

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

PHA Plan - Update

5 Year Plan for Fiscal Years 2000 - 2005

Annual Plan for Fiscal Year 2001

Completed September 30, 2001

CITY OF RONAN HOUSING AUTHORITY RONAN, MONTANA

The mission of the PHA is to promote safe, decent, adequate, affordable and fair housing to benefit low and moderate- income families within the City of Ronan and throughout Lake County.

PHA Plan Agency Identification

PHA Name: **City of Ronan Housing Authority**

PHA Number: **#MT-036**

PHA Fiscal Year Beginning: **10/01/2001**

Public Access to Information: Information regarding any activities outlined in this plan can be obtained by contacting the main administrative office of the PHA

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at the main administrative office of the PHA at 319 Main Street SW, P.O. Box 128, Ronan, MT 59864

PHA Plan Supporting Documents are available for inspection at the main administrative office of the PHA at 319 Main Street SW, P.O. Box 128, Ronan, MT 59864

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PHA Plan - Agency Identification

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Annual PHA Plan PHA Fiscal Year 2001-2002

Annual Plan Type:

 X Small Agency Administering Section 8 Only

Executive Summary of the Annual PHA Plan

RHA currently administers only a small Section 8 Voucher under the Department of Housing and Urban Development. It does, however, manages several non-HUD affordable housing programs either on its own or in conjunction with the City of Ronan or with Lake County. Reference to these programs is included in order to consolidate all programs within one planning document. These programs include:

- RHA owns and manages 19 multi-family rental units and has completed the renovation of an older down-town building which was purchased in 1999. The building was turned into a condominium after renovation with the lower floor made into commercial space which is purchased and occupied by the city library and city hall. There are 8 apartments, two of which will, at some point, be for utilized for very-low/no-income family housing. RHA is entering into a tax credit agreement to help pay the debt on this building so that it is self-sustaining. Our desire is to seek long-term means of acquiring and renovating other such buildings in Ronan in order to increase the supply of affordable housing for very-low income families while improving community quality of life and economic vitality,
- RHA has previously managed a Community Development Block Grant housing rehabilitation program in conjunction with the City of Ronan wherein over 30 low-income home owners were provided low interest or deferred loans which improved the quality of housing in Ronan. The cost of managing such a program has escalated over the past year, especially with the new lead-based paint abatement initiatives, and while RHA has had a major initiative to continue this program and to seek funding which will help expand the program to others in the area, it is reconsidering whether it can or should even try to take on such projects in the future.
- RHA has previously managed a major first time homebuyer program in conjunction with Lake County wherein over 40 families were assisted with homeowner counseling and down payment assistance in the form of deferred second mortgages. RHA is committed to seeking funds to expand this program and to further develop its homeowner counseling session to include high school students and to develop a similar counseling seminar regarding "responsible renters".
- RHA will continue to seek funds with which to expand its various tenant based rental assistance through HOME, Section 8 and other means which may become available.
- RHA will seek funds to complete a market research study emphasizing the needs of seniors; and, if needed, work with other agencies to fund an assisted care facility.
- RHA will seek funding and/or public-private partnerships which will construct and make available to low-income families, 3 and 4 bedroom single family homes.
- RHA will continue to build relationships with other agencies throughout the county in order to build an effective family self-sufficiency program in Lake County
- RHA will continue to seek ways to build organizational self-sufficiency in order to support its staff and programs with out continual dependency upon program grants to fund basic administrative activities.

Summary of Policy and Program Changes

The following summarizes the accomplishments and shortfalls of the Year 1 *Strategies for Addressing Needs* as outlined on Pages 3 - 5 of the Annual Plan and establishes its objectives for the coming year.

A. Addressing the Need for Affordable Housing for All Eligible Populations

1. *Maximize the number of affordable units owned or managed by the PHA*
This is a continual and ongoing strategy basic to RHA's philosophy and future. RHA has continued to achieve effective maintenance and management policies resulting in keeping the maximum number of units on-line with an occupancy rate of 95% overall on units that are complete and in rentable condition. Section 9 vouchers have been increased and utilization is at nearly 100%.
2. *Increase the number of affordable housing units by creating resources*
Section 8 housing vouchers have been increased to 42 plus we manage 10 ports, primarily from the Blackfoot Tribal Housing program. We will continue to apply for additional vouchers as the need continues to increase rather than decrease. Further, tenant based rental assistance under the HOME program, which we have utilized for 25 tenants annually since 1995, is increasingly less reliable as a source of funds due to the competitive nature of the program on an annual basis and program changes made at the state level that make it more difficult to operate that type of program at the local level. Regarding low income tax credits, we have found that small projects such as those needed in our small rural area, are very difficult to do because of lack of interest by syndicator/partners willing to incur the high legal and set-up costs that are as much for a small project as a large one. The returns are reduced accordingly and therefore less attractive, which may make this a less viable form of providing affordable housing than initially anticipated. We had hope to establish a "renter responsibility" training program; however, we do not have the funds to support staff time to do this, so while the curriculum has been established, and we have completed a trial course, the project is on hold until a suitable source of funding can be established.

B. Increase Access to Safe and Decent Housing for Families with Special Needs

1. *Assist Families at or Below 30% of Income*
As stated previously, we have increased our access to Section 8 vouchers and will continue to seek more to meet the growing need within this income group as they are the most vulnerable group in the area and the least likely to increase their incomes enough to negate their need for assistance. RHA needs to establish some type of access to emergency housing and establish a transitional housing program for families with children in this income group. While progress has been made in establishing relationships with area welfare-to-work programs, much needs to be done before we can institutionalize an ongoing program which creates incentives that work within this particular population.
2. *Assist Families at or Below 50% of Income*
The continuing lack of funds for supporting a family self-sufficiency coordinator is a major road block in effectively working with this income group to educate them regarding first-time home buyer and rent-to-own programs and otherwise encourage self-sufficiency on a continuing programmatic basis. We will apply to become a *Housing Counseling Agency* this year and try

to attract funds for this purpose. Whether or not HOME program funds will be available to us on a continuing basis is also a problem in extending HOME rental assistance programs as an incentive for working or in-school families working in a formal program towards becoming self-sufficient.

3. *Target Available Assistance to the Elderly*

No special-purpose vouchers targeted for the elderly have been applied for, or received, and we must try to find such programs in order to free up our other Section 8 vouchers for families needing assistance. We have combined our waiting lists with Lake County Community Housing Organization and have integrated our policies wherein we do move families temporarily occupying elderly units as soon as possible to make room for our elderly population as needed.

4. *Target Available Assistance to Families with Disabilities*

We have established relationships with any local agencies which assist families with disabilities, including inviting their representation on our boards of directors. We have not applied for any special-purpose vouchers which would serve this population, but will if such vouchers become available.

C. Address the Needs of Races or Ethnicities with Disproportionate Housing Needs

1. *Increase Awareness of PHA Resources Among Families of Races and Ethnicities with Disproportionate Needs*

RHA has participated in outreach and education programs to assure the area's American Indian population is aware of and has access to all RHA resources. Approximately 30% of the families served by RHA are of Indian descent. The manager of student housing programs at Salish-Kootenai College now serves on our board representing low-income native families.

2. *Conduct Activities to Affirmatively Further Fair Housing*

Our Housing Manager has attended Fair Housing classes and policies are in place to assure that RHA continues to meet and exceed intent of fair housing legislation on a continuing basis. RHA continues to seek funding for staff to coordinate and sponsor fair housing seminars and to expand home ownership and renter counseling which informs potential clients of rights and responsibilities.

D. Address the Continuing Demand from Low-Income First Time Home Buyers Trying to Purchase Homes Within an Area of Escalating Land Values

1. *Increase Awareness of the Rights, Responsibilities and Requirements for Home Ownership*

Whereas programs and curriculum for certified home ownership classes have been established, RHA has depleted its funds for both providing such counseling and the necessary down payment assistance provided formerly under a HOME grant. Lack of funds for establishing a "mini" class in home ownership and renter responsibilities which can be extended into high schools for graduating seniors continues to be a barrier for implementing this strategy.

2. *Expand Resources Available for Down Payment Assistance; Low-interest Mortgage Set-asides and Program Administration*

As program income becomes available for down payment assistance, and/or our bank partners have first time home buyers they want to have certified, a course is provided to which the banks contribute. A market study is being conducted to determine if there is enough continuing need

where we may apply for funds to continue this program next year. Current market mortgage rates have negated the need to special low-rate set-aside programs; however, there is a continuing need to monitor this market and act, as necessary, to secure such rates when needed.

E. Address Needs Resulting from the Fact that the Community is Old with a High Degree of Substandard Housing and a Majority of Families and Seniors Living with Limited Incomes at or below 80% AMI

1. *Develop Resources to Continue and Expand Home Owner Rehabilitation Programs*

A market study is being conducted to update the need for such a program. However, with new federally mandated lead-based paint and other abatement requirements, it appears that the cost of managing such a program has become prohibitive for an organization such as ours, despite the overwhelming success of the same program we ran 5 years ago.

Major Goals for Fiscal Year Ending 9/30/2002

1. Complete the current market study and evaluate the most immediate means of funding for the needs established within the study
2. Become certified as a housing counseling agency
3. Develop a funding source for providing renter and home ownership counseling to both the public at large and within the high-school/college environment
4. Increase the availability of Section 8 vouchers and take advantage of any special purpose voucher programs which may become available
5. Explore how a Section 8 Homeownership program might fit within the RHA programmatic structure
6. Find a means to fund a family self-sufficiency program
7. Explore ways in which to increase RHA long-term organizational sustainability, now in serious jeopardy.

Section 8 Homeownership Capacity Statement

RHA will explore the possibility of integrating Section 8 Homeownership as part of its program. While currently its management of such a program is very limited due to lack of funds, RHA has managed a first-time homebuyer program utilizing HOME program and Affordable Housing Program (Federal Home Loan Bank) funds since 1995, providing counseling to and assisting over 40 families purchase their own homes. As provided in the final rule, RHA has the capacity to administer the program and will meet the criteria as follows:

- 1) It will require that at least 1 percent of the down payment come from the family resources. As the minimum down payment requirement is set by the mortgage underwriter based on the source of discounted funds for the program, we will set the minimum down payment requirement at 3% or the underwriter's requirement, whichever is higher;

- 2) Financing will be provided, insured or guaranteed by the state or Federal government (Montana Board of Housing or USDA Rural Development); comply with secondary mortgage market underwriting requirements and/or comply with generally accepted private sector underwriting; and/or
- 3) RHA has a track record and has demonstrated its success and capacity to successfully operate a home ownership program.

Use of FFY2001 Grants

RHA plans to explore and utilize the following possible FFY2001 federal grant programs:

- Section 8 Voucher Program (Expand the Current Number of Vouchers Available)
- Become Certified Housing Counseling Agency and Apply for Funding as Such
- Apply for Special Use Vouchers for Elderly and Disabled if Available and Criteria is Met

Statement of Housing Needs

A. Housing Needs of Families in the Jurisdiction Served by the PHA (Revised 10/01)

**Housing Needs of Families in the Jurisdiction
by Family Type**

Family Type	Overall	Affordability	Supply	Quality	Accessibility	Size	Location
<=80% AMI	4,126						
Income<=30% AMI	1,122	5	5	4	4	4	1
Income>30% but <=50% of AMI	697	3	4	3	4	4	1
Income>30% but <80% of AMI	866	2	3	2	3	2	1
Elderly	548	4	3	3	3	2	1
Families with Disabilities	231	4	4	3	4	4	1
American Indian	1,238	4	2	3	3	3	1
Caucasian	2,887	3	2	3	3	3	1
All Other Ethnic	41	3	2	3	3	3	1

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

X Consolidated Plan of the Jurisdiction/s
Indicate year: 1999-2000

X U.S. Census data: 2000

X Other sources: (list and indicate year of information)

1995 Local Community Surveys

“Out of Reach” - 9/1999 Report of National Low Income Housing Coalition

B. Housing Needs of Families on Section 8 and Related Waiting Lists (Revised 10/2001)

Housing Needs of Families on the Waiting List			
Waiting list type: Combined Section 8 and Locally-owned Subsidized Housing including Rural Development and RHA owned (non-HUD) Units and HOME Tenant Based Rental Assistance program.			
	# of Families	% of Total Families	Annual Turnover
Waiting List Total	95	100%	15 Mos
Extremely low income <=30% AMI	51	54%	
Very low income (>30% but <=50% AMI)	23	25%	
Low Income (>50% but <80% AMI)	21	23%	
Families with Children	69	73%	
Elderly Families	4	5%	
Families with Disabilities	8	9%	
American Indian	34	36%	
Characteristics by Bedroom Size (Combined List incl. RHA Housing)			
1 BR	17	18%	
2 BR	43	46%	
3 BR	25	27%	
4 BR	9	10%	
5 BR	1	1%	
5+ BR	0	0%	

Is the waiting list closed (select one)? No Yes **It is never closed!**

Statement of Consistency with Long Range Plan for State of Montana

1. The PHA Has Taken the Following Steps to Ensure Consistency of this PHA Plan with the Consolidated Plan for the Jurisdiction: (select all that apply)

- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan under "Actions for Upcoming Plan Year".
- Relieve the shortage of available housing stock
 - Increase the stock of affordable rental units, especially assisted units
 - Increase ability of low and moderate-income households to buy homes
 - Simplify housing assistance programs
 - Increase the supply of affordable rental units and for-purchase homes
 - Affirmatively further fair housing
 - Assist persons requiring supportive and transitional services to achieve permanent housing
 - Support statewide continuum of care strategy to ensure emergency, transitional and permanent housing
- Other: *All grant applications for funding for projects contemplated by RHA are certified for consistency with the Consolidated Plan prior to application*

2. The Consolidated Plan Supports the PHA Plan with the Following Actions and Commitments: ***Per the Plan's Actions for Upcoming Plan Year, the state recognizes and supports the need for local input and planning that identifies needs and strategies at the local level. The following supportive statements demonstrate support and commitments for assistance:***

- *"No single approach or unique priority fits all regions of Montana equally well. Acceptably addressing the range of severe needs, while allocating resource equitably, makes for a complicated housing and community development policy agenda. Nevertheless, Montana is committed to moving forward with a concrete set of objectives."*
- *"Evaluate applications from eligible participants based on identified needs of the community which may include combination of job training or other welfare reform goals, along with housing goals"*

Criteria for Substantial Amendments or Modifications or Significant Deviations from 5-Year Plan

RHA annually reviews the 5-Year plan at its annual meeting and while setting goals and objectives for the following year. It has commissioned a market study for its jurisdiction and annually conducts a survey of landlords to establish a base line which is used in conjunction with HUD's annually set Fair Market Rent publication to determine the reasonableness of area rents approved for purposes of providing tenant-based rental assistance. Any substantial amendments, modifications or significant deviations from the 5-year plan as submitted are based on information derived from current market information or by major shifts within the organization, federal regulations or programs that may not allow for a planned objective to be accomplished. No such amendments, modifications or deviations have been made to date.

List of Supporting Documents Available for Review

Applicable & On Display	Supporting Document	Applicable Plan Component
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
X (State Plan)	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
N/A	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection & Admissions Policies
N/A	Housing Deconcentration/Income Mixing Documentation: PHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance</i> ; <i>Notice</i> and any further HUD guidance); Documentation of required deconcentration & income mixing analysis	Annual Plan: Eligibility, Selection, Admissions Policies
X	RHA housing rent determination policies, including the methodology for setting public housing flat rents: <u>X</u> check here if included in the housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development: <u>X</u> check here if included in public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies <u>X</u> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	RHA housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation	Annual Plan: Operations and Maintenance
X	RHA housing grievance procedures <u>X</u> check here if included in the housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <u>X</u> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
N/A	The HUD-approved Capital Fund/ Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
N/A	Most recent, approved 5 Year Action Plan for the Capital Fund or CGP if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted	Annual Plan: Capital Needs

Applicable & On Display	Supporting Document	Applicable Plan Component
	HOPE VI Revitalization Plans or any other approved proposal for development of public housing	
N/A	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition & Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
N/A	Approved or submitted public housing home ownership programs/plans	Annual Plan: Home Ownership
N/A	Policies governing any Section 8 Homeownership program _____check here if included in Sect. 8 Administrative Plan	Annual Plan: Home Ownership
X	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
N/A	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
N/A	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U. S.C. 1437c(h)), the results of that audit and the PHAs response to any findings	Annual Plan: Annual Audit
N/A	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
X	Other supporting documents (optional) Section 8 and TBRA Administrative Plan First Time Homebuyer Administrative Plan RHA Housing Administrative Plan	ify as needed)

Resident Membership of PHA Governing Board

The Board of Commissioners of RHA annually sends a letter to all residents of its occupied rental units (currently 27) and participants in its tenant-based rental assistance programs to notify them of their eligibility for a one-year position on the board and encouraging their participation. This year is the first wherein we have received any response at all. The single response, a single mother receiving rental assistance, was elected to the board for a one-year term at its annual meeting in October 2001.

Resident Advisory Board

RHA does not have a Resident Advisory Board within its 27 units and no interest has been shown to start one. This is likely because most of our residents, except for those who are either elderly or mentally challenged and receive ongoing residential care through a local support agency, are fairly transient, living in the units for under one year.

