

DRAFT



Fiscal Year 2023 Annual Plan

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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>10/2023</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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="167 1549 443 1623" rowspan="2">Participating PHAs</th> <th data-bbox="443 1549 573 1623" rowspan="2">PHA Code</th> <th data-bbox="573 1549 873 1623" rowspan="2">Program(s) in the Consortia</th> <th data-bbox="873 1549 1144 1623" rowspan="2">Program(s) not in the Consortia</th> <th colspan="2" data-bbox="1144 1549 1448 1623">No. of Units in Each Program</th> </tr> <tr> <th data-bbox="1144 1623 1291 1665">PH</th> <th data-bbox="1291 1623 1448 1665">HCV</th> </tr> </thead> <tbody> <tr> <td data-bbox="167 1665 443 1728">Lead PHA:</td> <td data-bbox="443 1665 573 1728"></td> <td data-bbox="573 1665 873 1728"></td> <td data-bbox="873 1665 1144 1728"></td> <td data-bbox="1144 1665 1291 1728"></td> <td data-bbox="1291 1665 1448 1728"></td> </tr> <tr> <td data-bbox="167 1728 443 1822"></td> <td data-bbox="443 1728 573 1822"></td> <td data-bbox="573 1728 873 1822"></td> <td data-bbox="873 1728 1144 1822"></td> <td data-bbox="1144 1728 1291 1822"></td> <td data-bbox="1291 1728 1448 1822"></td> </tr> <tr> <td data-bbox="167 1822 443 1917"></td> <td data-bbox="443 1822 573 1917"></td> <td data-bbox="573 1822 873 1917"></td> <td data-bbox="873 1822 1144 1917"></td> <td data-bbox="1144 1822 1291 1917"></td> <td data-bbox="1291 1822 1448 1917"></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 checked="" type="checkbox"/> <input 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 checked="" type="checkbox"/> <input type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.</p> <p><input checked="" type="checkbox"/> <input 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 checked="" type="checkbox"/> <input 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</p> <p><input type="checkbox"/> <input type="checkbox"/> N/A Fiscal Year 2021 (October 1, 2020-September 30, 2021) audit in progress</p> <p>(b) If yes, please describe:</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</p> <p><input type="checkbox"/> <input type="checkbox"/> The RAB will provide comments once the PHA Plan is presented to them.</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</p> <p><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 in August 2018. Also attached is the FY2022 CFP proposed budget.</p> <p>Last Revised 12/3/2021</p>

B.1 Revision of PHA Plan Elements

Statement of Housing Needs and Strategy for Addressing Housing Needs

City Community Development Plan & Homelessness in Sanford (<https://s3housingconnect.com/home/about-us/>)

Mission Statement: *S3 Housing Connect* seeks to bring together the needed resources in Sanford and Lee County to create a coordinated and comprehensive approach and to ensure that homelessness is prevented whenever possible, or is otherwise a rare, brief and non-recurring experience.

The need for this project was identified after 22 homeless people were found to be living in a 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 creation of this Task Force is a grass roots effort initiated by Sanford's Mayor, Chet Mann, and City Council members Byron Buckels and Charles Taylor. 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. With this goal in mind, the three City officials reached out to staff to brainstorm about how to get such a task force started. This also included reaching out to partner with Lee County and the addition of Commissioner Cameron Sharpe to this "planning committee".

Early on, the planning committee realized that none of us were experts on the issue of homelessness and recognized the need to reach out to an agency or organization that could assist in forming our vision for this task force. Enter Mr. Terry Allebaugh from the NC Coalition to End Homelessness. City staff had reached out to State agencies for guidance and through this process we found Mr. Allebaugh and his 30+ years of hands-on experience in dealing with the issues of homelessness. Terry provided the foundation and primary guidance for the task force and staff as we began the project. Stan Holt with Partners for Impact is the current consultant, and is helping the task force explore new projects and ideas.

After laying the groundwork for the homelessness task force, the group began the process of recruiting volunteers to serve. We received almost 30 responses. Some were chosen to serve on the task force, while others were asked to serve on a subcommittee. The idea was to create a task force that would include a good cross-section of representation in terms of local agencies and citizens, while maintaining a reasonable limit in membership.

S3 Housing Connect's first official task force meeting was June 29th, 2017. S3 has faced many challenges and overcome many obstacles, but the task force is still working tirelessly to accomplish its original goal- make homelessness rare, brief and nonrecurring in Sanford and Lee County.

S3 Accomplishments (1/28/2020) – 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 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
<p>Housing Revitalization and Construction</p> <p>Many of SHA's developments need overall interior and exterior renovation efforts, as well as address structural issues.</p> <p>In addition, there is a need for added housing in Lee County based on the number of persons on SHA's waiting lists.</p>	<p>Perform interior and exterior renovation efforts at all its housing locations, to include addressing structural issues.</p> <p>In addition, construct more quality, affordable housing in Lee County.</p>
<p>Housing for Persons with Special Needs</p> <p>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.</p>	<p>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.</p>

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

SHA was awarded the following grants during FY2022:

- Family Self-Sufficiency Grant; awarded \$156,000;
- Resident Opportunity and Self-Sufficiency Grant; awarded \$183,000

Housing for Persons with Special Needs

SHA is carrying 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 \$900,000.00 construction loan, \$390,876.00 Community Development Block Grant funding and SHA funding. SHA also received a \$900,000 conditional commitment from the North Carolina Housing Finance Agency's Supportive Housing Development Program permanent loan.

Housing Revitalization and Construction

Via the Rental Assistance Demonstration Program, SHA converted three of its public housing developments to project-based 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 multi-family developments.

SHA applied for the funding in 2017 and was notified of the award in February 2018. SHA replaced 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 were purchased by a private equity investor, and the tax-exempt bonds enabled SHA to obtain a loan insured by the Federal Housing Administration (FHA) at a low interest rate.

The renovations of Matthews Court were completed March 31, 2022. The renovations of Garden Street and Gilmore Terrace will be completed by August 2022.

Strategy for Addressing Housing Needs

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. To-date, SHA converted 176 ACC units (Matthews Court – 50 units and Garden Street/Gilmore Terrace – 126 Units) to project-based vouchers during its RAD conversions.

SHA will renovate its property located at 226 Linden Avenue, to produce additional housing units for homeless families. The renovation of this property, which will consist of five units, will be completed May 2022. The property will also be a PBV community.

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.

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. It currently has waiting lists for the 270 public housing units, and the 176 low-income housing tax credit units undergoing RAD renovations. The public housing 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 353 applicants.

Currently, the Housing Choice Voucher program waiting list is closed to applicants. The waiting list is currently comprised of 664 applicants. The baseline for this program is 932 vouchers, which includes 15 HUD-VASH vouchers and 213 project-based voucher units, of which 37 are for the Harnett Training School; 50 for Matthews Court; and 126 for Garden Street and Gilmore Terrace, representing an annual budget authority of approximately \$4.5 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 is in the process of creating a Facebook page as a social outlet for distribution of information.

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

The Public Housing Admissions and Continued Occupancy Policy (ACOP) and the Housing Choice Voucher Administrative Plan (HCV Admin Plan) are being updated by The Banks Law Firm, to comply with all most recent U.S. Department of Housing and Urban Development rules and regulations, as well as policies that SHA desires to implement. The updates to the ACOP and HCV Admin Plan will supersede any information contained. The information indicates the current policies and is subject to change.

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.

Public Housing Agency	Number of Families Reported(#)	Average Annual Income(\$)	\$0(%)	\$1-5000(%)	\$5000-10000(%)	\$10000-15000(%)	\$15000-20000(%)	\$20000-25000(%)	\$25000-30000(%)	\$30000-35000(%)	\$35000-40000(%)	\$40000-45000(%)	\$45000-50000(%)	Above\$50000(%)
NC	21948	13137	8	16	23	23	10	6	4	3	2	1	1	1
NC035	160	11580	1	26	21	31	8	2	5	3	3	0	0	1

DECONCENTRATION ANALYSIS

04/2022

Property	Average Income
AMP1 - Linden Heights, Utley Plaza, Foushee Heights	\$11,074.00
AMP2 - Stewart Manor	\$11,701.00
AMP3- Harris Court	\$14,590.00
TOTAL	\$37,365.00
ESTABLISHED INCOME RANGE	
85% of Average Property Income	\$10,586.75
115% of Average Property Income	\$14,323.25
30% of Area Median Income	\$17,370.00

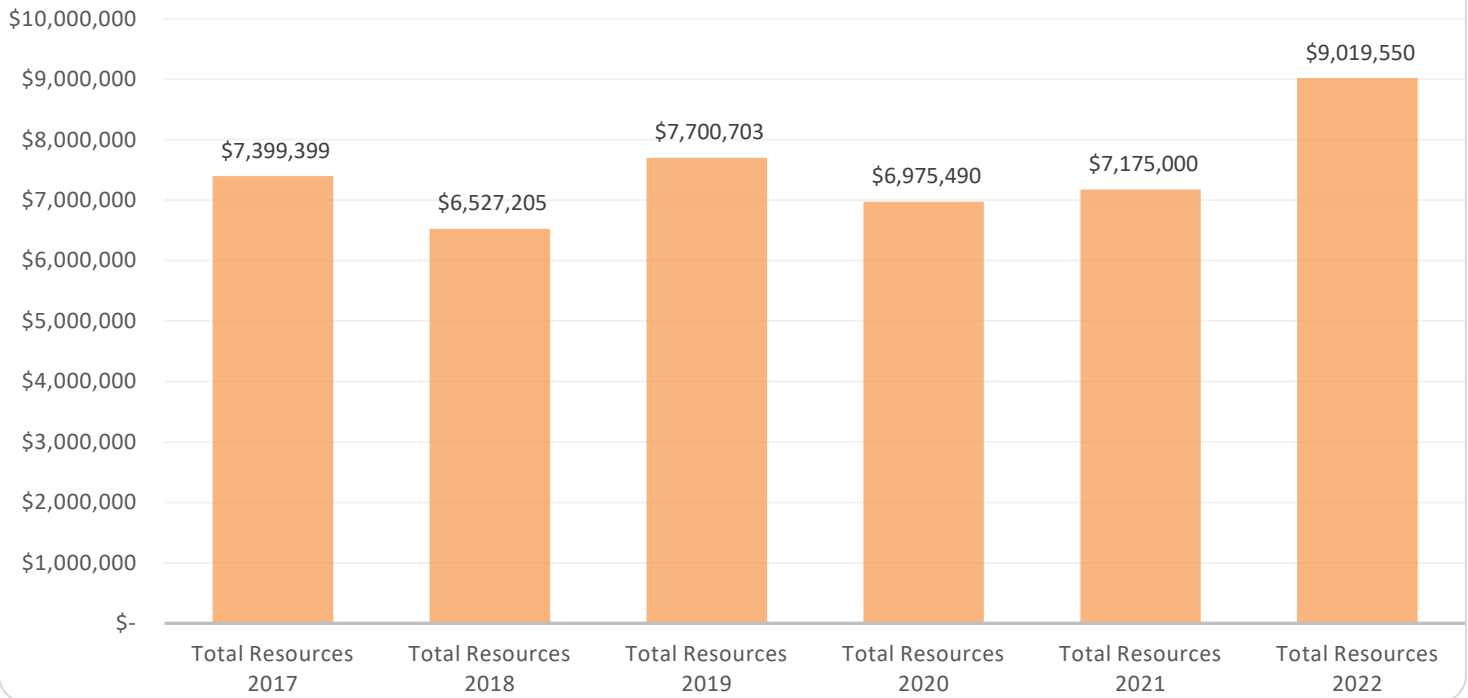
All AMPs fall within the established EIR.

Financial Resources

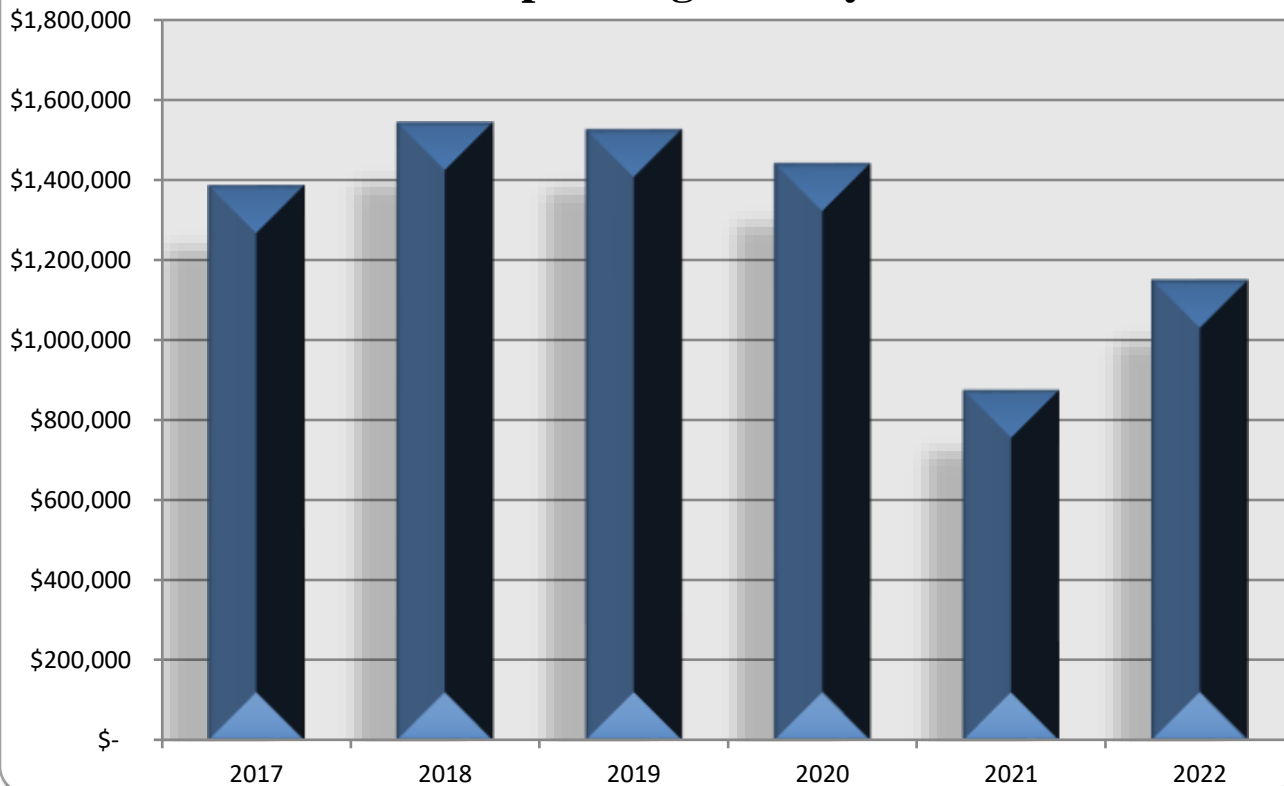
Financial Resources

Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2022 received grants)		
a. Public Housing Operating Fund (2022 subsidy)	\$ 1,146,453.00	
b. Public Housing Capital Fund	672,679.00	
c. Annual Contributions for HCV HAP and Admin. Fee	5,832,965.00	
d. ROSS Grant - FSS Coordinators	219,000.00	
2. Prior Year Federal Grants (unexpended and unobligated funds) - Public Housing Capital Improvements		
• 2021 Capital Fund Program	\$ 256,792.00	
3. Public Housing Dwelling Rental Income		
• Rental Income (2022 budget)	\$ 509,473.00	PH Operations
4. Other Income (listed below)		
• Excess utility charges (2022 budget)	\$ 10,763.00	PH Operations
• Investment Income (2022 budget)	\$ 90.00	PH Operations
• Other Miscellaneous Income - PH (2022 budget)	\$ 124,500.00	PH Operations
• Other Miscellaneous Income - HCV (2022 budget)	\$ 1,000.00	HCV Operations
• Other Miscellaneous Income – CCSD (2022 budget)	\$ 245,835.00	CCSD
Total Resources	\$ 9,019,550.00	

Sanford Housing Authority Resources



Operating Subsidy



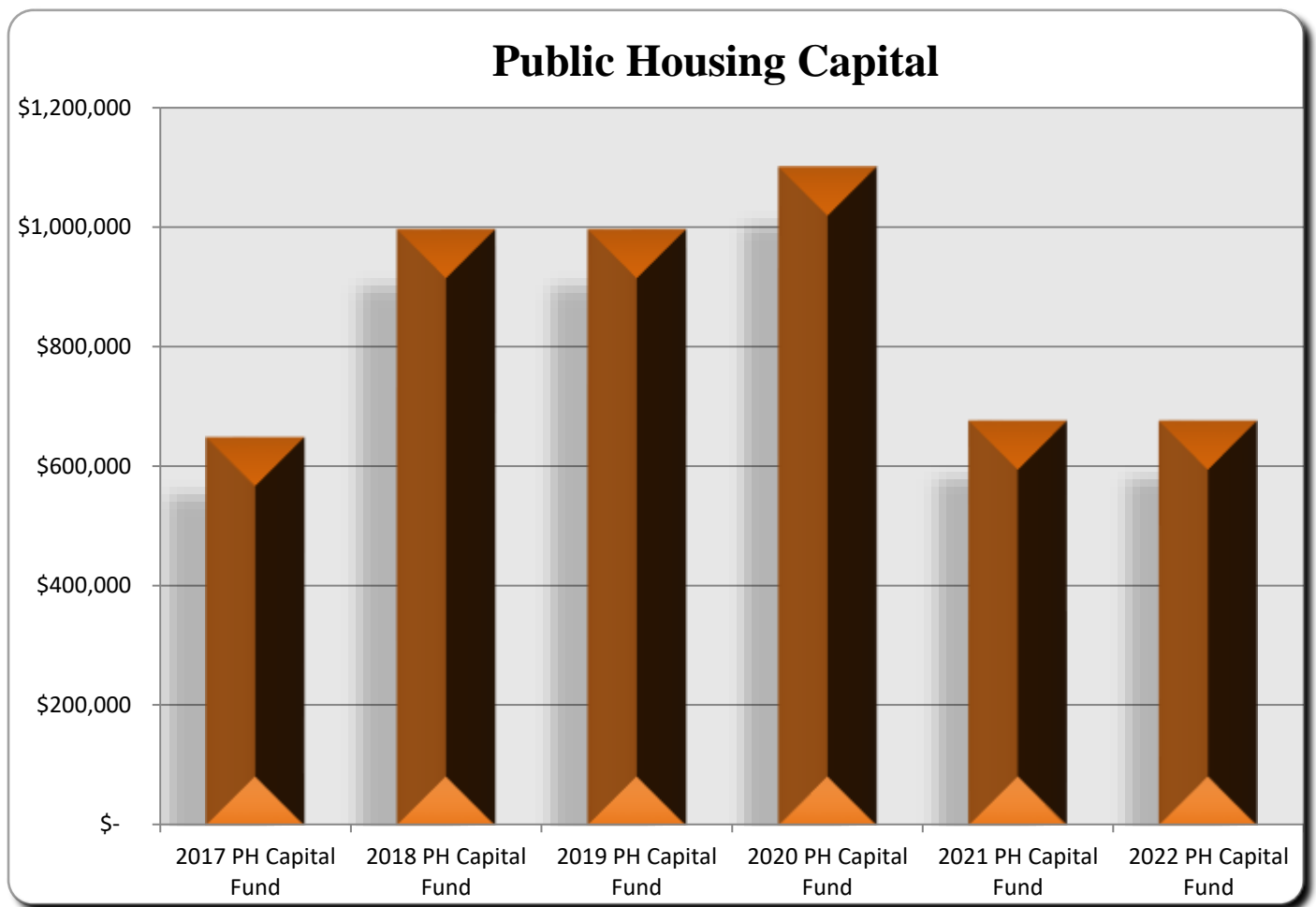
HUD provides operating subsidies for public housing at the project level on a calendar year basis. The chart displays the amount of Public Housing operating subsidy received from 2017 through 2022. It is estimated that the calendar year 2022 operating subsidy will increase.

SHA may use up to 20 percent of the Operating Subsidy obligated for each funding year, starting with CY 2021 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 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.

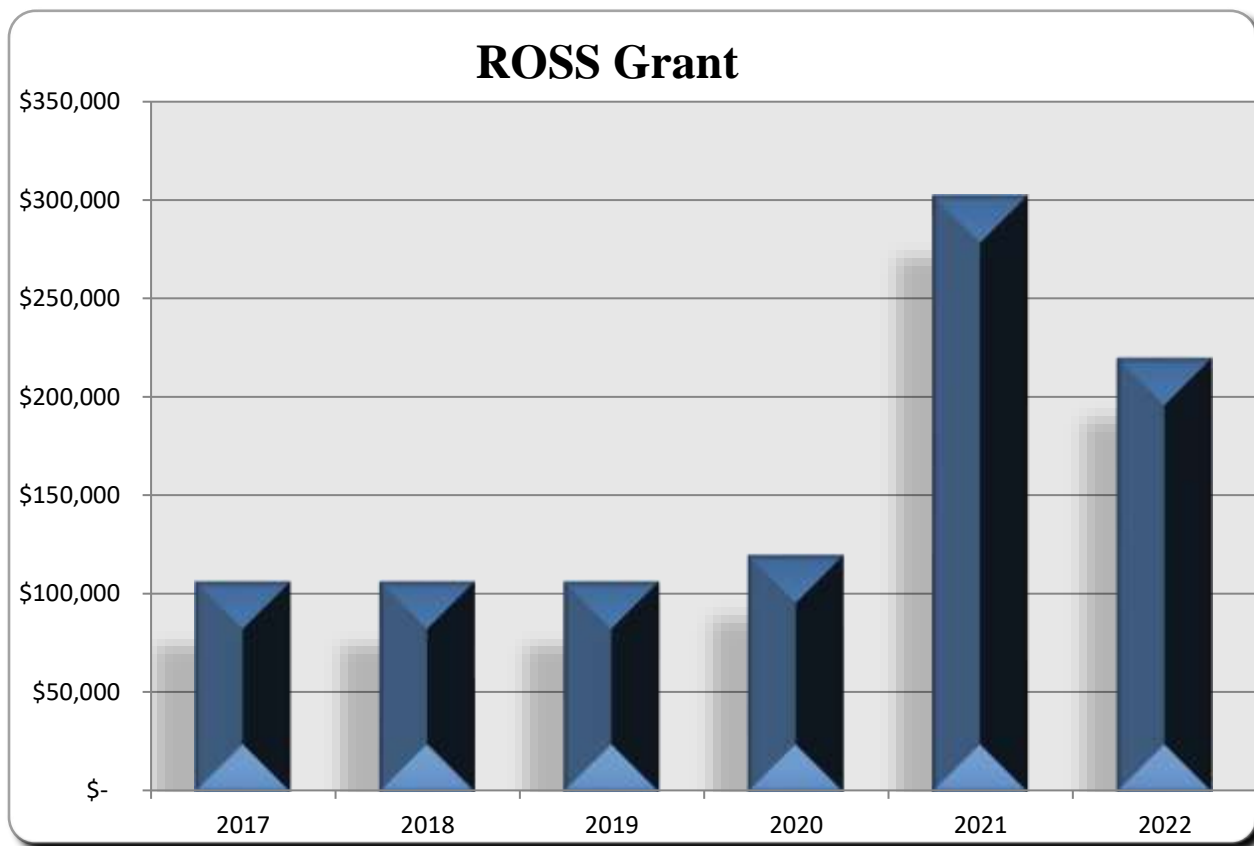
Example – Allowable Project-Level Budgets of Operating Subsidy for CFP Activities				
	Project A	Project B	Project C	Total
Total Operating Subsidy Obligated for Year	\$200,000	\$150,000	\$50,000	\$400,000
Example 1	\$40,000	\$30,000	\$10,000	\$80,000
Example 2	\$80,000	\$0	\$0	\$80,000
Example 3	\$0	\$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.

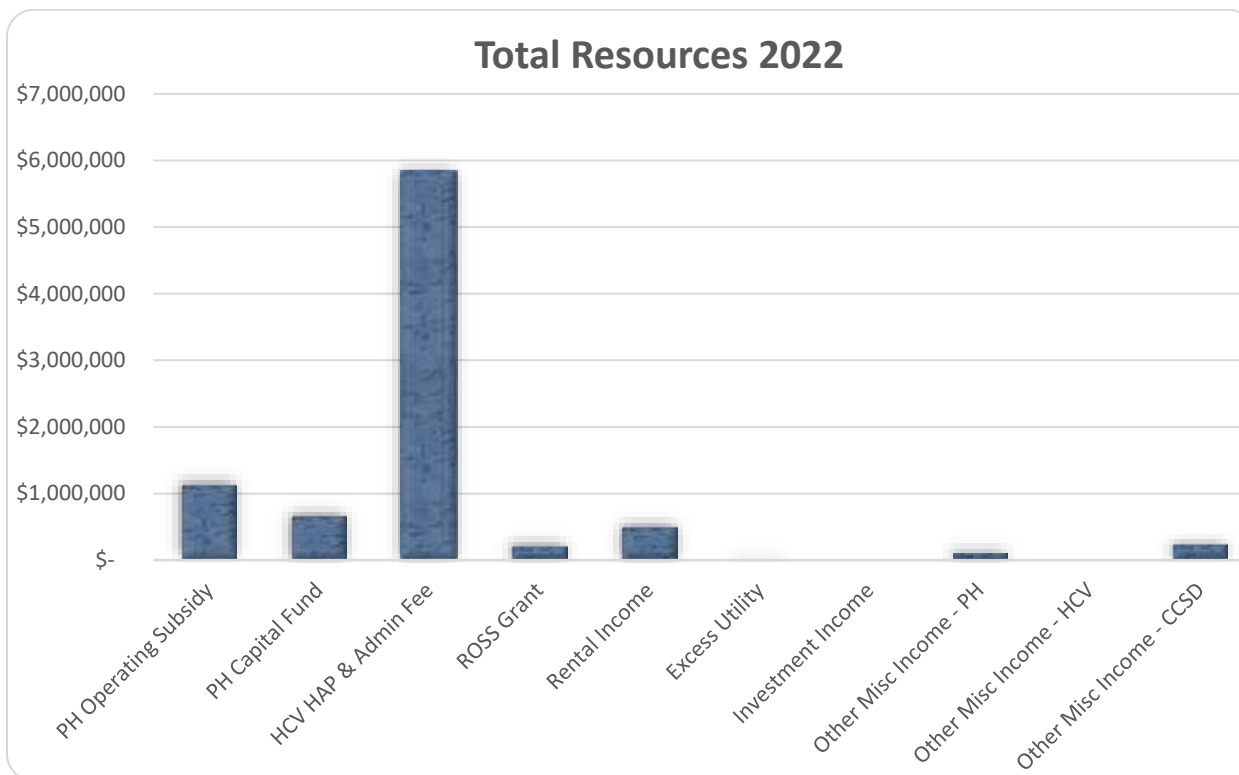
The Office administers the Capital Fund program, which provides funds annually via a formula to approximately 3,200 public housing agencies (PHAs) across the country.

The Sanford Housing Authority receives capital funding on an annual basis. The chart above shows funding from calendar year 2017 thru 2022, 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 was awarded the Public and Indian Housing Family Self-Sufficiency (FSS) Program Grant. 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 three FSS staff, who promote the development of public and private resources for supportive services and resident empowerment activities.

SHA was also awarded the Resident Opportunity and Self-Sufficiency (ROSS) grant funds to hire and/or retain Service Coordinators to assist public and Native American housing families meet their professional, financial, health, and educational goals. The ROSS grant is a place-based program designed to assist residents make progress towards economic and housing self-sufficiency. ROSS Service Coordinators provide case management, assess residents' needs, and work in partnership with local service providers to fulfill those needs. Service Coordinators provide a critical service to residents by helping to remove barriers that can stand in the way of progress.



The 2021-2022 resources are estimated. 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. SHA will also receive funding from Central Carolina Strategic Developers (CCSD).

Central Carolina Strategic Developers (CCSD) serves as the development arm for the Sanford Housing Authority and will receive a developer's fee for 2021-2022. CCSD is 100% owned and managed by the Sanford Housing Authority.

In 2020, SHA and its partners closed on the properties of Matthews Court, Garden Street and Gilmore Terrace. These properties converted via the Rental Assistance Demonstration (RAD) program, a Section 8 platform. These properties converted legal structures and began business operations under the legal names of Matthews Court, LLC and Garden Gilmore, LLC registered in the state of North Carolina. SHA manages these properties and will receive a management fee from these entities.

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 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 109 % to 110% 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-seven full-time employees to carry out its daily activities. In addition to the Office of the Chief Executive Officer, there are four major organizational areas: Finance, Housing Choice Voucher Program, Operations, and Development.

The Housing Choice Voucher Program department employs three Housing Choice Voucher Specialists, an Admissions Specialist and one Program Manager. The HCV Manager and two HCV Specialists obtained the HCV Specialist, and RAD PBV Specialist certifications. 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 three property managers and three assistant property managers, led by the Director of Operations. One property manager has previous tax credit experience and obtained the Low-Income Housing Tax Credit Certification.

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. Maintenance consists of a maintenance lead, six technicians, two lawncare technicians, and one pest control technician, who is a certified Pest Control Applicator certified by the North Carolina Department of Agriculture and Consumer Services.

All maintenance staff will continue to receive asbestos refresher, asbestos certification, and lead-based paint certifications as necessary. All maintenance staff will receive the new HUD National Standards for the Physical Inspection of Real Estate (NSPIRE) training.

The new NSPIRE model prioritizes health, safety, and functional defects over appearance. It implements inspections that better reflect the true physical conditions of the property. The NSPIRE model supports the adoption of sound, year-round maintenance practices (www.hud.gov).



NSPIRE's Priorities for RESIDENTS

- Year-round maintenance with a unit-focused approach
- Prioritization of residents' health and safety
- Introducing resident surveys for better service
- Safe and habitable home



NSPIRE's Priorities for POAs & PHAs

- Increased inspection consistency
- Collaboration with HUD
- Ability to contribute input to new standards
- Access to inspection data
- Reliable data and presentable reports for portfolio management and risk assessment



NSPIRE's Priorities for INSPECTORS

- Electronic-based inspections
- Increased inspection accuracy
- Clearly defined inspection standards and protocols
- Ability to capture pictures
- Collaboration with HUD



Photo by: HUD Flickr

NSPIRE's Priorities for HUD

- Access to reliable, valid, and objective data
- Alignment of multiple inspection standards
- Adaption to industry change and modernization of health and safety standards
- Better performance assessments for HUD-assisted housing

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.

Public Housing Admissions & Continued Occupancy Policy (ACOP)

The Public Housing Program proposes to update its ACOP in its entirety. The changes are not noted in this Annual Plan, as the proposed changes are not yet known. The Policy is being updated by SHA's legal counsel.

Changes prior to the update of the ACOP in its entirety:

4-II.B. ORGANIZATION OF THE WAITING LIST

SHA Policy

The following waiting lists will be maintained:

SHA will maintain site-based waiting lists for AMP 1 (Linden Heights, Utley Plaza, Foushee Heights). AMP 2 (Stewart Manor). AMP 3 (Harris Court)

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 housekeeping inspections per its policy.

Housing Choice Voucher Operations and Management Administrative Plan Additional Changes

The HCV Program proposes to update its Administrative Plan in its entirety. The changes are not noted in this Annual Plan, as the proposed changes are not yet known. The Plan is being updated by SHA's legal counsel.

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 Harnett Training School Property, and the PBV Program at the Matthews Court and Garden Street/Gilmore Terrace 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) HCV Program Termination/Insufficient Funding Preference (15 pts)**
- (2) Preference for Conversion of Project-Based to Tenant-Based Voucher (10 pts)**
- (3) In Place Preference (10 pts)**
- (4) Public Housing Preference (8 pts)**
- (5) Preference for Victims of Natural Disasters (8 pts)**
- (6) Veterans Preference (6 pts)**
- (7) Family Unification (6 pts)**
- (8) Residency Preference (5 pts)**

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 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 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 will also seek to obtain additional income verification systems.

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 coordinates with various partners to implement a Homeownership Institute (HOI) for participation by SHA residents. 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 the 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 increased funding for the FY2022 Family Self-Sufficiency (FSS) Grant in the amount of \$156,000. This grant covers the salaries for the Public Housing and Housing Choice Voucher Program FSS Coordinators. In addition, SHA received the FY2020 Resident Opportunities and Self-Sufficiency Program Grant in the amount of \$183,000. This grant covers the salary, administrative costs, and training of a Service Coordinator for three years.

SHA concluded its formal participation in ConnectHome USA's 3-year Cohort Grant but continues to bridge the digital divide through collaboration with organizations that provide support to our collective missions. In 2021, SHA was sub-awarded a Spectrum Digital Education Grant through our digital education partner Kramden Institute. The grant provides train the trainer education, free computer classes to residents, free laptop computers, free USB drives, and technical assistance for 1 year.

To further its initiative, SHA is promoting internet service providers such as Spectrum, 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.

To sustain self-sufficiency opportunities during the COVID-19 pandemic, SHA implemented several strategies to include listing resources on the webpage, providing free membership to internet-based learning programs for youth residents, facilitating virtual self-sufficiency workshops, and coordinating access to counseling services.

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. SHA recently completed its annual Mobile Yam Jam which provides thousands of pounds of fresh sweet potatoes for residents to take home free of charge

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
Jonesboro Chapel Church	Food & other basic needs services
Daymark Recovery	Mental Health
First Horizon Bank	Homeownership & financial services
The Partnership for Families & Children	Childcare resources
Food Bank of Eastern NC	Food/Nutrition Resources
Wells Fargo	Financial literacy services
I Am My Sister's Keeper	Financial literacy services
Johnston-Lee Community Action	Pre-Homebuyers education resources
NC Cooperative Extension	Nutrition resources
Jonesboro AME Church	Faith-based youth services
Christian Provision Ministry	Faith-based youth services
Word of Truth Ministry	Faith-based family services
Partner	Programs/Classes
East Sanford Baptist Church	Faith-based family services
Friendly Dental	Mobile dental services
Lee County Health Department	Health resources/services
Kramden Institute	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 educations classes Certificate & degree programs

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; 24 hours per day. The firm will provide security services in its communities. Sterling Security Services meets with the property management staff to review potential problems and develop solutions to increase security personnel visibility in the communities and deter criminal activity.

SHA will add new cameras at the Linden Heights, Utley Plaza, Foushee Heights and Stewart Manor communities to increase security efforts. While undergoing renovations at Matthews Court, Garden Street and Gilmore Terrace, additional security cameras will be installed. This system has remote access capability and ability to extract and send data to the police department.

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

Asset Management

SHA 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.

Due to COVID-19, SHA transitioned to drive-through briefings, to safely circulate information to applicants searching for a home. A powerpoint presentation was also created for online presentations as well.

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.

Substantial Deviation

Significant Amendment/Modification

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 Program; 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.2 New Activities

Hope VI or Choice Neighborhoods

Mixed Finance Modernization or Development

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 will work with a developer partner to determine the most feasible approach for redevelopment goals of these properties.
2. Stewart Manor: SHA will work with a developer partner to determine the most feasible approach for redevelopment goals of this property. 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 evaluated and redeveloped 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 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.

It is anticipated that the SHA will seek funding/redevelopment plan by 2025. 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 apply in 2025.

4. Date application submitted: Projected to apply in 2025.

5. Number of units affected: 141

Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 09/01/2025

b. Projected end date of activity: 12/30/2026

Mixed Finance Modernization or Development and Conversion of Public Housing under RAD or some other program.



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: Mixed Finance Modernization or Development

3. **Application Status:** SHA will seek various funding/redevelopment sources
4. **Date application planned for submission:** 06/30/2024
5. **Number of units affected:** up to 99
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 01/01/2025
 - b. **Projected end date of activity:** 6/30/2027

Ultimately, SHA's intentions are to redevelop the site. While SHA previously received a RAD conversion award, per HUD's request, the CHAP was rescinded, and SHA must reapply. SHA and/or its instrumentality will seek various financial resources to renovate the property. SHA has issued a request for proposals for a developer partner to assist with the redevelopment plans for this property. SHA may opt to redevelop this property, along with a baseball field it currently owns.

While redevelopment is the ultimate goal, some critical items are being addressed to ensure the safety of all residents until the redevelopment plans are finalized. Critical items to be addressed include elevator modernization, mold and asbestos remediation, painting replacement of PTAC units, carpet removal, and HVAC repairs/upgrades. In December 2021 SHA applied for CFP Emergency Funds for Stewart Manor, NC03500002.

Mixed Finance Modernization or Development and Conversion of Public Housing under RAD project-based voucher method.

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 foster 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. Construction of this development was finalized on March 31, 2022.

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. The construction of this development is expected to be finalized in August 2022.

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. The construction of this development is expected to be finalized in August 2022.

SHA converted the properties via the Rental Assistance Demonstration program in October 2020.

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. **Actual start date of activity:** 10/1/2020
 - b. **Projected end date of activity:** 08/31/2022



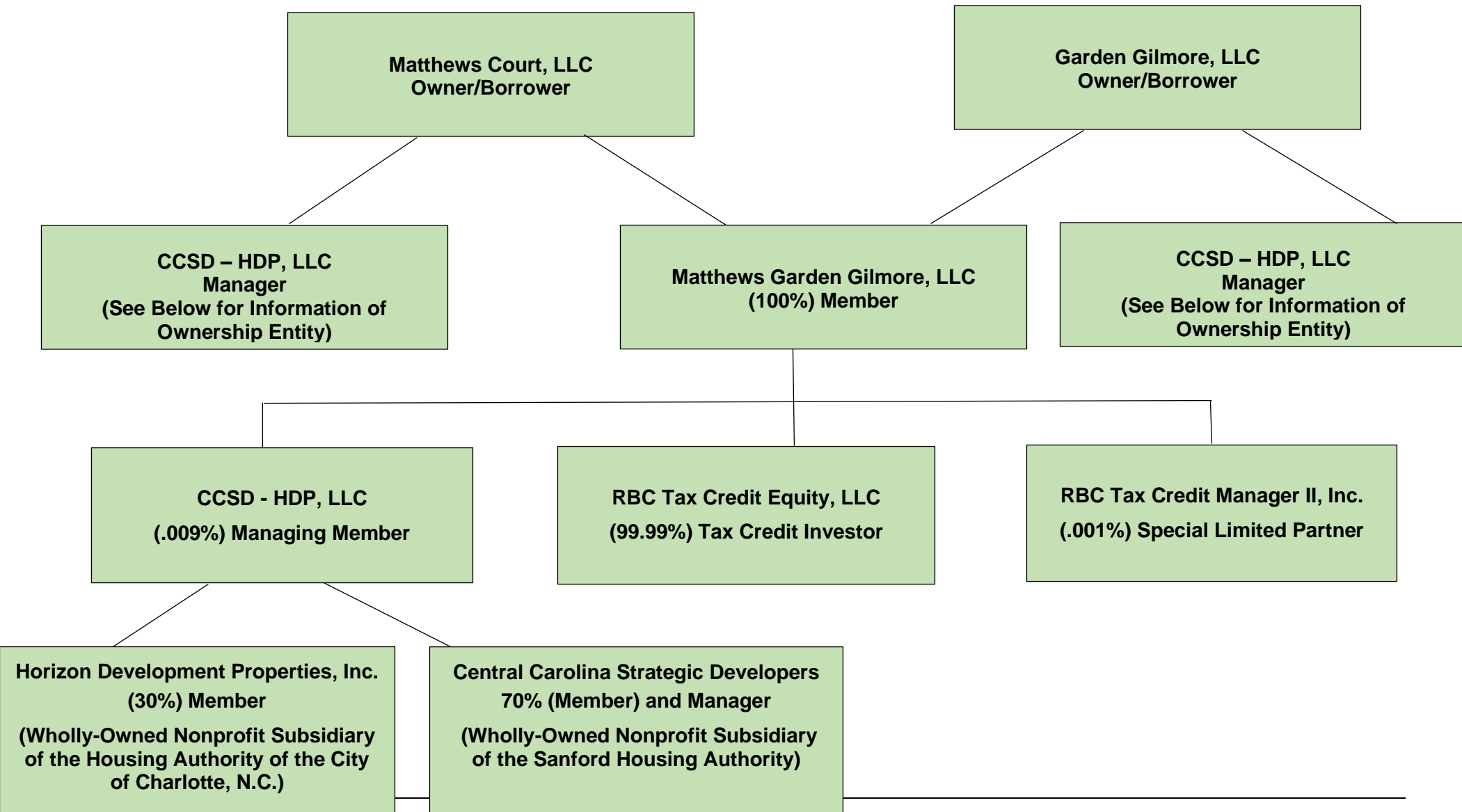


Matthews Court Renovated Units





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



Mixed Finance Modernization or Development and Conversion of Public Housing under RAD or some other program



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.

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: 06/30/2024

5. Number of units affected: 26

Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 01/01/2026

b. Projected end date of activity: 06/30/2028

1a. Development Name: Gilmore Terrace Baseball Field, Public Housing Development

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

1c. Description of development: The Gilmore Terrace baseball field is a vacant field that can potentially be utilized to construct affordable housing. SHA's development arm, Central Carolina Strategic Developers would act as the developer, thereby, creating developers' fees to further the mission of housing.

2. Activity Type: Disposition

3. Application Status: SHA will seek various funding/redevelopment sources

4. Date application planned for submission: 6/30/2024

5. Number of units affected: vacant land
Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 1/01/2025

b. Projected end date of activity: 06/30/2027

1a. Development Name: SHA Central Office, Held by Public Housing Deed Restriction

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

1c. Description of development: The SHA Central Office is a free-standing building that can potentially be utilized to construct office space and affordable housing. SHA's development arm, Central Carolina Strategic Developers would act as the developer, thereby, creating developers' fees to further the mission of housing.

2. Activity Type: Disposition

3. Application Status: SHA will seek various funding/redevelopment sources

4. Date application planned for submission: 6/30/2024

5. Number of units affected: SHA Central Office
Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 1/01/2025

b. Projected end date of activity: 06/30/2027

1a. Development Name: Former SHA units currently owned Christian Provision Ministries, Incorporated.

1b. Development (project) number: N/A

1c. Description of development: The SHA Central Office is a free-standing building that can potentially be utilized to construct office space and affordable housing. SHA's development arm, Central Carolina Strategic Developers would act as the developer, thereby, creating developers' fees to further the mission of housing.

2. Activity Type: Acquisition

3. Application Status: SHA will seek various funding/redevelopment sources

4. Date application planned for submission: 6/30/2024

5. Number of units affected: SHA Central Office
Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 1/01/2025

b. Projected end date of activity: 06/30/2027

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's informal hearing and review procedures are part of its current Administrative Planin , 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, challenging 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 used funds from its calendar year 2019 and 2020 CFP budgets for RAD development and investment activities totaling \$601,477. The SHA allocated \$238,679 of its calendar year 2021 CFP budget to Stewart Manor redevelopment activity. SHA has amended its Five-Year Capital Fund Action Plan to include redevelopment activities for Stewart Manor and the Central Office Cost Center. This did not have a negative impact on the PHA's current Five-Year PHA Plan and Five-Year Capital Fund Action Plan. 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 the conversion, the PHA should also indicate the estimated impact of those activities.

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 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.

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.

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:

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) is as follows:

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 unit, 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:** 09/01/2025
 - b. **Projected end date of activity:** 12/31/2026

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:** 6/30/2024
5. **Number of units affected:** up to 99
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 1/01/2025
 - b. **Projected end date of activity:** 06/30/2027

1a. Development Name: Gilmore Terrace Baseball Field, Public Housing Development

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

1c. Description of development: The Gilmore Terrace baseball field is a vacant field that can potentially be utilized to construct affordable housing. SHA's development arm, Central Carolina Strategic Developers would act as the developer, thereby, creating developers' fees to further the mission of housing.

2. **Activity Type:** Disposition
3. **Application Status:** SHA will seek various funding/redevelopment sources
4. **Date application planned for submission:** 6/30/2024
5. **Number of units affected:** vacant land
Coverage of action: Total development
6. **Timeline for activity:**
 - a. **Projected start date of activity:** 1/01/2025
 - b. **Projected end date of activity:** 06/30/2027

1a. Development Name: SHA Central Office, Held by Public Housing Deed Restriction

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

1c. Description of development: The **SHA Central Office** is a free-standing building that can potentially be utilized to construct office space and affordable housing. SHA's development arm, Central Carolina Strategic Developers would act as the developer, thereby, creating developers' fees to further the mission of housing.

2. Activity Type: Disposition

3. Application Status: SHA will seek various funding/redevelopment sources

4. Date application planned for submission: 6/30/2024

5. Number of units affected: SHA Central Office

Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 1/01/2025

b. Projected end date of activity: 06/30/2027

Units Disposed of as of 9/30/2020; RAD Conversion to project-based vouchers

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

1b. Development (project) number: NC035-03, NC035-02

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. 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. 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. Actual start date of activity: 10/01/2020

b. Projected end date of activity: 08/31/2022

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

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

1c. Description of development: Harris Court consists of 26 townhouses, 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: 06/30/2024

5. Number of units affected: 26

Coverage of action: Total development

6. Timeline for activity:

a. Projected start date of activity: 11/01/2025

b. Projected end date of activity: 06/30/2027

Conversion of Public Housing to Tenant-Based Assistance

Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD

(b) Demolition and/or Disposition

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

On April 2022, SHA submitted for 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 Affected
Stewart Manor/NC035000002	Elderly and Non-Elderly Disabled	Pending		99

The designation represents 99 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 39 zero-bedroom units, 56 one-bedroom units and 4 two-bedroom units.

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 will receive preference for return if their income decreases within the six months immediately following termination.

Occupancy by Police Officers

No units are occupied by police officers.

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 entryways, windows, porches, balconies, patios, or ventilation systems. 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.

SHA proposes to add additional addendums to the lease after seeking approval from its investors. These addendums include:

- Satellite dish lease addendum

- Rules and Regulations lease addendum
- Lease Addendum for drug free housing

226 Linden Avenue Lease

The Lease consists of two documents:

- a. The Residential Lease Agreement, 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.

SHA proposes to add additional addendums to the lease after seeking approval from its investors. These addendums include:

- Satellite dish lease addendum
- Rules and Regulations lease addendum
- Lease Addendum for drug-free housing

DRAFT RESIDENTIAL LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into between Sanford Housing Authority ("Owner" or "PHA"), , and the Tenant(s) identified in Part A, Section 2 of the attached Tenancy Addendum ("Tenant").

1. *Lease Documents.* The Lease consists of two documents:
 - a. This Residential Lease Agreement; 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 as though fully set forth herein.
2. **DESCRIPTION OF PARTIES AND DWELLING UNIT.** The Sanford Housing Authority (hereinafter referred to as "SHA") does hereby lease to (hereinafter referred to as the "Resident") and the member(s) of Resident's Household ("Household") (listed in Paragraph 1B below) the dwelling unit located at _____ containing _____ bedroom(s), under the terms and conditions as set forth in this Dwelling Lease ("Lease"):
 - a. **Use and Occupancy.** The unit and premises attached thereto and/or assigned to the Resident (collectively referred to as the "unit") are for the exclusive use and occupancy of the Resident and the Household who will reside in the unit. The Resident shall date and initial the following list of individuals who comprise the Household whenever a family member moves into or out of the unit. SHA must approve all additions to the Household, including a "live-in-aide" as defined by regulations of the Department of Housing and Urban Development ("HUD

Regulations"), and reserves the right to refuse admission or continued occupancy to household members who do not meet criteria as outlined in the Statement of Policies Governing Admission and Continued Occupancy of Public Housing (the "ACOP") and/or HUD Regulations. The Resident agrees that no person who has not been listed herein as a member of the Household with the prior approval of SHA shall occupy the unit or any part thereof. A violation of this provision shall be considered a serious and material violation of the Lease.

- b. The Household. The Household shall be defined as the Resident and one or more persons sharing residency whose income and resources are available to meet the needs of the Household, who are related by blood, marriage or operation of law (i.e. foster children, adopted children, step children), a live-in-aide as described in Paragraph I.
- a. above, or who evidenced a stable family relationship over a period of time (not less than 24 months). Evidence of "stable family relationship" may include any of the following: birth certificates of the children, joint tax returns, prior lease (held jointly), joint bank accounts, insurance policies or equivalent documentation as determined by SHA.

Name	Relationship to the Resident	Date of Birth	Social Security Number	Date	Add	Del.	Initial by the Resident
	HEAD						

3. TERM OF LEASE. The Lease shall begin on _____ and shall end at midnight on _____ the term shall be one(1) year and shall renew automatically for another year unless otherwise terminated as provided herein and/or by HUD Regulations or state law. The initial rent (pro rata) for the first month is _____ day of occupancy and is due and payable prior to the first

4. MONTHLY RENT. The monthly rent shall be __due and payable on or before the first day of each month at the central office or a financial institution identified by SHA, and is past due after the fifth (5th) day of the month. A late fee will be assessed to the Resident if rent has not been paid by the fifth (5th) day of the month. Residents who pay rent late, after the 5th of the month, four times within a twelve (12) month period shall be considered habitually late and shall be

subject to termination of the lease. The amount of monthly rent is subject to change in accordance with HUD Regulations.

5. **Security Deposit.** The security deposit shall be an amount equal to the greater of one month's Total Tenant Payment or fixed amount of \$_____. In no event shall the fixed amount change or exceed two month's Total Tenant Payment. The Resident must pay the full amount of the deposit on or before the occupancy date, unless waived under an official marketing promotion that is approved by the Executive Director or designee. The security deposit shall be maintained and applied in accordance with HUD regulations and state law.
6. **Other Charges.** In addition to Tenant Rent, Tenant will also be responsible for payment of the following charges:
 - a. **Maintenance Charges.** Tenant will pay for services and repairs to the unit, common areas or grounds when Tenant, or Tenant's household members or guests cause damage beyond normal wear and tear. Owner will calculate the costs charged to Tenant for service or repair from the Schedule of Maintenance Charges approved from time to time by the Board of Commissioners after a posting and public comment period, or, for work not listed on that schedule, from the actual time and materials using the labor rates specified in that schedule.
 - b. **Utility Charges.** Owner agrees to provide water and utilities, subject to reasonable consumption allowances based on HUD utility consumption modeling guidelines, as approved from time to time by the Board of Commissioners. Tenant must reimburse Owner for excess utility consumption beyond those reasonable consumption allowances.
 - c. **Late Payment Penalty.** Tenant Rent is due and payable on the first day of each month. Tenant must pay a late fee of \$15.00 whenever Tenant does not pay the monthly rent on or before the 5th calendar day of the month that the rent payment is due. The late fee will be charged only one time for each monthly rent payment that is late. The late fee will not be deducted from a subsequent rent payment to cause a default in that later rent payment.
 - d. **Attorney Fees, Court and Related Costs.** In any lawsuit to enforce or terminate this Lease, Tenant must pay all court costs and fees awarded to Owner by the court. Tenant is also responsible for reasonable attorney fees incurred to enforce or terminate this Lease, unless the court awards judgment for Tenant.
 - e. **Processing Fees.** In the event that court proceedings must be initiated to terminate the lease, the tenant must pay a processing fee of \$126.
 - f. **Returned Checks.** When Tenant, or someone acting on his/her behalf, writes a check and the check is returned unpaid, Tenant must pay a processing fee of \$25.00. SHA will not accept personal checks from, or on behalf of the household of rent and/or other charges if the resident previously submitted two (2) returned checks. SHA will not accept personal checks after a 14-day late notice is issued.
 - g. **Other Optional Services.** Tenant will be responsible for paying cable TV fees, pet fees, and other similar charges for optional services, if Tenant voluntarily elects to receive them.
7. **House Rules.** Tenant will ensure that Tenant, members of Tenant's household, and Tenant's guests comply with all rules and regulations approved from time to time by the Board of Commissioners after a posting

and public comment period. House Rules include, but are not limited to, the Trespass Policy and Procedures, Housekeeping Rules and Regulations, Identification and Quiet Enjoyment Rules, Window Air Conditioner Rules and Regulations, and Swimming Pool Rules.

The Resident and the Household are further obligated as follows:

1. Discharge of Firearms. The Resident, the Household, guests and /or visitors shall not discharge or threaten to discharge a firearm of any type, including a "B-B" gun, or use or threaten to use a knife, club or any other weapon against any person on SHA property anywhere within the City of Sanford.
2. Illegal Firearms. The Resident, the Household, guest and/or visitors shall not display, use or possess illegal firearms, operable or inoperable) or other illegal weapons as defined by the laws and courts of the State of North Carolina anywhere on SHA property.
3. Gasoline. Flammable or Explosive Materials. The Resident, the Household, guests and/or visitors shall not keep gasoline or any other explosives or highly flammable materials, machinery or equipment containing such explosive or flammable materials in the unit, in, or on any SHA property within the City of Sanford. Electric space heaters and kerosene heaters are expressly prohibited by this provision.
4. Sublease. The Resident and/or the Household shall not lease or sublet the unit.
5. Boarders or Lodgers. The Resident and/or the Household shall not accommodate boarders or lodgers in the unit. Boarders and lodgers are guests who are accommodated by the Resident and/or Household in the unit for fourteen (14) or more days within a twelve (12) month period without the express permission of SHA. Evidence of boarders and lodgers in the unit may include, but not be limited to:
 - (a) a non-resident's listing of the Resident's physical address in a telephone directory as that of the non-resident;
 - (b) a telephone, gas, electric and/or television cable bill addressed to a non-resident at the Resident's physical address;
 - (c) the records of a non-resident's employer listing the Resident's physical address as that of the non-resident;
 - (d) the non-resident's vehicle ownership records listing the Resident's physical address as that of the non-resident;
 - (e) statements from neighbors or SHA employees who have personal knowledge of the non-- resident living in the unit.
6. Use of Unit. The Resident and/or the Household shall not use the unit for any purposes other than as a private dwelling solely for the Resident and the Household. During the term of the Lease, the Resident and the Household identified, shall have the right to

exclusive use and occupancy of the unit, including reasonable accommodation for guests. Any guest shall need prior written permission of SHA for such visitation. This provision permits accommodation of guests for a period not to exceed fourteen (14) days during a twelve (12) month period. Household members may engage in legal profit-making activities in the dwelling unit so long as the activities are incidental to the primary use of the units as a residence. Household members must receive written approval from SHA. A violation of these provisions shall be cause for termination of the Lease at the option of SHA.

7. Violation of Rules. The Resident, the Household, guests and/or visitors shall not violate any regulations promulgated by SHA for the benefit and well-being of the Development, SHA employees and/or SHA residents, which regulations shall be posted in the development office and incorporated herein by reference.
8. Violation of Housing Codes. The Residents, the Household, guests and/or visitors shall not violate any applicable provisions of building and housing codes materially affecting the health and safety of the Development, SHA employees and/or SHA residents.
9. Condition of the Unit. The Resident, the Household, guests and/or visitors shall keep the unit and such other areas as may be assigned to them for maintenance and upkeep as clean and safe as the condition of the unit and other areas permit. SHA shall conduct an annual inspection to verify that the Resident and the members of the Household are keeping the unit in a clean and safe condition and in a condition of continual care. The Resident shall immediately notify SHA of any damage or necessary repairs to the unit.
10. Disposal of Garbage. The Resident, the Household, guests and/or visitors shall dispose of ashes, garbage, rubbish and other waste in a sanitary and safe manner in appropriate receptacles.
11. Use of Utilities. The Resident, the Household, guests and/or visitors shall use all electrical, plumbing, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances, including elevators, in a reasonable manner.
12. Destruction of Property. The Resident, the Household, guests and/or visitors shall not deliberately or negligently destroy, deface, damage or remove any part of the unit the Development building(s), facilities or common areas, or SHA property.
13. Disabling Fire Detector(s). The Resident, the Household, guests and/or visitors shall not disable any smoke detector(s). Resident shall promptly inform SHA of a malfunctioning smoke detector. The Sanford Housing Authority will not tolerate any non-compliance or abuse of policy or equipment

Listed below are items you should be aware of and comply with in order to protect yourself as well as the Housing Authority and your neighbors. Failure to comply with these requirements could result in penalty fees and/or eviction.

- (a) Fire/smoke detectors are located in each apartment. If the fire alarm is activated while cooking or at any other time other than an actual fire, open all windows to allow smoke and steam out of the apartment. (Stewart Manor Resident, your alarm is connected to the fire and police department).
- (b) Fire/smoke alarms are placed in the apartment for your protection. Tampering with or disconnecting the fire alarm is a serious matter for which you will be charged \$ 1 00.00 penalty. Violations of this provision on two (2) occasions will result in eviction.
- (c) The tenant is responsible for reporting any fire/smoke alarm that is defective or does not work for any reason.
- (d) Be very careful not to overload the circuits. Do not plug several appliances or equipment in an outlet.
- (e) Paper, trash and clothing should not be allowed to accumulate in rooms and storage areas, as they pose a fire hazard.
- (f) Falling asleep while smoking is a common cause of household fires; if you smoke, please use extreme caution to prevent household fires. Keep matches and lighters out of the reach of children.
- (g) Leaving food that is cooking unattended is another major cause of household, always turn the stove off before leaving your apartment.
- (h) Flammable or explosive materials, gas or kerosene heaters are not permitted.
- (i) The furnace/hot water heater closet shall remain free of any other items, it must not be used for storage space.

Please note, the Sanford Housing Authority fire insurance policy requires a \$1,000.00 deductible. If a fire occurs due to tenant negligence, the tenant will be required to pay the deductible and/or be subject to eviction. The insurance policy covers the Housing Authority units, we do not provide coverage for the loss of personal contents or property.

14. Damages to Premises. The Resident shall pay reasonable charges for the repair of damages to the unit, the Development building, facilities, or common areas or SHA property intentionally or negligently caused by the Resident, the Household, guests and/or visitors.

15. Disturbances. The Resident, the Household, guests and/or visitors shall conduct themselves in a manner that will not disturb the peaceful enjoyment of their

neighbors or SHA employees.

16. Illegal Activities.

- (a) The Resident, the Household, guests and/or visitors shall not engage in any activity, including but not limited to criminal activity, on or off the premises, that threatens the health, safety or right of peaceful enjoyment by other residents, SHA employees, or persons residing in the immediate vicinity.
- (b) The Resident, the Household, guests shall not engage in any drug-related criminal activity or violent criminal activity, as those terms are defined by HUD Regulations and/or state law, on or off the premises.
- (c) Visitors shall not engage in any drug-related criminal activity or violent criminal activity on the premises.

17. Repairs/Alterations. The Resident, members of the Household, guests and/or visitors shall not repair, alter or install any equipment collectively referred to as "repairs") in the unit without the prior written consent of SHA. Provided, however, that if the Resident submits a written request to SHA to make repairs-or requests that he/she be allowed to make such repairs and receives no response, either affirmatively or negatively from SHA within thirty (30) days after the request, the Resident may make such repairs as requested. Provided further that in emergency situations, SHA must respond within twenty-four (24) hours of the request, or the Resident may make the necessary repairs.

18. Annual Re-certification. The Resident and members of the Household shall attend and cooperate with SHA in the re-certification process as described above, as required by HUD Regulations and SHA policies.

- 1. SHA shall conduct an annual re-determination examination for each Resident who has opted for the income-based rent calculation to determine eligibility, monthly rent and size of unit. The Resident and the Household, as required by HUD Regulations agree to provide, in a form prescribed by SHA, accurate information and facts as to the Resident and the Household, including, without limitation, facts about their ages, income, assets, and employment. The Resident and spouse, and any adult member of the Household if required by SHA, must attend the annual re-certification interview and sign the record verifying the information provided.
- 2. If, upon reexamination, the income of the Resident and/or the Household warrants a change in rent under SHA's approved schedule of rents posted in the development office, a new lease may be executed incorporating a new monthly rent to be charged or SHA will mail a written Notice of Rent Adjustment ("Notice of Adjustment") to the Resident. The Notice of Adjustment shall automatically constitute an amendment to the Lease, adjusting the monthly rent as stated in

the Notice of Adjustment.

3. If, upon reexamination, SHA determines that the composition of the Household no longer conforms with SHA's occupancy standards for the unit occupied, the Resident will be so notified and SHA may require the Resident and the Household to move to a unit of appropriate size, as determined by SHA.
4. If the Resident and/or the Household fail or refuse to furnish the information requested by SHA or if the Resident and/or the Household misrepresent the facts upon which the monthly rent is calculated such that the monthly rent charged is less than the monthly rent that should have been charged, SHA, upon discovering the misrepresentation, shall charge the Resident the rent which would have been imposed had the information been properly revealed, retroactively to the date which such increase would have taken place. This retroactive rent becomes due and payable forthwith upon the charge being made. In addition to the charging of retroactive rent in such cases, the misrepresentation shall be a serious and material violation of this Lease. In addition, SHA may elect to pursue other remedies provided by federal or state law.
5. SHA may, at times other than upon annual reexamination, adjust the amount of the monthly rent by written Notice of Adjustment after SHA has determined that an error occurred with respect to a previous rent decision, that a hardship has arisen affecting the Resident's ability to pay, that the statutory limitations upon rent are being exceeded, or as required by HUD Regulations, or SHA policy.
6. Except as otherwise provided above, increases in monthly rent under this Section shall become effective on the first day of the second month following the mailing of the Notice of Adjustment SHA may rely on the statements made by the Resident and/or the Household; if SHA determines such statements are incorrect upon verification or investigation, an error will have occurred justifying a rent adjustment. The decrease will be effective on the first day of the month following the month in which the change was reported. In cases where the change would have become effective, the change will be made retroactively.
7. If, at any regular reexamination or interim re-determination, SHA is unable to verify the Resident's and/or the Household's income, a temporary monthly rent will be charged to the Resident, in which case the Resident must report to SHA every thirty (30) days until a regular monthly rent can be determined. Such regular rent will be effective retroactively to the effective date of the temporary rent; any underpayment will become due and payable immediately to SHA.
8. The commencement or termination of employment, public assistance, social security, supplemental security, and/or other income as defined by HUD Regulations paid to the Resident and/or the Household, shall be reported within ten (10) calendar days to SHA. Failure to report this information will be caused to charge rent retroactively, if appropriate, to the date when such payments commenced. Failure to make such reports shall constitute a violation of this Lease and shall be cause for immediate termination of this Lease at the option of

SHA.

19. Motorized Vehicles.

- (a) Parking. The Resident, the Household, guests and/or visitors shall park motorized vehicles in designated parking areas with a current parking decal or visitor pass appropriately displayed, when applicable, and shall refrain from parking or driving on lawns, sidewalks, and common areas not designated for parking or driving. Improperly parked and/or unauthorized vehicles will be towed from the premises at the owner's expense.
- (b) Condition of Vehicles. All motorized vehicles shall be in an operable condition with fully inflated tires and current registration and inspection stickers. Inoperable or unlicensed vehicles on SHA property without the express permission of SHA will be towed from the premises at the owner's expense. Vehicles will be tagged with a notice allowing five (5) days to remove the vehicle before being towed. If the vehicle poses a safety threat to the residents, it will be towed immediately. All vehicles will be towed at the owner's expense. Automobile repairs are not permitted on SHA property.
- (c) Vehicles per Unit. Each household shall be permitted to park one (1) vehicle registered to members of the Household in the development parking lot, in accordance with the requirements of this Paragraph 9 of the Lease, if there is space available. If the Household would like to park more than two (2) vehicles on the property, the Resident shall make a request to SHA. It shall be the sole discretion of SHA to permit or deny such a request.

20. Trespassed Individuals. The Resident and the Household shall keep off SHA's property anywhere within the City of Sanford any individual who has been trespassed or banned from SHA's property anywhere within the City of Sanford. The Resident and the Household shall regularly review the list of trespassed individuals, which shall be posted in the development office.

21. Obscene or Threatening Language and Behavior. The Resident, the Household, guests and/or visitors shall refrain from obscene or threatening language or behavior while on any property owned by SHA.

22. Water-filled Furniture. The Resident and the Household shall not keep waterbeds, or any other water filled furniture in the unit unless the Resident has obtained the prior written consent of SHA.

23. False/Misleading Information & Fraud.

- (a) The Resident and/or the Household shall not furnish false or misleading

information to SHA.

- (b) The Resident and/or the Household shall not commit any fraud in connection with any Federal housing assistance program.
- (c) The Resident and/or the Household shall not receive assistance for occupancy of any other unit assisted under any Federal housing assistance program.

24. Payment of Rent. The Resident shall pay rent as required by Paragraph 4 of the Lease. The nonpayment of rent, including failure by the Resident to pay rent when due two (2) times within a twelve (12) month period, which results in SHA filing court papers is a material violation of the Lease. SHA shall have the right to terminate the Lease for nonpayment and take possession of the unit; the Resident shall have forfeited the opportunity to tender the rent and maintain possession of the unit pursuant to state law.

25. Abuse of Alcohol. The Resident and the Household shall not engage in an abuse or pattern of abuse of alcohol that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

26. Lifetime Sex Offender Registration. If the Resident and/or Household is subject to a lifetime or state registration requirement under any state's sex offender laws, the registrant must be removed from the household or this Lease will be terminated as provided by HUD regulations.

27. Resident shall be responsible for keeping the Resident's yard free of litter and debris. If management discovers trash or debris in the yard of the Resident, the Resident shall be notified to remove the litter or debris immediately. If within twenty-four (24) hours the trash and debris has not been removed, management will remove the trash or debris and the resident will be charged a fee as listed on the fee schedule.

For purposes of this Lease:

"drug" means a controlled substance as defined by North Carolina law;

- 1. "drug-related criminal activity" means the illegal manufacture, sale, distribution, or use of a drug, or possession of a drug with intent to manufacture, sell, distribute, or use the drug;
- 2. "guest" means a person temporarily staying in the unit with the consent of the Resident or the Household with authority to consent on behalf of the Resident;
- 3. "visitor" means "a person under the Resident's control," which shall be further defined as a person not staying as a guest in the unit, but is or was present on the

premises at the time of the activity in question because of an invitation from the Resident or the Household with authority to consent on behalf of the Resident;

4. "premises" means the building or complex or development in which the Resident's unit is located, including common areas and grounds; and
5. "violent criminal activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

8. **OBLIGATIONS OF SHA.** The obligations of SHA pursuant to the Lease shall include the following:

- a. To maintain the unit and the Development in a decent, safe and sanitary condition.
- b. To comply with requirements of applicable building codes, housing codes and HUD Regulations materially affecting health and safety.
- c. To make necessary repairs, alterations and improvements to the unit necessitated by normal wear and tear.
- d. To keep development buildings, facilities and common areas, not otherwise assigned to the Resident for maintenance and upkeep, in a clean and safe condition.
- e. To maintain in good and safe working condition electrical, plumbing, sanitary, heating, ventilation, air- conditioning and other facilities and appliances, including elevators, supplied or required to be supplied by SHA, provided that if maintenance or repairs are necessary by reason of damages intentionally or negligently caused by the Resident, the Household, guests and/or visitors, the reasonable cost of such maintenance or repairs shall be charged to the Resident.
- f. To provide and maintain appropriate receptacles and facilities for the collection of ashes, garbage, rubbish, and other waste, in accordance with Paragraph 10(A)(9) of the Lease.
- g. To supply running water, reasonable amounts of hot water, and reasonable amounts of heat at appropriate times of year (according to local custom and usage), except where the building that includes the unit is not required by law to be equipped for such purpose(s), or where heat or hot water is generated by an installation within the exclusive control of the Resident and supplied by a direct utility connection.
- h. Owner agrees to provide utilities, subject to reasonable consumption allowances based on HUD utility consumption modeling guidelines, as approved from time to time by the Board of Commissioners. Tenant must reimburse Owner for excess utility consumption beyond those reasonable consumption allowances.
- i. To post a list of trespassed or banned persons from SHA property in the development office.

- j. To notify the Resident of specific grounds for any proposed adverse action by SHA; and when SHA will afford the Resident an opportunity for a hearing under the grievance procedure.
 - k. In the event that the unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the Resident and the Household, as determined by SHA, SHA shall repair the unit within a reasonable time or offer standard alternative accommodations, if available, to the Resident. The Resident shall pay reasonable charges for the repair of damages intentionally or negligently caused by the Resident, the Household, guests and/or visitors. Rent abatement shall be offered to the Resident in proportion to the seriousness of the damage and loss in value as a dwelling unit if repairs are not made or accommodations not offered in compliance with HUD Regulations. There shall be no abatement of rent when the Resident rejects alternate accommodations or if the damage was caused by the Resident, the Household, guest and/or visitor.
9. *Right to Enter.* Owner reserves the right to enter the unit during reasonable hours for the purpose of:
- (1) inspecting the unit and Tenant's compliance with the terms of this Lease and the House Rules,
and
 - (2) making such repairs, alterations, improvements or additions thereto as Owner may deem appropriate. Except in an emergency, Tenant will be given at least 48 hours written notice before entering the unit.

10. *Termination of Tenancy.*

- A. Termination of Tenancy by SHA. SHA may terminate tenancy only for serious or repeated violation of material terms of the Lease or for other good cause. Other good cause includes, but is not limited to, the following: criminal activity and alcohol abuse (as defined below), discovery by SHA after admission of facts that made the Resident ineligible, discovery of false statements or fraud, and failure of the Resident to accept SHA's offer of a lease revision pursuant to HUD Regulations and state law.
 - 1. Criminal Activity and Alcohol Abuse. Criminal activity and alcohol abuse shall mean, but is not limited to, the following:
 - (a) Any drug-related criminal activity on or off the premises by the Resident, the Household, guests;
 - (b) Any drug-related criminal activity on the premises by visitors;
 - (c) SHA determines that the Resident or the Household is engaging in the illegal use of drugs;
 - (d) SHA determines that a pattern of illegal use of drugs interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
 - (e) Criminal activity by the Resident, the Household, guests, or visitors, that threatens the health or safety of, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity of the premises;
 - (f) The Resident (I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the

individual flees, and/or a high misdemeanor; or (2) is violating a condition of probation or parole imposed under federal or state law;

- (g) SHA determines that the Resident or the Household has engaged in abuse or a pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (h) SHA determines that the Resident or the Household has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers; or
- (i) It shall be cause for immediate termination of the tenancy and this Lease if SHA determines that the Resident or the Household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted public housing.

Criminal activity directly related to domestic violence, dating violence, sexual assault or stalking shall not be considered cause for termination of assistance for any participant or immediate member of a resident's family who is a victim of the domestic violence, dating violence, sexual assault or stalking. SHA may bifurcate the dwelling lease to terminate assistance to remove a lawful resident or member of the household who engages in criminal acts of violence to family member or others without terminating the victimized lawful resident.

- 2. Written Notice. In the event of termination of the Lease by SHA, SHA shall give the Resident written notice of termination, which notice shall be delivered to the Resident by hand delivery to the Resident or an adult member of the Household or prepaid first-class mail properly addressed to the Resident. Any such notice given by SHA shall state the specific reason(s) for termination and shall inform the Resident of the right to make such reply as he/she may wish the right to examine SHA's documents directly relevant to the termination, and the right to request a hearing in accordance with SHA's Grievance Procedure when applicable.
- 3. Length of Notice.
 - (a) SHA shall give the Resident fourteen (14) days written notice of Lease termination in the case of failure to pay rent.
 - (b) In cases covered by the exclusion included in section 10.A., SHA shall give the Resident written notice (not to exceed three (3) days) when the health or safety of other residents, SHA employees, or persons residing in the immediate vicinity of the premises is threatened. SHA, with cause, may initiate an immediate termination action. Such Lease violations requiring only three (3) days' notice include, but are not limited to, armed physical assaults, discharge of firearms, abuse of alcohol or illegal drugs, conviction of the Resident or a Household member of a felony, and other illegal activities.
 - (c) SHA shall give the Resident thirty (30) days' notice for termination in

all other cases provided that if a State or local law provides for a shorter period of time, the shorter period shall apply.

4. Notice to Post Office. If SHA evicts the Resident from the unit for criminal or drug activity, SHA shall notify the local post office serving the unit that the resident and/or the Household no longer reside in the unit so that the post office will stop mail delivery for such persons and there will be no reason for their return to the property.

B. Termination by the Resident.

- I. In the event of termination of the Lease by the Resident, the Resident shall give SHA written notice of termination, which notice shall be hand-delivered to the central office of SHA or sent by prepaid first-class mail properly addressed.
 2. The Resident shall give SHA thirty (30) calendar days' notice in all cases.
11. *Abandonment Of Dwelling And Property.* The unit and personal property therein shall be deemed abandoned if SHA finds by clear evidence that the unit has been voluntarily vacated after the paid rental period has expired and SHA has no notice of a disability that caused the vacancy. A presumption of abandonment shall arise ten or more days after SHA has posted a notice of suspected abandonment inside and outside of the unit and has received no response from the Resident. In the event of abandonment, SHA shall exercise its rights under state law to recover possession of the unit and dispose of personal property.
12. *Accommodation Of Persons With Disabilities.* The Resident may, at any time during tenancy, request reasonable accommodation of a handicap of the Resident or a member of the Household, including reasonable accommodation so that the Resident or a member of the Household may meet the requirements of tenancy.
13. *No Waiver.* Tenant understands and agrees that acceptance of a partial Tenant Rent payment from Tenant, or the Housing Assistance Payment under the Tenancy Addendum, will not waive Tenant's breach of this agreement or limit Owner's right to evict Tenant through a summary ejectment proceeding, whether filed before or after acceptance of the partial Tenant Rent or Housing Assistance Payment.
14. *Unit Size Transfer.* If Tenant's family size is or becomes lower than the minimum allowed under the Section 8 Administrative Plan for the bedroom size leased to Tenant, then Tenant understands that a transfer to an appropriately sized unit will be required, when such a unit becomes available in the development where Tenant resides.
15. *Governing Law.* This Agreement shall be governed, construed and interpreted by and under the laws of the State of North Carolina.
16. *Severability.* If any provision of this Lease or the application thereof shall, for any reason and to any extent, be found by a Court to be invalid or unenforceable, neither the remainder of this Lease nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

By signing below, the parties agree to the terms and conditions of this lease and all other documents incorporated by reference herein.

TENANT(S): _____ (SEAL) DATE: _____

PROPERTY MANAGER: _____ (SEAL) DATE: _____

Attachments to 226 Linden Avenue Lease
Attachment 1: PBV Tenancy Addendum

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 vouchers and project-based voucher units.

226 Linden Avenue is being renovated to produce five project-based voucher units for homeless families. Construction will be completed in May 2022.

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 to 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 or project-based rental assistance 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 Stewart Manor, Harris Court, Utleigh Plaza, Linden Heights, and Foushee Heights are HUD-approved off-line pending modernization of the units.

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants)

The Sanford Housing Authority (SHA) requests to apply for the Capital Fund Program Emergency Funds in an amount of \$3,872,390.00 for Stewart Manor, an AMP 2 high-rise building designated for elderly and disabled individuals. Stewart Manor was built in 1978 and consists of 99 one- and two-bedroom units. The property currently has a 50.51% occupancy rate (includes HUD-approved offline units) due to various ongoing maintenance issues at the property.

In 2019, the property began to experience significant issues related to plumbing issues, mold, ceilings collapsing, leaks throughout the building, etc. Since that time, the issues have escalated. Due to the continuing issues, we

have had to vacate units, and/or tenants have begun to terminate their residencies at Stewart Manor. Due to these ongoing issues, the vacancy rate is extremely high. In addition, due to the ongoing issues, it is difficult to lease the property.

B.3 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:

For fiscal year October 1, 2020 – September 30, 2021, Public Housing accomplishments were as follows:

Performance Measure Definition	FY2021 Target	FY2021 Outcome
Public Housing Program		
Percent Rents Uncollected Gross tenant rents receivable for the fiscal year (FY) divided by the number of tenant rents billed during the FY.	≤5%	Collection enforcement suspended due to COVID-19
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%	84.43% (Units could not be leased due to issues and COVID-19)
Emergency Work Orders Completed or Abated in <24 Hours The percentage of emergency work orders that are completed or abated within 24 hours of the issuance of the work order shall be greater than or equal to the target benchmark.	100%	100%
Percent Annual Inspections Completed	100%	

The percentage of public housing units receiving an inspection prior to the end of the fiscal year.		Suspended due to COVID-19
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For fiscal year October 1, 2020 – September 30, 2021, HCV accomplishments were as follows:

Performance Measure Definition	FY2021 Target	FY2021 Outcome
Housing Choice Voucher Program		
Budget Utilization Rate The expenditure of Calendar Year 2021 Housing Choice Vouchers annual budget allocation.	≥98%	Suspended due to COVID
Percent Annual Inspections Completed The percentage of all occupied units under the contract that is inspected.	100%	100%
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	Suspended due to COVID-19

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. The renovations 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 were 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.

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

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. Due to COVID-19, the SEMAP score for fiscal year end September 30, 2020, remained the same as the previous year.

For the October 1, 2020 – September 30, 2021, 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 training presented by HUD. SHA Staff participated individually in additional training such as: Basic and Advanced PIC Training; RAD PBV Specialist Training, Nan McKay Low-Income Housing Tax Credit Training, Procurement, and Section 3 Training, and NCHFA Compliance Training.

The annual board trainings did not occur due to COVID.

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:

Matthews Court, Garden Street and Gilmore Terrace

SHA closed on its first RAD conversion in October 2020, converting 176 public housing units to project-based voucher units. This multi-layer financing deal, including low-income housing tax credits, and multi-family housing revenue bonds, will improve the affordable housing stock in the City of Sanford. Rehabilitation work includes new plumbing, sewer replacements, electrical, flooring, cabinetry and appliances. The Matthews Court renovations were completed March 31, 2022. The Garden Street and Gilmore Terrace renovations are expected to be completed no later than August 2022.

Stewart Manor

SHA has identified critical repair items in the Stewart Manor community. These are immediate needs that must be addressed to improve the quality of life of our residents while pre-development work is done to determine the best route for site redevelopment. Items to be addressed include mold remediation, roof repairs, elevator replacement, and HVAC repairs. Some of the items were completed via the FY2020 and 2021 capital fund grants. In 2022, SHA also applied for a Capital Fund Emergency Grant in the amount of over \$3 million to assist with the additional repairs.

226 Linden Avenue

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 SHA currently owns 226 Linden Avenue, a vacant and boarded building. SHA renovated the building, thereby producing 5 units to serve homeless families. Construction is anticipated to be completed May of 2022.

The unit composition is 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 \$1,633,467.00. Of this project cost, \$390,867.00 will be in the form of CDBG funding and a \$900,000.00 construction loan. Permanent funding will be provided via Supportive Housing Development Program funding of \$900,000.00.







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 the 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 transitional 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 obtained 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 of renovating Matthews Court, Garden Street, and Gilmore Terrace is to improve the housing stock.

The objective of making improvements to Stewart Manor is to improve the housing stock.

The objective of renovating 226 Linden Avenue is to create permanent, quality, affordable housing for five homeless families (up to 11 homeless individuals). SHA rejuvenated a vacant, boarded building and bring life to it by renovating the property, as well as by providing housing.

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 100 persons on the caseloads. Approximately 29% are employed.

Resident Services has continued to increase capacity through collaboration and grant-writing. A partnership formed with Kramden Institute, a technology organization, has boosted SHA's digital inclusion initiative. We were awarded a Spectrum Digital Education grant to donate dozens of laptop computers to residents along with digital education classes. Collaboration with organizations such as Harnett County Emergency Services has led SHA to receive an Emergency Food and Shelter Program (EFSP) grant. The grant enables SHA to provide emergency relief to families during the pandemic. Faith-based partners have continued to provide vital outreach. Monthly activities facilitated by our faith-based partners have boosted overall well-being. East Sanford Baptist Church and Jonesboro AME Church have provided monthly outreaches to include food, empowerment services, and social engagement.

SHA has continued to provide its monthly calendar of self-sufficiency activities to include workshops on financial literacy, homeownership, and mental health. As well as annual events such as job fairs and college tours. Food donation events such as our annual Mobile Yam Jam provided over 5,000 lbs. of sweet potatoes to residents. In addition, we continue to provide congregate meals, clothing, toys, necessities, school supplies, educational resources, counseling, mentoring, and holiday events. Our partnership with Toys for Tots secured dozens of toys to giveaway during our "Christmas Huddle" event. Holiday events such as "Holiday Huddle" provide enjoyment and an improved quality of life.

The FSS Program is assisting 100 families with achieving personal goals such as obtaining a diploma or degree, gaining work, transportation, credit repair, job skills and more. A monthly calendar of workshops and activities are developed to support achievement of their goals. Dozens of families have attended job training, parenting, financial literacy, homeownership, and other workshops to help them reach economic self-sufficiency. Our new

ROSS Program is assisting 25 residents with similar needs. The ROSS Program serves residents of all ages and has quickly become very popular with our youth and senior residents.

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..

Improved security camera systems and Wi-Fi will also be installed during the RAD renovations at Matthews Court, Garden Street and Gilmore Terrace.

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