

Newburyport Housing Authority

25 TEMPLE STREET
NEWBURYPORT, MASSACHUSETTS 01950-2713
TEL: 978-465-7216 FAX: 978 463-3080
e-mail: nha@nhahousing.com
Visit our website at: nhahousing.com

September 14, 2023

TO: All Residents of Horton Terrace
FR: Tracy M. Watson, Executive Director
RE: Horton Terrace Repositioning

TUESDAY, OCTOBER 3, 2023

10:30 a.m.

Community Building

Please join us to discuss plans to reposition Horton Terrace from the federal public housing program to the Section 8 Project-Based Voucher (PBV) program under Section 18 of the Federal Housing Act of 1937 (42 U.S.C. 1437p.) This specific section authorizes Housing Authorities to convert/reposition public housing.

Whereas the NHA only owns and operates 50 federal public housing units it has been determined that it is in the best interest of the residents and NHA to close out its public housing program and reposition the property to Project Based Section 8. Repositioning will help us achieve our ongoing mission of providing safe and affordable housing to our most vulnerable populations. This repositioning will also afford NHA by increasing our revenue stream exponentially more an opportunity to properly fund all capital needs, address resident services as well as the possibility of new affordable units over time.

RESIDENTS WILL NOT BE NEGATIVELY AFFECTED!!

Nothing will change for our residents.

You will continue to pay 30% of your monthly adjusted income however the property will be properly funded today and well into the future.

Please join us for additional information!!!



Section 18 Disposition is a program run by the U.S Department of Housing And Urban Development (HUD). Under Section 18 Disposition and repositioning, HUD will replace the public housing rental assistances you currently receive with Section 8 rental Assistance. The Section 8 Program will make it easier for us to access money to repair and improve the property along with enhancing services to residents. We will also preserve the property as affordable housing for the long-term.

YOUR RIGHT to INFORMATION

With this letter, we have included "Frequently Asked Questions" however at the meeting we will describe in more detail the Section 18 PBV program and our current ideas in more detail. If our Section 18 application to HUD is approved we will have at least one more meeting with residents about our plans. You have the right to hear about major changes for the project and to voice your opinions. As you already have a recognized Tenant Organization they too can serve as your voice to help all residents become well informed.

The Section 18 conversion, and any relocation associated with it, must be implemented consistent with fair housing and civil rights requirements however at this time we do not anticipate any residents needing relocation. If you have any reasonable accommodation or have any other questions about the Section 18 conversion please attend this upcoming meeting or contact me directly:

Tracy M. Watson, Executive Director

tmwatson@nhahousing.com

978.465.7216 ex 140



Frequently Asked Questions about Section 18 Conversions

What does Repositioning mean?

“Repositioning” means your public housing agency (PHA) is moving one or more public housing units out of the public housing program. Tenants will receive replacement housing, subject to the specific requirements of the program, which may be in the form of project-based or tenant-based assistance.

NHA is replacing your public housing assistance with Project-Based Voucher (PBV) Assistance using Section 18 Disposition for Scattered Site Units.

What does a PBV mean?

PBV assistance means that Section 8 vouchers are attached to specific units in a building. The voucher stays with the unit even after a tenant moves out. If you live in a PBV unit, you have a right to request tenant-based rental assistance after the first year of occupancy, but you may have to wait for the tenant-based assistance to become available. Tenant-based rental assistance is typically a tenant-based HCV (see next question). Once you get tenant-based assistance, you may move to a unit of your choice.

What does tenant-based HCV assistance mean?

Tenant-based HCV assistance means that your assistance follows you and is not tied to a specific unit. You get to choose a unit in the private rental market where the landlord is willing to accept the voucher and if the unit meets certain requirements (including that the rent for the unit is reasonable and that it meets HUD’s housing quality standards). You can use the assistance anywhere in the United States within the jurisdiction of a PHA that runs an HCV program (this is called portability). In some cases, you may need to wait a year before you can use portability.

Will a Section 18 PBV conversion affect my housing assistance?

Yes. Under Section 18, your current Public Housing lease will end and your PHA must offer you comparable housing assistance, possibly as a Section 8 Housing

Choice Voucher (HCV) or as a Project-Based Voucher (PBV). Comparable housing may also be a public housing unit at a different location or another property where the rent is comparable to your current rent.

NHA will screen your household prior to repositioning for Section 8 PBV program and project eligibility. If your household income is less than 80% of the AMI for your household size, you are eligible for Section 8 housing assistance.

	Persons in the Family					
	1	2	3	4	5	6
80% of AMI	\$82,950	\$94,800	\$106,650	\$118,450	\$127,950	\$137,450

If you are determined ineligible under Section 8 PBV requirements, the PHA must still offer you another form of comparable housing. Examples of other types of comparable housing are another public housing unit, PHA-owned units that receive a state subsidy, and/or PHA-operated units that receive no federal or state/local subsidy but are rent-controlled.

NHA will work with ineligible residents on a form of lease that will allow you to remain in your unit. But again we do not at this time expect any household to be ineligible.

Will my rent go up?

In most cases your rent will not increase. Individuals who were previously paying a flat rent as a Public Housing resident may experience a rent increase because Section 8 rents are income-based. Generally, you will not pay more than 30 percent of your monthly adjusted income in rent. You can request for your PHA to explain changes in the rent you pay.

Do I have to move?

It depends on the repositioning plan that is approved by HUD. The answer depends on several factors including the type of repositioning, whether units are in good condition, and how the property will be used after repositioning. You may have to move temporarily if the property is renovated. **However we do NOT expect any moves as there will be no major unit renovations.**

If you are required to move, your PHA must give you at least 90 days advance notice, counseling and offer you comparable housing. In most cases, your PHA pays actual, reasonable moving expenses if you are required to move. Persons with disabilities can request reasonable accommodations within the comparable housing offered and for assistance with moving.

NHA plans to preserve your housing as affordable rental housing and does not intend to do major renovations at this time so you will not be required to move.

How can I participate in the repositioning planning process?

Prior to participating in Section 18, HUD requires PHAs to:

- Notify all residents at the property about their Section 18 plans, and
- Conduct at least two (2) meetings with residents. These meetings are an opportunity for you to discuss the proposed conversion plans with your PHA, ask questions, express concerns, and provide comments. These meetings are also an opportunity to tell the PHA what you think needs to be repaired at the property. The PHA can then consider that information when developing plans for the property.

NHA must have at least two more meetings with all residents of the properties before HUD approves the final Section 18 application. These additional meetings are another opportunity for the PHA to keep you informed and for you to provide comments about the PHA's repositioning plans. Our first meeting will be this one October 3, 2023 and an additional one on November 8, 2023 which will be our Public Hearing on the Annual Plan. We will conduct one more meeting in the spring for residents who may have residual questions.

In addition to these resident meetings, your Resident Advisory Board (RAB) will also be consulted and have an opportunity to make recommendations on your PHA's Section 18 conversion plans during the PHA Plan public hearing process.

What if I need accommodations to participate?

Your PHA must make materials available in accessible formats for persons with disabilities and must make meetings accessible for persons with disabilities.

Your PHA must also provide language assistance to persons with limited English proficiency so that you can understand materials, participate in meetings, and

provide comments on the proposed Section 18 conversion. This may include providing written translation of the PHA's written materials and providing oral interpreters at meetings.

What changes will I see in my lease renewal process?

At the time of the Section 18 conversion, you will need to sign a new lease. Unless there is good cause for eviction based on your actions, your new lease will continue to renew.

What if I need more information?

For more information, go to
https://www.hud.gov/program_offices/public_indian_housing/repositioning

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QUESTIONS ASKED AT MEETING AND RESPONDING ANSWERS



What does Repositioning mean?

“Repositioning” means your public housing agency (PHA) is moving one or more public housing units out of the public housing program and into the Project Based Section 8 program.

NHA is replacing your public housing assistance with Project-Based Voucher (PBV) Assistance using Section 18 Disposition.

What does a PBV mean?

PBV assistance means that Section 8 vouchers are attached to the unit. The voucher stays with the unit even after a tenant moves out ergo “project based voucher”.

Will my rent go up?

In most cases your rent will not increase. Individuals who were previously paying a flat rent as a Public Housing resident may experience a rent increase because Section 8 rents are income-based. Generally though you will not pay more than 30% of your monthly adjusted income in rent just as you do now. You can request for your PHA to explain changes in the rent you pay.

Do I have to move?

NO

What if I need accommodations to participate?

We can make materials available in accessible formats for persons with disabilities and also make meetings accessible for persons with disabilities. Please contact us directly if needed.

What changes will I see in my lease renewal process?

At the time of the Section 18 conversion, you will need to sign a new lease. Otherwise the process will remain the same.

NHA will have more meetings with all residents of the properties before HUD approves the final Section 18 application. These additional meetings are another opportunity for us to keep you informed and for you to provide comments about the NHA’s repositioning plans. In addition to these resident meetings, your Tenant Association will also be consulted and have an opportunity to make recommendations on this Section 18 conversion plan.

What if I need more information?

For more information, go to
https://www.hud.gov/program_offices/public_indian_housing/repositioning



- **You said that there would be several meetings, where is NHA in the process of repositioning the property?**
 - Will tenants have an opportunity to review the plan before NHA submits it to HUD?
The repositioning change will be addressed in the Annual Plan. The Annual Plan Hearing will be held on November 8, 2023.
 - What is the timeline?
We expect final approval via HUD sometime next summer 2024
- **Would NHA still own the property?**
 - If not, who would own it? Who would manage the property?
The Newburyport Housing Authority (NHA) has a non-profit – The Newburyport Affordable Housing Corporation (NAHC) – under our umbrella that has a mirror board with the NHA Board of Commissioners. NAHC would be the “owner” of the property but NHA would continue to manage and maintain the property as it always has. Currently NHA manages two other Project Based Sec. 8 buildings in NBPT that are owned by NAHC.
 - Would the development remain permanently affordable?
YES in perpetuity.
 - Will anything be demolished? **NO this is not a demo/dispo**
- **Will tenants have the same rights?** We have learned that Cambridge Housing Authority in its demo/dispo application agreed to continue to operate the housing as if it were public housing. They committed to having the protections that applied to CHA's federal public housing tenants continue after the disposition from public housing to project-based vouchers. These rights included the use of the CHA's public housing lease, grievance procedures, pet policies, resident organization recognition and funding, rent calculations, transfers, relocation. **Will NHA be willing to agree to this?**
The CHA is a very very different entity than the NHA. However while all residents would need to sign a new lease because there would be a new “owner” all clauses, etc. would remain the same.

- Would tenants rights related to rents remain the same? YES
- Would tenants' right to grievance remain the same? YES
- Would the lease remain the same? If not, what would change?
Again residents would need to sign new leases because of new ownership however clauses within lease will remain the same.

- **How will rents be calculated?** In the FAQ it stated that in most cases our rent will not increase because Section 8 rents are income-based and we will not pay more than 30% of our monthly adjusted income on rent. The exception would be if someone is paying a flat rent, then their rent would go up.

We have no FLAT RENT residents.

- Will what is counted as income be the same as it is now? YES
- What is excluded from income be the same as it is now? YES
- Will the deductions be the same? YES
- Will tenants continue to have to pay our electricity bill as a part of our rent?
YES however you will receive a monthly utility allowance once the property converts. So residents will actually end up technically paying less for their electric.

- **Tenant Participation**

- Would Horton Terrace Tenant Council continue to get \$25/unit for tenant participation funding? YES
- Would NHA continue to pay for the cable, WIFI and telephone for the Tenant Council? YES
- Will the Tenant Council still have an office in the community building? YES
- Will the Tenant Council still have access to the community building for meetings and private functions for tenants? YES

- **How would the increase in income be used?**

- Although property is in decent condition, the heating system needs to be addressed, tubs should be replaced with walk-in showers, basic painting and appliances (washing machines and dryers) updates are needed, and landscaping is needed. Are there plans to do that?
A comprehensive Capital Needs Study (CNS) will be conducted and followed accordingly.

- How much would go to capital needs and modernization?
UNKNOWN – depends upon income and CNS

- How much would go to staff salaries? **UNKNOWN**
However we do expect to be able add staff to our team – particularly in the maintenance department and resident services.
- What other uses do you see for these funds? **UNKNOWN**
However our main focus is future development.
- **You have already mentioned that there will be physical changes and that we will lose parking and the area outside where the grill, tent and picnic tables are where people sit outside.**
 - What plans are there to replace those parking spaces?
 - What plans are there to replace the outdoor community space?
Conversion of the property has nothing to do with a possible new administration office. SHOULD a new building be built we will address all issues then.
 -
- We know that there are certain criteria that HUD considers for the application.
 - What criteria does Horton Terrace fit into:
 - a) 50 or few units,
 - b) more efficient and effective,
 - c) RAD/Section 18 blend, or
 - d) something else?
 -
 - Will NHA be applying to HUD through a Disposition Application or a Demolition and Disposition Application?

We are applying via Sec. 18 Disposition application – which simply means we are changing ownership