maintaining methods of performing remote, video-assisted, or "virtual" inspections of dwelling units to identify maintenance needs while complying with CDC and local guidelines, especially for those units that may not be inspected this year. PHAs should also consider utilizing electronic means (such as videoconferencing, text messaging and email) of receiving maintenance requests and reports of life-threatening safety concerns directly from residents' while minimizing in-person interactions. Additionally, it is recommended that PHAs continue to conduct exterior/site inspections or maintenance evaluations in compliance with social distancing requirements outlined by the CDC. As outlined in Maintenance Guidebook II, Chapter 2, Sections A and B, PHAs are required to establish both a regular and emergency maintenance plan. In separate

and forthcoming guidance, HUD will describe an approach for the recommencement of Real Estate Assessment Center inspections. This guidance may also be helpful to PHAs in determining when to resume self-inspections, however, PHAs will be required to complete an inspection of every public housing property during CY 2021. Period of Availability: The period of availability ends on December 31, 2020.

HQS-6: HQS Interim Inspections

The statute requires that upon notification to SHA by a family or government official that the assisted unit does not comply with the HQS, SHA must inspect the unit within 24 hours of when SHA received the notification if the condition is life-threatening. 24 CFR 982.405(g) provides that if the reported condition is not life-threatening, SHA must inspect the unit within 15 days. The regulation further provides that in the event of extraordinary circumstances HUD may waive the 24-hour or the 15-day inspection requirement until such time as an inspection is feasible.

HUD is waiving these requirements and establishing an alternative requirement for both tenant based and PBV units.

If the reported deficiency is life-threatening, SHA must notify the owner of the reported life-threatening deficiency and that the owner must either correct the life-threatening deficiency within 24 hours of the PHA notification or provide documentation (e.g., text or email a photo to the PHA) that the reported deficiency does not exist.

In the case of a reported non-life-threatening deficiency, SHA must notify the owner of the reported deficiency within 30 days and the owner must either make the repair or document that the deficiency does not exist within 30 days of the SHA notification or any approved SHA extension. SHA will require the owner to also submit a self-certification form. As is the case under the current HCV program requirements, the PHA is not required to conduct an on-site inspection to verify the repairs have been made but may rely on alternative verification methods (e.g., photos submitted by the owner, tenant certification, etc.). This waiver may also be applied to PHA-owned units if the independent entity is unable to perform the inspection.

The period of availability ends on December 31, 2020. After December 31, 2020, SHA must conduct the HQS inspection in accordance with the applicable time periods upon notification by a family or government official that the assisted unit does not comply with the HQS.

HQS-9: HQS Quality Control Inspections

The regulations require PHAs to conduct supervisory quality control inspections of a sampling of units under contract. HUD is waiving this regulatory requirement. SHA will not perform the quality control inspections.

The period of applicability ends on September 30, 2020.

HQS-10: Housing quality standards; Space and Security

The regulation establishes a minimum standard for adequate space for both an HCV and PBV -assisted family. Specifically, it requires that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. HUD is waiving this requirement for PHAs where the PHA wishes to assist a current participant that needs to add a member or members to the assisted household as a result of the COVID-19 emergency, and the additional family members would result in the unit not meeting the space and security standards. This provision does not apply to

an initial or new lease. A participant must not enter into a new lease for a unit that does not comply with the space and security standards.

Period of availability: For any family occupying a unit that does not meet the space and security requirements pursuant to this waiver, the waiver will be in effect one year from the lease term or one year from the date of this notice, whichever period of time is longer.

HCV-1: Administrative plan

The regulation requires that any revisions of the PHA's administrative plan must be formally adopted by the PHA Board of Commissioners or other authorized PHA officials. Recognizing the foreseeable difficulties in complying with this requirement in light of the COVID-19 emergency, HUD is waiving the requirement to allow the PHA administrative plan to be revised on a temporary basis without Board approval. HUD is waiving the requirement to allow the PHA administrative plan to be revised on a temporary basis without Board approval through September 30, 2020. Any informally adopted revisions under this waiver authority must be formally adopted no later than December 31, 2020.

Period of Availability: The period of availability ends on December 31, 2020.

HCV-2: Information When Family is Selected - PHA Oral Briefing

The regulation requires when the PHA selects a family to participate in either the HCV or PBV program, the PHA must give the family an oral briefing. HUD is waiving this requirement and as an alternative requirement allowing the PHA to conduct the briefing by other means such as a webcast, video call, or expanded information packet. Section 504 and the ADA require PHAs to ensure effective communication with applicants, participants and members of the public in all communications and notices. The PHA must ensure that the method of communication for the briefing effectively communicates with, and allows for equal participation of, each family member, including those with vision, hearing, and other communication-related disabilities, and ensures meaningful access for persons with limited English proficiency. SHA will use an expanded briefing packet to meet this requirement.

Period of Availability: The period of availability ends on December 31, 2020.

HCV-3: Term of Voucher: Extensions of Term

The regulation provides that at its discretion, the PHA may grant a family one or more extensions of the initial voucher term in accordance with the PHA policy as described in the PHA administrative plan. HUD is waiving the requirement that the extension(s) must be accordance with the PHA's administrative plan in order to allow the PHA to provide extensions even though it has been unable to formally amend its policy in the administrative plan.

Period of Availability: The period of availability ends on December 31, 2020.

HCV-5: Absence from Unit

The regulation requires that a family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. HUD is waiving this regulatory requirement to allow the PHA at its discretion to

continue housing assistance payments and not terminate the HAP contract due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes, caring for family members).

Period of Availability: The period of availability for SHA to choose to continue making HAP payments despite the family's absence of more than 180 consecutive days ends on December 31, 2020. SHA may not make payments beyond December 31, 2020, and the HAP contract will terminate on that date if the family is still absent from the unit.

HCV-6: Automatic Termination of HAP contract

When an HCV family's income increases to the extent that the housing assistance payment is reduced to \$0, PHAs are required by this regulation to automatically terminate HAP contracts 180 days after the last housing assistance payment to the owner. In recognition that the COVID-19 emergency is creating economic and employment instability for many families, as well as situations where families may on a temporary basis be adding members whose additional income may result in a \$0 HAP subsidy calculation, HUD is waiving this requirement. As an alternative requirement, SHA, upon written notice to the owner and family, may extend the period of time following the last payment to the owner that triggers the automatic termination of the HAP contract. The extension beyond the normally applicable 180 days is determined by the PHA but may not extend beyond December 31, 2020. Therefore, SHA will extend \$0 HAP terminations through December 31, 2020.

Period of Availability: The period of availability for the extension ends December 31, 2020. The PHA may not extend the HAP contract beyond December 31, 2020.

SEMAP

Part 985 sets out the requirements by which Section 8 tenant-based assistance programs are assessed. For PHAs that have a SEMAP score pending as of the date of this notice, and for any PHA with a fiscal year ending on or before December 31, 2020, HUD will not issue a new SEMAP score unless the PHA requests a that new SEMAP score be issued. HUD will instead carry forward the most recent SEMAP score on record.

Period of Availability: HUD will resume issuing new SEMAP scores beginning with PHAs with fiscal year end dates of March 31, 2021.

Public Housing Admissions & Continued Occupancy Policy (ACOP)

The Public Housing Program proposes to make the following changes to its ACOP.

8-II. B. TYPES OF INSPECTIONS

Annual Inspections

Under the Public Housing Assessment System (PHAS), SHA is required to inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS) [24 CFR 902.43(a)(4)].

SHA will conduct quarterly housekeeping inspections.

Housing Choice Voucher Operations and Management Administrative Plan Additional Changes

The HCV Program proposes to make the following changes to its Administrative Plan

4-III.C. SELECTION METHOD

Priority Categories

1) Super Priority. SHA will admit an Applicant to the Housing Choice Voucher program before all other Applicants on the waiting list if:

(a) The Applicant resides in SHA public housing and:

1. The Applicant Family is being temporarily displaced due to SHA rehabilitation and modernization programs; or
 2. SHA has determined it must move the Applicant because of a health or safety concern with Applicant's current unit and SHA determines it cannot provide appropriate alternative housing at any of the SHA public housing sites; or
 3. The Applicant or member of the Applicant Household is in imminent danger of life-threatening injuries due to providing testimony or information regarding criminal activity to a local law enforcement agency; or
 4. The Applicant or member of the Applicant household is a victim of physical harassment, extreme or repeated vandalism and/or repeated verbal harassment, intimidation or coercion which places the family in imminent danger and cannot be expeditiously remedied in any other way; or
 5. The Applicant or member of the Applicant household has been or is currently a victim of Domestic Violence, Dating Violence, or Stalking and has a reasonable belief of risk of imminent harm if he or she remains in the current unit and no other SHA public housing sites are an appropriate alternative, or
 6. SHA cannot approve the Applicant's request for Reasonable Accommodation at any of the SHA public housing sites because the request would be unreasonable, an undue financial burden, or a fundamental alteration of the program and the Applicant's request could be resolved by being assisted under the HCVP.
- (b) The Applicant is a current Section 8 voucher holder or public housing resident in another jurisdiction that has been declared a federal disaster area.

Local Preferences and Point Values

HUD allows housing authorities to establish local preferences, and SHA has established local preferences, that give priority to serving families that meet those criteria. Preferences will aggregate. An applicant may claim more than one preference and points will be assigned for each preference category claimed, if applicable. All local preferences are consistent with SHA's administrative plan and the consolidated plan and are based on local housing needs and priorities that are documented by generally accepted data sources. The SHA has established local preferences for the HCV Program, the PBV Program at the Life House (LHD) Property, and the PBV Program at all other sites.

SHA Policy

Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with SHA's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by SHA. Documentation will be maintained by SHA as to whether families on the list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained so that SHA does not have to ask higher placed families each time targeted selections are made.

Existing families on the waiting list prior to the adoption of the local preferences received and will continue to receive assistance based on date and time of application. The local preferences will be applied to all new applications received after the pre-existing waiting list has been exhausted

However, local preferences will be ranked as such:

1. Involuntary Displacement Preference, Homeless Veterans Preference, (6 pts)

2. Single Elderly and chronically homeless or a person with disabilities that is chronically homeless, (5 pts.)
3. Single persons who are elderly or disabled, (4 pts)
4. Elderly or Disabled with Minor Children, (4 pts)
5. Homeless Families that include minor children who are identified by a social service agency providing shelter or law enforcement, (4 pts.)
6. In Place – eligible applicants who reside in units at the time of the PBV property owner's proposal selection date for Project-based assistance (10 points)

Verification of Waiting List Preferences

Involuntary Displacement

A. Applicants who have vacated housing as a result of:

A disaster (fire, flood, etc.)

Federal, State or local government action related to code enforcement, public improvement or development.

Action taken by a housing owner which is beyond an applicant's control, occurs despite the applicant's having met all previous conditions of occupancy, and is other than a rent increase. If the owner is an immediate family relative (grandparent, parent, sibling) and there has been no previous rental agreement and the applicant has been part of the owner's family immediately prior to application, the applicant will not be considered involuntarily displaced.

Victims of domestic violence who:

Have vacated due to actual or threatened physical violence directed against the applicant or the applicant's family by a spouse or other household member, or

Live in housing with an individual who engages in such violence. Such "actual" or "threatened" violence must have occurred recently or be of a continuing nature. An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

Applicant, or member of applicant family, has been advised by a law enforcement agency to relocate to minimize risk of violence against family members as a result of providing information on criminal activities to a law enforcement agency. Proper safeguards will be provided by the PHA to conceal the identity of families requiring protection against such reprisal.

Applicant, or member of applicant family, has been the victim of one or more hate crimes. "Hate crime" means actual or threatened violence or intimidation that is directed against a person or his or her property and that is based on the person's race, color, religion, sex, national origin, handicap or familial status. The hate crime must be of a recent and continuing nature.

Applicant, or a member of applicant family, has a mobility or other impairment that makes the person unable to use critical elements of the unit in which the family resides, and the owner is not legally obligated to make changes to the unit that would make critical elements accessible to the disabled person as a reasonable accommodation.

Disposition of a multifamily project by HUD under Section 203 of the Housing and Community Development Amendments of 1978.

Applicants who have actually been displaced must not be living in "standard, permanent replacement housing," which is defined as housing that is decent, safe, and sanitary that is adequate for the family size (according to code/Housing Quality Standards), and that the family is occupying pursuant to a lease or occupancy agreement. Such housing does not include transient facilities, hotels, motels, temporary shelters, and (in the case of victims of domestic violence) does not include housing in which the applicant lives with the individual who engages in such violence.

Verification of Involuntary Displacement will be made by the following documentation:

Certification from a unit of government concerning displacement due to disaster;

Certification from a unit of government concerning displacement due to code enforcement, public improvement or development;

Certification from an owner concerning displacement due to owner action; or
Certification from local police, social service agency, court, clergy, physician, public or private shelter, or counseling facility concerning displacement due to domestic violence, fear of reprisal, or hate crime.
Certification from present landlord or social service agency concerning displacement as a result of mobility or other impairment.

Documentation of disposition of multifamily rental housing project by HUD.

HCV Program Termination:

HCV participants who have been terminated due to over leasing or lack of federal funding. At the time a participant is terminated due to over leasing or lack of federal funding, that person's name will automatically be placed on the waiting list and given the appropriate preference.

Preference points are aggregated to produce the total preference points for each applicant. Applicants with the same total preference points will then be sorted by the method in which they were selected to be placed on the waiting list (i.e., date and time of application or order of random selection).

In Place: Eligible residents who reside in units at the time of the PBV property owner's proposal selection date for Project-based assistance. These families are afforded protection from displacement under project-based rules. Such families shall be added to the PBV Waiting List and assigned 10 points for ultimate priority.

Vacant units will be leased to applicants from the PBV wait list in rank order.

Conversion of Project-Based to Tenant-Based Voucher

Upon completion of one year in the Project Based Voucher ("PBV") program, a participant in good standing may choose to select a tenant-based voucher. If a Voucher is not immediately available, an eligible PBV participant will be placed on a waiting list by date and time of tenant-based voucher request. (All requests must be submitted in writing) SHA shall disapprove a request of a participating family if rent is due and owing to the owner. As soon as a tenant-based voucher becomes available, SHA will grant the request and issue a voucher before any Applicant on a waiting list is granted a Voucher.

Homeless Families: A "Homeless Family" is defined as one who lacks a fixed, regular, and adequate nighttime residence, meaning:

An individual or family with a primary nighttime residence that is a public or private place not designated for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or

An individual or family is living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs for low-income individuals); or

An individual who is exiting an institution where he/she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution; or
An individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and

Has no other residence; and

Lacks the resources or support networks (e.g. family, friends, and faith-based or other social networks, to obtain other permanent housing).

A Homeless Family does not include anyone imprisoned or detained pursuant to Federal, State, or local law or an Act of Congress.

A family who resides as part of another family unit shall not be considered a separate family from the family unit for homeless housing definition preference purposes.

For "Homeless Families" verification is certification of this status from a public or private facility providing shelter to the family, or from local police or a social service agency.

Homeless Veteran's Preference: This preference is available to a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable or to a family consisting of one or more children under age 18 of a deceased veteran. In order to qualify for this preference, the applicant must meet HUD's definition of homelessness according to one of the following categories:

Streets or other place not fit for human habitation (i.e. park, abandoned car, homeless encampment).

Documentation required: Letter from any service provider or law enforcement agency on agency letterhead describing applicant's current living situation.

Emergency Shelter. Documentation required: Confirmation letter on letterhead from shelter staff.

Graduating from a residential treatment program with no other resources to obtain housing. Documentation required: Confirmation letter on program letterhead with date of entry and verifying that applicant currently resides there and has no housing available upon discharge.

Leaving a transitional housing program specifically designed for homeless individuals and upon leaving has no resources to obtain housing. Documentation required: Confirmation letter on transitional program letterhead with date of entry and verifying that applicant currently resides there and has no housing available upon discharge.

Being discharged from a hospital and hospitalized for less than 30 days following residence on the streets or in emergency shelters. Upon leaving, individual has no resources and support network to obtain housing.

Documentation required: Confirmation letter from hospital staff.

Institution in which the applicant has resided for more than 30 days (i.e. IMD's) with discharge pending within one week. Upon release, no subsequent residence having been identified and lacking the resources and support networks to obtain housing. A referral from a clinician or letter from the institution on letterhead describing circumstances or residence, date(s) of entry and exit.

Preference for single persons who are elderly, disabled, chronically homeless or persons with disabilities. SHA will offer two preference point categories for Elderly/Non-Elderly Disabled persons. Applicants may only receive points from one of the following two Preference point categories. The Preference shall be ranked in the following order:

1. Chronically Homeless/Non-Elderly Disabled Preference

SHA has an admission Preference for those who meet HUD's definition of Chronic Homelessness. HUD defines a chronically homeless person as an unaccompanied (single) homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years.

Verification requirements:

Disabling condition must be documented by a Qualified Health Care Provider; and;

Must verify homelessness as required in this chapter.

2. Single Elderly or Disabled Persons

SHA has an Admissions preference for a single person Applicant, who is Elderly or Disabled over other single persons. An applicant will be given preference over an Applicant who is a Single Person who is not an Elderly or Disabled person within each waiting list Priority category.

A single woman who is pregnant at the time of admission, or a Single Person who has secured or is in the process of securing the custody of any individual(s) below the age of 18, will not be considered a Single Person for the purposes of this preference.

All other applicants

The date and time of application will be noted and utilized to determine the sequence within the above prescribed preferences.

Notwithstanding the above, families who are elderly, disabled, or displaced will be offered housing before other single persons.

6-I.C. ANTICIPATING ANNUAL INCOME

SHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

SHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes SHA to use other than current circumstances to anticipate income when:

An imminent change in circumstances is expected [HCV GB, p. 5-17]

It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]

SHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

SHA is required to use HUD’s Enterprise Income Verification (EIV) system. HUD allows SHA to use tenant-provided documents (pay stubs) to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where SHA does not determine it is necessary to obtain additional third-party data.

SHA Policy

Whenever possible, SHA will use HUD’s EIV system. When EIV is obtained and the family does not dispute the EIV employer data, SHA will use current tenant-provided documents to project annual income. When the tenant provided documents are pay stubs, SHA will make every effort to obtain at least 2 consecutive pay stubs dated within the last 60 days.

Grievance Procedures

The Public Housing grievance procedure is part of the ACOP, Chapter 14.

The Housing Choice Voucher Program informal hearing and review procedures are part of its current Administrative Plan, revised December 2016.

Chapter 16, Part III discusses the procedure SHA will follow when a decision is made in the HCVP that has a negative impact on a family.

The grievance procedure includes the necessary standards and criteria established for SHA applicants and participants to have a fair opportunity for a hearing regarding any SHA action or failure to act involving residents’ lease, rights, or welfare. Informal hearings will be conducted by a person or persons approved by SHA, other than the person who made or approved the decision, or a subordinate of the person who made or approved the decision.

Homeownership Program

SHA administers a Homeownership Program, which enables eligible participants in the Housing Choice Voucher Program and Public Housing Program an opportunity to purchase a home. Participants receive ongoing support and assistance as they matriculate through pre-homeownership to post purchase. Residents receive financial literacy training, homebuyer education, counseling, and assistance with the home buying process. In addition, housing choice voucher holders may exercise the option of purchasing a home while using their voucher assistance.

SHA plans to implement a Homeownership Institute (HOI) for participation by all Sanford residents. Once established, the HOI curriculum topics will prepare participants for the homeownership process by discussing the advantages/disadvantages of homeownership; evaluating credit and spending habits; providing resources and information related to assistance programs, realtors, and the closing process; as well as reviewing homebuyers' responsibilities and how to protect their investment. Upon graduation from the HOI, participants are designated as "buyer ready" and receive a Certificate of Completion.

SHA's Housing Choice Voucher Revised Administrative Plan includes a Homeownership Option which specifies the following criteria:

Establishes a minimum homeowner down payment requirement of at least 3 percent and requires that at least 1 percent of the down payment come from the family's resources, requires that financing for purchase of a home under the HCV homeownership program will: be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.

Community Service and Self-Sufficiency Programs

SHA commits to using housing as a platform to improve outcomes for its residents. Resident Services continuously seeks to secure partnerships with local supportive service agencies to enhance the economic independence of its residents.

SHA was awarded the FY2019 Family Self-Sufficiency (FSS) Grant in the amount of \$118,651. Last year's grant amount was \$105,332. This grant covers the salaries for the Public Housing and Housing Choice Voucher Program FSS Coordinators.

SHA continues to administer ConnectHome USA's 3-year Cohort Grant. The grant provides technical assistance to bridge the digital divide among affordable housing tenants. SHA is collaborating with internet service providers, device vendors, and auxiliary organizations to provide low or no cost internet and digital literacy services to residents. SHA places an emphasis on work and education opportunities for residents.

A partnership was formed with NC Works Job Center to host SHA's Resident Services initiative- the "I Work" program in 2018. The I Work program is a bi-monthly job prep and placement service for unemployed and underemployed residents. SHA hosts this program at NC Works Job Center. Staff has office, conference room, and computer lab access to assist residents with job searches, resumes, online applications, workshops, and referrals for supportive services such as transportation, childcare, and job skills training.

SHA continues its partnership with the Food Bank of North Carolina. This partnership enables SHA to receive food directly from the Food Bank, maintain a pantry, and distribute food to residents as needed. During fiscal year 2019, SHA operated a Youth Summer Feeding Program at the Garden Street community. School-aged youth were provided breakfast and lunch during the summer break, along with educational reinforcement activities.

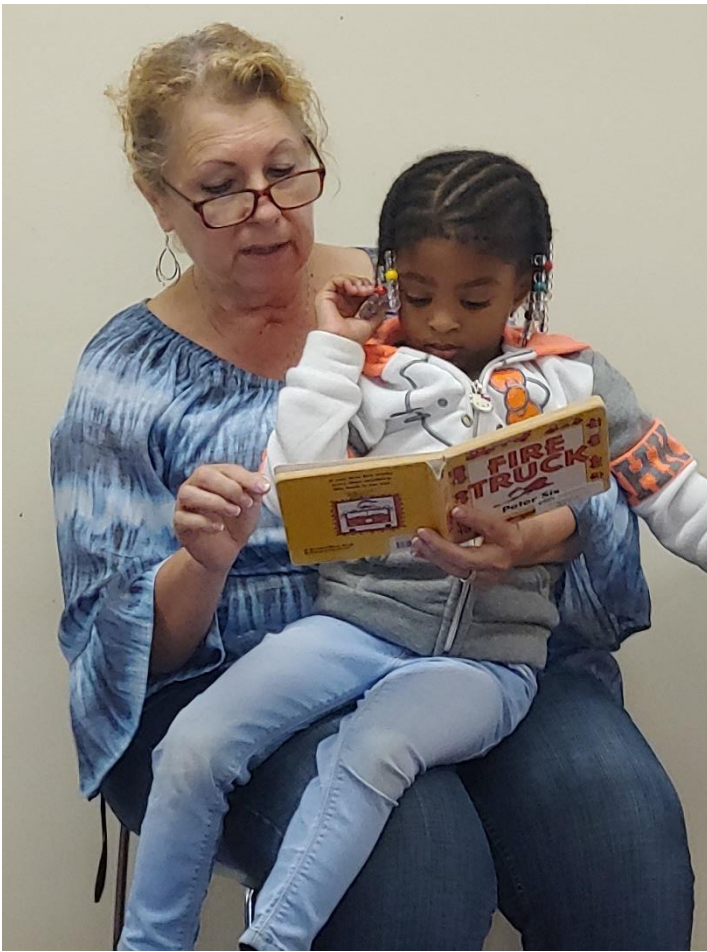
Services and resources coordinated for residents are categorized into 4 (four) broad categories: Family Services, Youth Services, Senior/Disabled Services, and Self-Sufficiency Services. Collectively, all residents are served by resident services programs and services.

SHA links residents to community-based programs as well as facilitate site-based workshops and programs. Thus, accessibility to services is optimized. Service providers for these programs and services include:

Partner	Programs/Classes
Enrichment Center (Sr. Services)	Health & wellness for seniors
Well Centered	Mental health and counseling
Helping Hand Clinic	Medical & pharmaceutical assistance
Christians United Outreach Center of Lee County	Food and clothing
Sanford Job Express	Transportation for jobs, interviews etc.
Daymark Recovery	Mental Health
Coalition for Families	Parenting resources
Lee County Partnership for Children	Childcare resources
Food Bank of Sandhills	Food/Nutrition Resources
Wells Fargo	Financial literacy services
BB&T	Financial literacy services
Johnston-Lee Community Action	Pre-Homebuyers education resources
NC Cooperative Extension	Nutrition resources
Pure Life Church	Faith-based youth services
Christian Provision Ministry	Faith-based youth services
Word of Truth Ministry	Faith-based family services
Partner	Programs/Classes
Star of Hope Church	Faith-based family services
Friendly Dental	Mobile dental services
Lee County Health Department	Health resources/services
ConnectHome USA	Digital literacy resources
Legal Aid of NC	Legal services/tax prep services

SHA partners with job training agencies, institutions of higher learning, financial management organizations, and employers that provide resident opportunities for self-sufficiency as outlined:

Partner	Classes
Job Seekers	Job leads, resume assistance, interview skills
NC Department of Commerce - NC WORKS	Job leads, resume assistance
Boys & Girls Club	Child homework assistance, after school programs
Central Carolina Community College - Human Development Department	GED classes, computer, and continuing education classes Certificate & degree programs



Kaleidoscope Reading Program at Garden Street



CCHRCO Resident Retreat 2019, Concord, NC

Safety and Crime Prevention

(a) A description of the need for measures to ensure safety of public housing residents:

In recent years, there have been incidences of violent and/or drug-related crime in some of SHA's developments, as well as areas adjacent to SHA's developments.

(b) A description of any crime prevention activities conducted or to be conducted by the PHA:

As of January 2020, SHA has partnered with a private security firm to patrol all communities; 20 hours per week, with increased focus on nights and weekends.

SHA increased the lighting throughout the communities.

SHA added new cameras at the Linden Heights and Stewart Manor communities to increase security efforts. During the renovations, SHA will add more security cameras in the communities.

SHA is actively educating our residents on ways to ensure the safety of their communities and themselves.

January 2017, SHA implemented a Crime Prevention Task Force to develop individual crime prevention action plans specific to each community's needs. SHA desires to implement volunteer resident patrol programs at various sites.

(c) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention activities:

The City of Sanford has developed a Comprehensive Plan designed to identify the safety and security issues of residents. SHA met with the Sanford Police Chief to request law enforcement services in its public housing communities. The Sanford Police Department shall enforce all laws and ordinances of the City of Sanford and the State of North Carolina, and shall preserve the peace, protect the property and the safety of the citizens of the City of Sanford.

SHA established a trespassing form to be used by management and the Sanford Police Department **to assist in identifying trespassers and problem issues in your communities, and** to help identify and deter immediate access to our communities by person committing criminal acts.

Asset Management

SHA's property managers are using their authority to authorize, plan, purchase and monitor property expenditures for project-based procurement of materials and supplies at their assigned AMP(s). SHA has fully implemented project-based management, budgeting, and accounting.

(c) The PHA must submit its De-Concentration Policy for Field Office review.

Housing Choice Voucher Program

Proposed De-Concentration Policy—Expanding Housing Opportunities and Mobility

It is the Sanford Housing Authority's policy to provide for de-concentration of poverty and encourage income mixing by providing opportunities for very-low income families to obtain rental housing outside areas of poverty or minority concentration. The SHA is responsible for informing families about the availability and benefits of mobility opportunities and for improving access to such housing opportunities. The SHA can improve access via outreach to landlords who manage outside areas of poverty, high-quality information about housing opportunities, encouragement, and support for families in the housing search, effective implantation of portability or other cooperative mobility measures with neighboring PHAs. We will accomplish this in a uniform and non-discriminating manner.

SHA will utilize the following methods to achieve de-concentration:

- Recruit owners outside areas of poverty or minority concentration;
- Inform and encourage families to consider relocating to lower-poverty neighborhoods;
- Refer families to organizations that provide relocation counseling and assistance;
- Supply families with a list of owners or other parties who are willing to lease units or help families find units; and

- Inform families of the full range of areas where they may lease units, both inside and outside the SHA's jurisdiction.

Briefings

The SHA must provide briefings for new applicants and those wishing to exercise portability. These briefings must include discussions and materials which educate families about and encourage them to take advantage of expanding housing opportunities. These discussions must include an explanation of where the family may lease a unit inside or outside the SHA's jurisdiction. SHA must explain portability to families eligible to use portability to lease outside the SHA's jurisdiction. If the family currently lives in a high-poverty census tract, the briefing must also explain the advantages of moving to an area that does not have a high-poverty concentration.

Advantages that may appeal to families willing to consider moving to a lower-poverty neighborhood include:

- Increased safety in lower crime neighborhoods;
- Improved schools for children;
- Proximity to jobs or job opportunities;
- Better quality housing; and
- More responsive owners.

Information Packets

SHA is required to give all new housing choice voucher holders an information packet. These packets will be provided at the scheduled briefing. SHA will review the package with the participants so that they are aware of its contents and the purpose of each item.

Information packets are also available for prospective landlords. These packets provide an overview of the program, the required documents to add a unit to the program, sample forms, instructions for advertising available units, and Housing Quality Standards Inspection information.

Additional Services to Promote Mobility

SHA will provide the following additional services to increase the success rate in finding and leasing units outside areas of poverty concentration:

- Transportation assistance;
- Referrals for credit and leasing history counseling;
- Referrals to sources of financial assistance for security deposits, application fees, utility deposits, etc.; and
- Referrals to the Family Self-Sufficiency Program to provide one-on-one case management and resources toward eliminating barriers to financial stability

Referrals to other counseling services needed by the family: employment, training and educational opportunities, drug abuse, domestic violence.

Mixed Finance Modernization or Development and Conversion of Public Housing to Project-Based Assistance under RAD or Some Other Program.

Sanford Housing Authority plans to implement Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing and Project-Based Vouchers as described below:

Mixed Finance Modernization or Development and Conversion of Public Housing to Project-Based Assistance under RAD via the Project-Based Voucher Method, the Project-Based Rental Assistance Method where feasible.

SHA, per HUD's RAD department's current agreement, will reconfigure the AMP configurations. This is discussed in more detail below.

The previous AMP configurations were:

1. AMP 1: Linden Heights, Utley Plaza and Foushee Heights.
2. AMP 2: Stewart Manor and Matthews Court.
3. AMP 3: Gilmore Terrace, Garden Street and Harris Court.

The current AMP configurations/RAD conversion configurations are:

1. Linden Heights, Utley Plaza, Foushee Heights: SHA proposes to self-finance the transaction via a bank loan, capital funds, reserves, a note, etc.
2. Stewart Manor: SHA seeks to apply for 9% low-income housing tax credits in 2021/2022. SHA may seek to redevelop this site along with the Harris Court location. SHA may seek to redevelop this site via new construction.
3. Matthews Court, Garden Street, Gilmore Terrace: SHA will evaluate these developments as a combined 176 unit 4% low-income housing tax credit bond deal. SHA converted these sites via the RAD program October, 2020.
4. Harris Court: SHA desires to apply for 9% credits in 2021/2022. SHA may seek to redevelop this site via new construction. SHA may seek to redevelop this site along with the Stewart Manor location.

The AMP current configurations are:

1a. Development Name: This AMP consists of multiple developments (Linden Heights, Utley Plaza and Foushee Heights), Public Housing Developments.

1b. Development (project) number: NC035-01

1c. Description of development: **Linden Heights** offers 46 single and duplex units. The unit size bedroom distribution includes 4 zero-income bedrooms, 16 one-bedroom units, 16 two-bedroom units, 8 three-bedroom units, and 2 four-bedroom units. This community was built in 1965 and the construction is brick and siding.

Utley Plaza is a 55-unit single-story complex comprised of 1 one-bedroom units, 48 two-bedroom units, 6 three-bedroom units and 1 management office. This development was constructed in 1981, and the construction is brick.

Foushee Heights is our most outlying community, consisting of 40 one-story units. The unit sizes bedroom distribution includes 34 two-bedroom units and 6 three-bedroom units. This community was constructed in 1984.

SHA will redevelop the sites via various resources. SHA received HUD's approval to implement the Rental Assistance Demonstration (RAD) program. May 2015, SHA received approval to convert its properties under the RAD program. This CHAP was rescinded as SHA has opted to focus on Stewart Manor as the next redevelopment site.

Lease-up at the sites has stopped due to relocation preparation needs at Matthews Court, Garden Street and Gilmore Terrace. These vacant units are offline; they are approved by HUD and designated as undergoing modernization.

It is anticipated that the SHA will seek funding/redevelopment plan by 2023. This development may or may not be redeveloped via the RAD program.

2. **Activity Type:** Mixed Finance Modernization and/or Development
3. **Application Status:** Projected to submit an application in 2023.
4. **Date application submitted:** Projected to submit an application in 2023.
5. **Number of units affected:** 141
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 09/01/2023
 - b. **Projected end date of activity:** 12/30/2024

Mixed Finance Modernization or Development and Conversion of Public Housing to Project-Based Assistance under RAD.

1a. Development Name: Stewart Manor, Public Housing Development

1b. Development (project) number: NC035-02

1c. Description of development: The **Stewart Manor** high rise offers 99 apartments for rent to elderly and disabled individuals. This development was built in 1976. The unit size bedroom distribution is 39 zero-bedroom units, 56 one-bedroom units and 4 two-bedroom units.

Ultimately, SHA's intentions are to redevelop the site. While SHA previously received a RAD conversion award, per HUD's request, SHA must reapply. SHA and/or its instrumentality will seek various financial resources to renovate the property.

2. **Activity Type:** Mixed Finance Modernization or Development
3. **Application Status:** SHA will seek various funding/redevelopment sources
4. **Date application planned for submission:** 06/30/2021
5. **Number of units affected:** up to 99
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 01/01/2022
 - b. **Projected end date of activity:** 6/30/2023

Mixed Finance Modernization or Development and Conversion of Public Housing to Project-Based Assistance under RAD.

1a. Development Name: Matthews Court, Garden Street and Gilmore Terrace Public Housing Developments

1b. Development (project) number: NC035-02 (Matthews Court); NC035-03 (Garden Street and Gilmore Terrace)

1c. Description of development: **Matthews Court** consists of 50 2, 4, and 6-plex unit Groupings that fosters a community minded living arrangement well suited for elderly or disabled tenants. This site offers a management office and onsite laundry facility. This development was built in 1969. The unit size bedroom distribution is 18 zero-bedroom units, 30 one-bedroom units and 2 two-bedroom units. After conversion, the unit size bedroom distribution will be 48 one-bedroom units and 2 two-bedroom units.

Our family-oriented community, the **Garden Street** complex, consists of 56 2- and 4-plex units. A management office, community building and playground is also provided. This development was built in 1971. The unit size bedroom distribution is 20 two-bedroom units and 36 three-bedroom units.

Gilmore Terrace offers 70 duplex and single units. It includes an on-site playground. This development was built in 1964. The unit size bedroom distribution is 11 one-bedroom units, 20 two-bedroom units, 22 three-bedroom units, 12 four-bedroom units and 5 five-bedroom units. The community offers a management office, community building and baseball field.

SHA is in the process of redeveloping Matthews Court, Garden Street and Gilmore Terrace. SHA converted the properties via the Rental Assistance Demonstration program October 2020. On February 10, 2015, SHA

submitted a portfolio conversion application seeking approval to convert all its properties under the RAD program. Units in the developments were public housing units, but converted to Housing Choice Voucher (also known as Section 8) units under the HUD's RAD program as of October 1, 2020. The conversion enables SHA to privatize the developments and raise the necessary

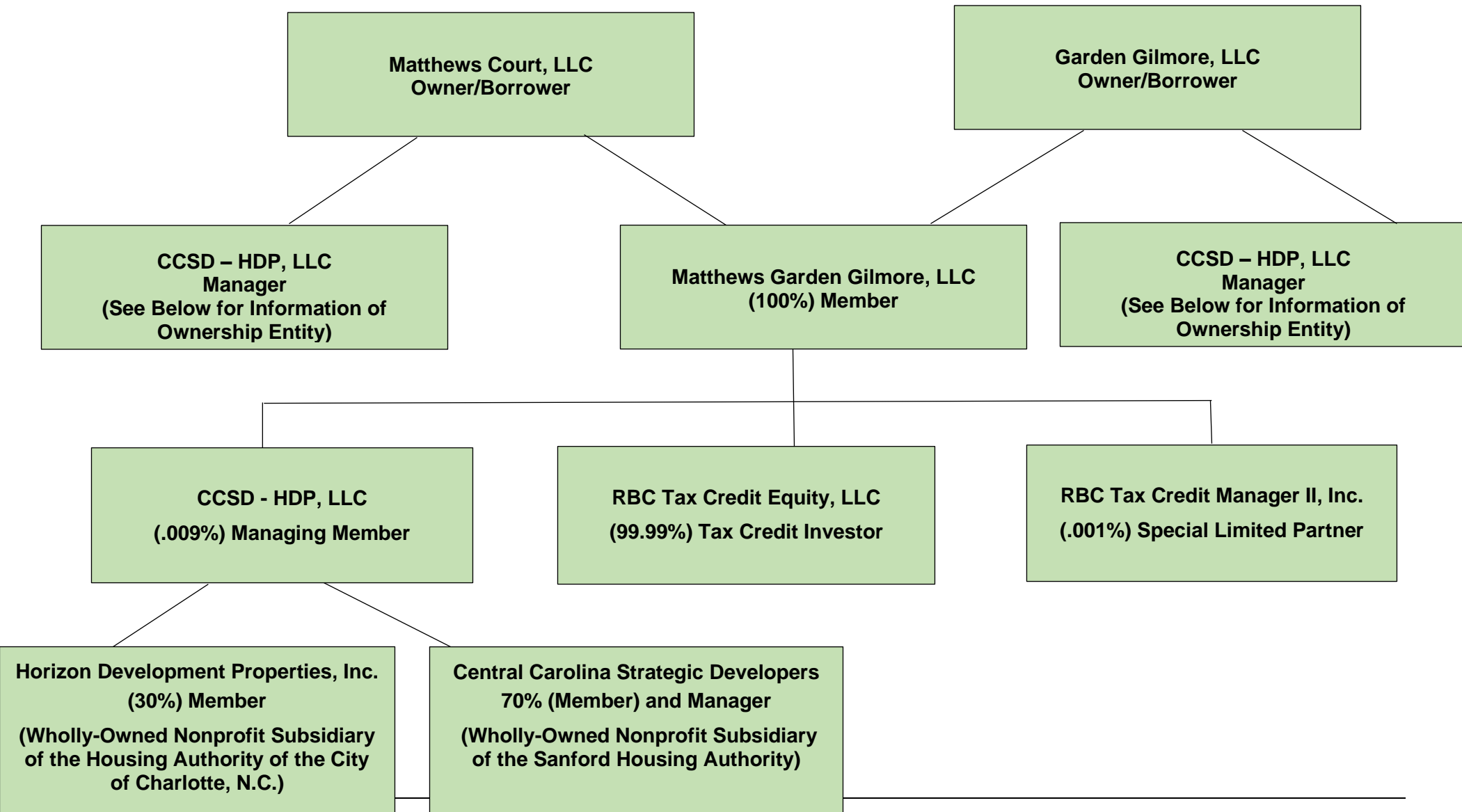
capital for the renovations. SHA received an award of low-income housing tax credits and tax-exempt bonds from the North Carolina Housing Finance Agency for major renovations. SHA applied for the funding in 2017 and was notified of the award in February 2018. The 2018 low-income housing credits were swapped with 2019 low-income housing credits. The award includes over \$9 million of federal low-income housing tax credits and over \$15million in

short-term tax-exempt bond allocation. The low-income housing tax credits will be purchased by a private equity investor, and the tax-exempt bonds will enable SHA to obtain a loan insured by the Federal Housing Administration (FHA) at a low interest rate.

Lease-up at the sites has stopped due to relocation preparation. These communities currently have an approved demolition/disposition status. SHA has contracted with a professional moving company is being to provide the moving services to and from the temporary relocation housing. SHA will pay expenses. Any outstanding utility bills are the responsibility of the household. Households will be relocated temporarily to other SHA properties.

- 2. Activity Type:** Mixed Finance Modernization or Development
- 3. Application Status:** RAD application awarded May 2015.
- 4. Date application planned for submission:** The RAD application was submitted 02/10/2015
- 5. Number of units affected:** 176
Coverage of action: Total developments
- 6. Timeline for activity:**
 - a. Projected start date of activity:** 10/1/2020
 - b. Projected end date of activity:** 06/1/2022

**MATTHEWS GARDEN GILMORE, LLC
MATTHEWS COURT, LLC
GARDEN GILMORE, LLC
ORGANIZATIONAL CHART**



Mixed Finance Modernization or Development and Conversion of Public Housing to Project-Based Assistance under RAD.

1a. Development Name: Harris Court, Public Housing Development

1b. Development (project) number: NC035-03

1c. Description of development: **Harris Court** consists of 26 town houses, 3 & 4-plex units for rent. This development was built in 1973. The unit size bedroom distribution is 17 one-bedroom units and 9 two-bedroom units.

Lease-up at the sites has stopped due to relocation preparation. Ultimately, SHA's intentions are to redevelop the site. SHA and/or its instrumentality will seek various financial resources, to include 9% low-income housing tax credits. It is anticipated that these units will be newly constructed at a different location.

2. Activity Type: Mixed Finance Modernization or Development

3. Application Status: Application has not been submitted

4. Date application planned for submission: 01/01/2023. **Number of units affected:** 26
Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 01/01/2023 (Low-Income Housing Tax Credit Preliminary Application Submission)

b. Projected end date of activity: 01/01/2025

Changes in the policies that govern eligibility, admission, selection, and occupancy of units at the project after it has been converted.

If Converting to PBV: This includes any waiting list preferences that will be adopted for the converted project as well as the Resident Rights and Participation, Tenant Protections for residents stated in Section 1.6, Attachment 1B of this Notice and the Joint Housing/PIH Notice H-2014-09/ PIH-2014-17.

Resident Rights, Participation, Waiting List and Grievance Procedures

No Re-screening of Tenants upon Conversion. Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

Grievance Procedures

The Public Housing grievance procedure is part of the ACOP, Chapter 14. The entire ACOP has been re-written and approved by the Board of Commissioners. In addition, the public housing lease has been re-written and approved by the Board of Commissioners, to include in Section 20, the agency's Grievance Policy and Procedure for public housing residents.

The Housing Choice Voucher Program informal hearing and review procedures are part of its current Administrative Plan, revised June 2015. Chapter 16, Part III discusses the procedure SHA will follow when a decision is made in the HCVP that has a negative impact on a family. For applicants, the appeal takes the form of an informal review; for participants, or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal review.

The grievance procedure includes the necessary standards and criteria established for SHA applicants, HCV participants and SHA residents will have a fair opportunity for a hearing regarding any SHA action or failure to act involving residents' lease, rights, or welfare.

Right to Return. Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed. Currently, SHA's intent is to complete the critical repair items, which should not warrant relocation. If relocation is warranted, SHA will develop relocation plans in accordance with the Uniform Relocation Act and HUD Handbook 1378.

Renewal of Lease. Under RAD, the PHA must renew all leases upon lease expiration, unless cause exists. This provision will be incorporated by the PBV owner into the tenant lease or tenancy addendum, as appropriate.

If Converting to PBRA: This includes any waiting list preferences that will be adopted for the converted project as well as the Resident Rights and Participation, Tenant Protections for residents stated in Section 1.7 and Attachment 1B of this Notice and the Joint Housing PIH Notice H-2014-09/ PIH-2014-17.

If there will be a transfer of assistance at the time of conversion, the significant amendment must include:

The number of units to be transferred.

The bedroom distribution of the units in the new building(s).

The type of units, if changed (e.g., family, elderly/disabled, or elderly-only).

Any reduction or change in the number of units and what reduction category they fall under (i.e. de minimis).

How the waiting list will be transferred and how households will be selected for the transfer, where applicable.

There will not be a transfer of assistance at the time of conversion, therefore, this section is not applicable.

An indication of whether the PHA is currently under a voluntary compliance agreement, consent order or consent decree or final judicial ruling or administrative ruling or decision and an assurance that compliance will not be negatively impacted by conversion activities.

SHA is not currently under a voluntary compliance agreement, consent order or consent decree or final judicial ruling or administrative ruling or decision and an assurance that compliance will not be negatively impacted by conversion activities. Therefore, this section does not apply.

A statement certifying that the RAD conversion complies with all applicable site selection and neighborhood reviews standards and that all appropriate procedures have been followed.

SHA's RAD conversion will comply with all applicable site selection and neighborhood review standards, and all appropriate procedures will be followed. The site selection will comply with all applicable site selection requirements as set forth in this Notice and in accordance with any additional applicable guidance provided by HUD. Site selection requirements set forth at 24 CFR § 983.57 shall apply to RAD conversions to PBV assistance.

SHA understands that for Site selection – Compliance with PBV Goals, section 8(o)(13)(C)(ii) of the Act and 24 CFR § 983.57(b)(1) and (c)(2), HUD waives these provisions having to do with de-concentration of poverty and expanding housing and economic opportunity, for the existing site.

All other required information and certifications necessary to submit a Significant Amendment to the PHA Plan, including Resident Advisory Board comments and responses, challenged elements, and all required certifications.

For MTWs utilizing MTW Fungibility as defined in Section 1.9.E and Section 1.6 or 1.7, as applicable, a statement explaining how the MTW will be able to maintain continued service level requirements. SHA is not an MTW agency. Therefore, this does not apply.

Additionally, in accordance with 24 CFR Part 903, a PHA must perform the following actions regarding their Capital Funds:

During the PHA Plan submission and/or significant amendment stage, a PHA shall notify the public that the current and future Capital Fund Program Grants Budgets, will be reduced as a result of any projects converting to RAD.

The PHA should provide an estimate of the amount of the current Capital Fund grant that is associated with the proposed project(s) and the impact on the PHA's current Five-Year PHA Plan and Five-Year Capital Fund Action Plan.

SHA previously noted in its CFP budget funds associated with future development activities. This did not have a negative impact on the PHA's current Five-Year PHA Plan and Five-Year Capital Fund Action Plan. SHA projected utilization of \$19,301.95 from its 2014 CFP grant and \$13,193.64 from its 2015 CFP grant. SHA used \$72,154.96 from its 2017 grant. SHA will use \$736,253.00 (estimated) from its 2018 CFP grant. SHA anticipates allocating \$800,000 from its 2019 CFP grant for associated RAD expenses. Any future RAD/development CFP allocations will be noted in the CFP budgets.

If the RAD conversion will impact an existing CFFP or EPC, or it proposes to utilize RHF funds to facilitate conversion, the PHA should also indicate the estimated impact of those activities.

SHA has always included the Capital Fund Financing Program (CFFP) loan payback amount in its Capital Fund Program (CFP) budgets. More recently, SHA included in its CFP budget, additional CFP funds to be used to repay the CFFP loan. The CFFP loan was paid in full March 1, 2018.

Finally, to avoid the need for a possible subsequent significant amendment, the PHA should examine its definition of “Substantial Deviation.” The PHA may want to redefine its definition of Substantial Deviation in Section 10 of the PHA Plan to exclude the following items:

The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance;

Changes to the Capital Fund Budget produced because of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;

Changes to the construction and rehabilitation plan for each approved RAD conversion; and

Changes to the financing structure for each approved RAD conversion.

SHA’s Significant Amendment Definition (included in HUD-approved Annual /Five Year Plan)

Significant amendments and substantial deviations/modifications to the Plan are defined as any additional changes that would affect this Agency’s mission, goals, objectives, and policies as stated in the Plan.

Additional changes are described as follows:

Changes in rent or admissions policies or organization of the waiting list;

Additions of non-emergency work items (items not included in the current Annual Statement or Five-Year Action Plan) or change in the use of replacement reserve funds under the Capital Fund; and

Any change regarding demolition or disposition, designation, homeownership programs or conversion activities.

The following items are excluded from this definition of significant amendment and substantial deviation/modification to the Plan:

Changes to the Capital Fund Budget produced because of each approved RAD Conversion, regardless of whether the proposed conversion will include the use of additional Capital Funds;

Changes to the construction and rehabilitation plan for each approved RAD conversion; and

Changes to the financing structure for each approved RAD conversion.

Any significant amendment or substantial deviation/modification to the Plan is subject to the same requirements as for the development/submission of the original Plan (including, timeframes).

Please Note: Approval of a PHA's Financing Plan may be delayed if a PHA has made a substantial change to its plans, as defined locally, and the PHA has not completed a new PHA Plan or Significant Amendment to its PHA Plan submission. In addition, if HUD determines that there has been a significant change to the Significant Amendment involving transfers of assistance, changes in the number of assisted units, or a change in eligibility or preferences, HUD may require that a PHA resubmit their Significant Amendment.

(b) Demolition and/or Disposition

Sanford Housing Authority plans to conduct demolition and disposition activities (pursuant to Section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1427p) as follows:

Demolition and/or Disposition Activity Description

1a. Development Name: Linden Heights, Utley Plaza, and Foushee Heights, Public Housing Developments

1b. Development (project) number: NC035-01

1c. Description of development: **Linden Heights** offers 46 single and duplex units. The unit size bedroom distribution includes 4 zero-income bedrooms, 16 one-bedroom units, 16 two-bedroom units, 8 three-bedroom units, and 2 four-bedroom units. This community was built in 1965 and the construction is brick and siding.

Utley Plaza is a 55-unit single-story complex comprised of 1 one-bedroom units, 48 two-bedroom units, 6 three-bedroom units and 1 management office. This development was constructed in 1981, and the construction is brick.

Foushee Heights is our most outlying community, consisting of 40 one-story units. The unit-size bedroom distribution includes 34 two-bedroom units and 6 three-bedroom units. This community was constructed in 1984.

2. Activity Type: Disposition

3. Application Status: Under review

4. Date application planned for submission: 2024

5. Number of units affected: 141

Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 09/01/2024

b. Projected end date of activity: 12/31/2025

Demolition and/or Disposition Activity Description

1a. Development Name: Stewart Manor, Public Housing Development

1b. Development (project) number: NC035-02

1c. Description of development: The Stewart Manor high rise offers 99 apartments for rent to elderly and disabled individuals. This development was built in 1976. The unit size bedroom distribution is 39 zero-bedroom units, 56 one-bedroom units and 4 two-bedroom units.

2. Activity Type: Disposition

3. **Application Status:** SHA will seek various funding/redevelopment sources
4. **Date application planned for submission:** 2021
5. **Number of units affected:** up to 99
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 01/01/2022
 - b. **Projected end date of activity:** 06/30/2023

Demolition and/or Disposition Activity Description --Units Disposed of as of 9/30/2020; RAD Conversion Completed

1a. Development Name: Matthews Court, Garden Street and Gilmore Terrace, Public Housing Developments

1b. Development (project) number: NC035-03

1c. Description of development: **Matthews Court** consists of 50 2, 4, and 6-plex unit groupings that fosters a community minded living arrangement well suited for elderly or disabled tenants. This site offers an onsite laundry facility. This development was built in 1969. The unit size bedroom distribution is 18 zero-bedroom units, 30 one-bedroom units and 2 two-bedroom units.

Our family-oriented community, the **Garden Street** complex, consists of 56 2- and 4-plex units. A playground is provided at this site also. A community center is located at the center of the complex. This development was built in 1971. The unit size bedroom distribution is 20 two-bedroom units and 36 three-bedroom units.

Gilmore Terrace offers 70 duplex and single units. It includes an on-site playground. A special amenity of this community is that a satellite Boys and Girls Club location is within the complex- perfect for families with children involved in this civic program. This development was built in 1964. The unit size bedroom distribution is 11 one-bedroom units, 20 two-bedroom units, 22 three-bedroom units, 12 four-bedroom units and 5 five-bedroom units.

2. **Activity Type:** Disposition
3. **Application Status:** RAD Application awarded May 2015
4. **Date application planned for submission:** RAD Application submitted February 2015
5. **Number of units affected:** 176
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 10/01/2020
 - b. **Projected end date of activity:** 06/01/2022

Demolition and/or Disposition Activity Description

1a. Development Name: Harris Court, Public Housing Development

1b. Development (project) number: NC035-03B

1c. Description of development: **Harris Court** consists of 26 town houses, 3 & 4-plex units for rent. This development was built in 1973. The unit size bedroom distribution is 17 one-bedroom units and 9 two-bedroom units.

2. **Activity Type:** Disposition

3. **Application Status:** Under review
4. **Date application planned for submission:** 07/27/20152021
5. **Number of units affected:** 26
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 01/01/2023
 - b. **Projected end date of activity:** 01/01/2024

Designated Housing for Elderly and/or Non-Elderly Disabled Families

On February 2, 2017, SHA received HUD approval for the designations of elderly and non-elderly disabled for the following communities:

Development Name and Number	Designation Type	Application Status	Date of Designation	Number of Units Effected
Stewart Manor/NC035000002	Elderly and Non-Elderly Disabled	Approved	February 2, 2017	99
Matthews Court/NC035000002	Elderly and Non-Elderly Disabled	Approved	February 2, 2017	50

The designation represents 149 units, 33% of SHA's total public housing inventory. This excludes the one non-dwelling unit at Stewart Manor. The bedroom distribution for this designation represents 58 zero-bedroom units, 85 one-bedroom units and 6 two-bedroom units. After RAD conversion, the bedroom distribution for this designation will represent 143 one-bedroom units and 6 two-bedroom units.

Matthews Court is no longer a public housing development. October 2020, this site was converted via the RAD program.

The elderly and non-elderly designation is effective until February 1, 2022. Prior to the expiration of the five-year period, SHA may apply to extend the designation for an additional 2-year increment.

Occupancy by Over-Income Families

SHA structured its policies to reduce the number of individuals and families in public housing whose income exceeds the 120% income limit. Any family, whose income has exceeded 120% of the income limit for the most recent two consecutive annual re-certifications will have their tenancy terminated six months after the income determination. Furthermore, to ensure the stability of over-income families being terminated; the family would receive preference for return if their income decreases within the six months immediately following termination.

Non-Smoking Policy

Effective October 1, 2016, smoking or tobacco use will be prohibited in all property owned and operated by The Sanford Housing Authority (SHA). The Smoke-Free Policy is intended to improve the quality of air and the safety of residents, guests, and employees.

Implementation of a Smoke-Free Policy is encouraged by the U.S. Department of Housing and Urban Development and it is consistent with their program goals and objectives. There are no exceptions to this policy. Smoking is only permitted in specifically designated outside areas.

1. No person may use, smoke, hold or carry lighted tobacco in any form, including cigarettes, pipes, cigars, electronic cigarettes, and smokeless tobacco; in all Sanford Housing Authority (SHA) Public Housing owned properties; all interior common areas including but not limited to community rooms, community bathrooms, lobbies, offices, reception areas, hallways, laundry rooms, stairways, and elevators. Smoke or tobacco use will also be prohibited within all living units.
2. Smoking outside SHA owned properties shall be permitted only in designated smoking areas, which shall be at least 25 feet from entry ways, windows, porches, balconies, patios, or ventilation system. Smoking areas shall be located sufficient distances from the buildings and sidewalks so that secondhand tobacco smoke does not enter the buildings and to ensure residents and guests can avoid walking through secondhand tobacco smoke to enter or leave SHA owned properties.
3. Persons who smoke in designated smoking areas are responsible for properly disposing of cigarette butts or other tobacco products so as not to litter the grounds.
4. Residents and employees who smell tobacco smoke from inside SHA owned property are to report this to the Property Manager as soon as possible. SHA's Management staff will try to identify the source of the smoke and take appropriate action.
5. Current residents will receive a copy of this Smoke-Free Policy and are required to sign lease addendums reflective of the Smoke-Free Policy before September 1, 2016. New residents who sign leases effective on or after September 1, 2016 will be given copies of the Smoke-Free Policy and their lease will reflect this policy.

SHA desires to make the violations changes to the current Policy (identified below):

Failure to abide by this Smoke-Free Policy is considered a lease violation with the following consequences:

1st Violation will result in a Written Lease Violation plus \$25.00 fee

2nd Violation will result in a Written Lease Violation plus \$50.00 fee

3rd Violation in any 12-month period will result in a 30-day lease termination

**There is no longer a 4th violation.

Policy:

The use of all tobacco products (cigarettes, cigars, pipes, and smokeless tobacco) is prohibited on all housing authority properties and grounds, except where designated. This includes all indoor and outdoor areas (apartments, entry areas, walkways, grassed areas, picnic areas, and parking lots). This policy applies to all employees, visitors, residents, subcontractors, volunteers, and vendors.

Purpose:

Tobacco is the single greatest cause of disease and premature death in the United States. Our mission is to provide a safe and healthy living environment. Therefore, it is our responsibility to provide those surroundings, provide resources and model behavior that discourages the use of all tobacco products.

Responsibility:

It is the responsibility of the Sanford Housing Authority staff to educate residents and visitors about the tobacco free policy. Signage and printed material will be available for visitors at the main entrances at each of the housing communities.

It is the responsibility of supervisors to educate their employees about this policy. Violation of this policy will be treated like any other policy infraction as stated in the employee handbook.

It is the responsibility of property managers to educate new residents about this policy. Violation of this policy will be treated like any other violation of lease.

All individuals associated with the housing authority (employees and residents) have a responsibility to promote this policy and ensure that all visitors, vendors, subcontractors, new residents, and fellow employees are aware the housing authority maintains a smoke-free policy. New residents, visitors, vendors, and subcontractors will be reminded of it and asked to adhere to the policy by any housing authority staff.

Cessation Resources is provided to all residents and employees that need them.

If a lease is terminated due to violation of the Smoke-Free Policy, at move out, a cleanup fee of \$300.00 may be added to help cover the costs of the removal of smoke residue from the unit.

RAD Lease

Per the proposed Rental Assistance Demonstration, the properties Matthew Court, Garden Street, and Gilmore Terrace, the residents will convert to the RAD Lease.

The Lease consists of two documents: a. The Residential Lease Agreement, which includes specific provisions required for the Rental Assistance Demonstration - Project Based Voucher program (and related plain language lease terms; and

b. Tenancy Addendum - Section 8 Project-Based Voucher Program - Parts A and B (Form HUD 52530.c (8/10)), which is incorporated by reference in the Lease.

Project-Based Vouchers

SHA administers a project-based voucher program contract with the Harnett Training School that encompasses 37 units of designated housing for the elderly, located in Harnett County.

Matthews Court, Garden Street and Gilmore Terrace were converted to project-based voucher communities via the RAD closing that occurred October 2020, creating an additional 176 project-based vouchers.

SHA may seek approval to allocate additional project-based vouchers for the purpose of providing affordable housing to elderly and/or disabled families and individuals. No more than 20 percent of the baseline allocation will be committed for the project-based voucher program, unless otherwise allowed by HUD. SHA will convert a portion, if not all, of its public housing communities via the Rental Assistance Demonstration Program's project-based voucher method.

Project-based vouchers will be used primarily as a method for making projects for hard-to-house populations financially feasible, consistent with our objective of leveraging private and public funds to create additional

housing opportunities. Should SHA have available budget authority/vouchers, it will solicit proposals by utilizing the request for proposals procurement method. SHA shall not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for project-based voucher housing on different sites. Should SHA decide to project base housing owned by it or its affiliate or instrumentality, it, its affiliate, or instrumentality shall not be required to issue or respond to such proposal.

Projects will not be located in a census tract with a poverty rate greater than twenty percent unless an exception consistent with the site selection standards found in 24 CFR Part 983.57, as amended, is applicable. Project-based assistance for housing at the selected site must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities.

Units with Approved Vacancies for Modernization

Units at Utley Plaza, Linden Heights, and Foushee Heights are HUD-approved off-line pending modernization units. While having this status, the U.S. Department of Housing and Urban Development's (HUD) Public and Indian Housing Information Center's system, cannot be changed to identify any other status, such as damaged, modernization, etc. However, to keep HUD informed, SHA shall provide documentation regarding any proposed offline units. SHA shall also have an internal process that will require approval by the Property Manager and CEO, prior to units being taken offline.

If the public housing units no longer have the demolition/disposition status, SHA will request that units be approved for vacancy due to modernization. Due to the need for housing in Sanford, we will only make such requests if necessary.

Progress Report

Mission

The mission of the Sanford Housing Authority is to provide quality and affordable housing to all persons, while empowering families, creating a sense of community, and building partnerships.

Goal - Increase Operational Efficiency: This goal is to prepare and maintain a balanced budget, increase operating efficiency by reducing operating costs by 10%, maintain an average occupancy rate of 98% or greater, maintain rent collections at 95% or greater, perform 100% annual inspections, maintain Housing Choice Voucher Program lease-up or utilization rate at 95% or greater, secure public and private resources, and earn developers fees to assist with increased affordable housing opportunities.

Accomplishments: SHA presented and maintained a balanced 2018 fiscal year budget. SHA's operating costs reduced by 0.659%. SHA maintained an average occupancy rate of 99.37%, while maintaining rent collections at 97%. One hundred percent UPCS inspections were performed for the public housing program and 100% HQS inspections were performed for the housing choice voucher program. The Housing Choice Voucher Program obtained a FY2018 SEMAP score of 100%; it also maintained a utilization rate of 98%.

For fiscal year October 1, 2018 – September 30, 2019, Public Housing accomplishments were as follows:

Performance Measure Definition	FY2019 Target	FY2019 Outcome
Public Housing Program		
Percent Rents Uncollected Gross tenant rents receivable for the fiscal year (FY) divided by the amount of tenant rents billed during the FY.	≤5%	3%
Occupancy Rate The ratio of occupied public housing units available as of the last day of the fiscal year will be greater than or equal to the target benchmark.	≥98%	92.97%
Emergency Work Orders Completed or Abated in <24 Hours The percentage of emergency work orders that completed or abated within 24 hours of issuance of the work order shall be greater than or equal to the target benchmark.	100%	100%
Percent Annual Inspections Completed The percentage of public housing units receiving an inspection prior to the end of the fiscal year.	100%	100%

For fiscal year October 1, 2018 – September 30, 2019, HCV accomplishments were as follows:

Performance Measure Definition	FY2019 Target	FY2019 Outcome
Housing Choice Voucher Program		
Budget Utilization Rate The expenditure of Calendar Year 2018 Housing Choice Vouchers annual budget allocation.	≥98%	84%
Percent Annual Inspections Completed The percentage of all occupied units under contract that are inspected.	100%	90%
Quality Control Inspections The percentage of all previously inspected units having a quality control inspection during the FY shall be equal to or greater than the target by the last day of the Fiscal Year.	17	67

The Sanford Housing Authority (SHA) received an award of low-income housing tax credits and tax-exempt bonds from the North Carolina Housing Finance Agency for major renovations of three of its affordable housing developments: Matthews Court, Garden Street and Gilmore Terrace. Matthews Court is an elderly development, and Garden Street and Gilmore Terrace are family developments.

SHA applied for the funding in 2017 and was notified of the award in February 2018. The award includes over \$9 million of federal low-income housing tax credits and \$15.5 million in short-term tax-exempt bond allocation. The low-income housing tax credits will be purchased by a private equity investor, and the tax-exempt bonds will enable SHA to obtain a loan insured by the Federal Housing Administration (FHA) at a low interest rate. According to Shannon Judd, Chief Executive Officer of SHA, these funding sources, along with additional investments from SHA, will allow SHA to carry out much needed renovations for the 176 units in the three developments. “The renovations will include major kitchen and bathroom renovations, new appliances, new flooring, HVAC systems, and additional security cameras, just to name a few of the items.

Units in the developments are currently public housing units but will be converted to Housing Choice Voucher (also known as Section 8) units under the Housing and Urban Development (HUD) Rental Assistance Demonstration (RAD) program. “The conversion enables SHA to privatize the developments and raise the necessary capital for the renovations. All residents currently residing in the developments will have the right to return to the renovated units.

Multi-source financing for the renovations closed in October 2020, and construction has began.

SHA’s development entity, Central Carolina Strategic Developers will earn developers’ fees as a result of these redevelopment transactions.

SHA intends to expand the number of project-based vouchers in the upcoming years. SHA plans to convert its remaining public housing portfolio using RAD or another redevelopment method.

For fiscal year end September 30, 2019, SHA received a Section Eight Management Assessment Program (SEMAP) score of 82, which is classified as a Standard Performer. . SHA received a score of 43 for fiscal year-end September 30, 2015, a score of 86 for fiscal year-end September 30, 2016, a score of 96 for fiscal year-end September 30, 2017, and a score of 100 for fiscal year-end September 30, 2018.

For the October 1, 2018 – September 30, 2019 fiscal year, SHA’s public housing program reached the following benchmarks:

Goal – Improve Employee and Board Efficiency: Conduct employee and board trainings annually to improve skills; recruit and retain high-performing employees. SHA’s goal is to hold a board retreat annually, and to continuously provide training opportunities to staff and board members.

Accomplishments: SHA staff received various trainings. All SHA Staff completed the Fair Housing for Property Manager training. SHA Staff participated individually in additional training such as: Basic and Advanced PIC Training; RAD PBV Specialist Training, Hearing Officer Training, REAC Training, Nan McKay Low-Income Housing Tax Credit Training, Procurement and Section 3 Training, NCHFA Compliance Training, and Asbestos Operations and Maintenance Training

Annual board trainings and/or retreats also occurred. SHA will continue to recruit high-performing employees.

SHA opted to participate in the U.S. Department of Housing and Urban Development’s proposed HCV Uniform Physical Condition Standards Voucher Demonstration. SHA staff received classroom and field training in January 2018 from HUD Staff.

Goal – Increase Affordable Housing Opportunities and Improve Assets: Increase affordable housing opportunities by acquiring assets, acquiring land to newly construct housing, and renovating existing assets.

Accomplishments: The goal is to increase affordable housing opportunities (to include the homeless population). SHA will add five units to its portfolio. In the future, SHA or its instrumentality, Central Carolina Strategic Developers, desires to purchase land to construct housing, or to acquire and renovate existing housing units that it does not currently own.

The Sanford Housing Authority (SHA) currently owns 226 Linden Avenue, a vacant and boarded building. SHA proposes to renovate the building to comprise of 5 units to serve homeless families.

The unit composition will be 1 two-bedroom unit and 4 one-bedroom permanent housing units. SHA will utilize housing choice voucher project-based assistance to assist with the operating costs of the units. The units will serve persons at or below 30% of the area median income limit and will be based on a site-based waiting list. Applicants will apply directly to the site. This project will support the livability principle of promoting equitable, affordable housing in that it will serve homeless families who will pay 30% of their adjusted household income, per the housing choice voucher program. If the occupants have no income, they will pay a minimum of \$50 towards rent. This project meets the following National Objectives: principally benefits low- and moderate-income persons, and it addresses an urgent need in the community.

The scope of work entails site improvements, environmental tests, abatement of environmental items (interior and exterior), carpentry, flooring, new cabinetry, painting, exterior improvements (handrails, ramp, new windows, siding and soffit, roof replacement, shutters), plumbing, mechanical, electrical, fire protection, appliances, etc. It is estimated that the entire project will cost \$670,848.00. Of this project cost, \$350,000 will be in the form of CDBG funding and a construction loan. Permanent funding will be provided via Supportive Housing Development Program funding.

Partners

The project partners are the City and County of Sanford, NC and S3 Homeless Connect, which includes agencies such as the Bread of Life, Family Promise, Johnson, Lee, Harnett Community Action, and others, who serve the homeless. Their involvement will bolster the success of the project because SHA is able to receive referrals from these organizations and others, as well as case management services to ensure continued success of the occupants. In addition, SHA will provide case management services. This includes wrap around services such as healthcare referrals, transportation, employment education, childcare, etc. These organizations provide transition or temporary housing. Some also provide case management services, which include locating permanent housing, as well as assisting with various security deposits. One of the next steps to becoming self-sufficient, is obtaining a permanent residency, which would be obtain through the renovation of this property. SHA also applied for funding through the North Carolina Housing Finance Agency's Supportive Housing Development Program.

Expected Results and Outcomes:

The objective is to create permanent, quality, affordable housing for five homeless families (up to 11 homeless individuals). SHA will rejuvenate a vacant, boarded building and bring life to it by renovating the property, as well as by providing housing. Partnering with the City of Sanford to implement other infrastructure improvements, it will also spur economic growth in that possibly unemployed persons will become employed, tax-paying citizens Lee County.

It is anticipated that rehabilitation will not exceed 6-8 months. Environmental work has been completed and the architectural firm is completing design work. Current plans are to bid for a general contractor in December 2020. Occupancy should occur within 30 days of receiving the certificate of occupancy.

Goal – Improve Resident Independence

Accomplishments: The goal is to promote programs, education and training for residents through strong community partnerships, increase the number and percentage of employed persons, provide or attract supportive services to improve employability, support community oriented policing and participation of neighborhood residents in crime reduction strategies, provide financial planning for homeownership to ensure that low/moderate income households are successful, increase counseling availability, increase educational and socialization opportunities for children, increase health and wellness opportunities for seniors, and increase medical assistance for residents without insurance. The Public Housing and HCV Programs have 104 persons on the caseloads. Approximately 40% are employed, substantially higher than the general average of housing assisted families.

The addition of a Resident Services Specialist has enhanced Resident Services capacity to coordinate self-sufficiency related activities- some which include workshops on substance abuse, financial planning, senior wellness, and mental health. Food donation events have been held regularly in addition to congregate meals, clothing, toys, necessities, school supplies, educational resources, counseling, mentoring, and holiday events for tenants. Three computer classes were facilitated, and sixteen computers were donated to residents to build

digital literacy. Increased digital literacy has empowered residents to pursue online education, employment, and other self-sufficiency activities.

Residents were referred to Triangle South Workforce Development's short-term training programs with several completing certificates in Certified Nursing, Pharmacy Tech, and Phlebotomy. SHA iWork Program assisted residents with employment and job training skills. Resident service staff was provided office space to assist residents with resumes, training, job search and placement. Two Homeownership workshops were held to assist residents with pre-home buyer's education. Seventy-seven (77) home visits were conducted to provide residents with information and referrals for services. Twelve financial literacy workshops were conducted. Monthly senior wellness workshops were held to educate seniors on topics of health and nutrition. National Night Out events were held at all SHA properties to bolster community pride and safety. As well as the organization of neighborhood watch in each other communities which Sanford Police departments attend resident meetings. Two mobile dental clinics were provided at SHA family properties enabling children and adults to have no cost dental services where they live. Three medical and insurance organizations provided workshops on services and benefits available to tenants. A Community Family Day Celebration was held to bring families together with food, games, and resources as well as Thanksgiving and Christmas dinners. Youth Residents participated in SHA's annual Spring Break College Tour and Back to School celebration where they received free school supplies.

The Sanford Housing Authority is in its third year participating in the ConnectHomeUSA program. The innovative program aims to end the digital divide in public housing across the United States. Sanford was one of 30 communities selected in 2017 after an open application process. EveryoneOn, is the current nonprofit lead for the U.S. Department of Housing and Urban Development's (HUD) successful ConnectHome pilot, which leads this expansion effort. As a cohort, Sanford Housing Authority has access to stakeholder commitments, webinars, mentorship, and other resources to establish broadband internet services throughout each of its eight public housing communities over three years.

Goal – Improve Living Environment

Accomplishments: This fiscal year, SHA opted to enter into a contract with a private security company to provide additional security at its public housing developments. SHA believes that this will increase cooperation and improve communication between its residents and management to provide a safer living environment.. SHA also installed additional security cameras at its Central Office, Linden Heights and Stewart Manor.

Additional lighting was added in several communities as a crime deterrent and to increase resident safety. New lighting was added in the stairwells at Stewart Manor to deter criminal activity.

New handicap accessible doors were installed at the Central Office to meet ADA compliance code.

New washers and dryers were installed at the Stewart Manor community.

SHA will continue its efforts to recruit partners for our Crime Task Force. The purpose of this committee is to emphasize working with neighborhood residents to co-produce safety within our communities. It is also to:

- bring together various parties to address criminal and unwanted activities within and surrounding our housing developments
- set up crime watch groups in each housing development
- improve the relationship with residents, law enforcement agencies, and SHA

- educate residents, SHA, and law enforcement

Due to the COVID-19 pandemic, SHA also implemented additional cleaning at its congregate living facilities to attempt to decrease the spread of the virus. This cleaning includes deep cleaning and disinfecting of high touch surfaces such as elevators, stairwells, door handles and community washers and dryers.