



Moving to Work Demonstration Program
Landlord Incentives Cohort

Moving to Work Plan and Application Package- *DRAFT FOR PUBLIC COMMENT*

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PART I - MTW Plan and Landlord Incentive Activities Information

a) MTW Plan

(1) Vision for BHA's Local MTW Program:

The Boston Housing Authority (BHA) is applying for the Moving to Work (MTW) designation at a time when the residents of Boston need it most. With MTW status, the BHA will be able to streamline administrative burdens and costs with a focus on converting cost savings to increases in housing choice for applicants and existing families and expansion of self-sufficiency programs related asset-building and family economic growth.

Affordable housing in Boston is at a crossroads. In addition to the traditionally strong industries of healthcare, financial services, and higher education, Boston has become a leader in technological innovation across several industries in recent years, attracting new employers and residents. The demand for housing to accommodate this growth, coupled with the struggle to produce housing units to meet the demand, means that lower-income families in need of affordable housing are either increasingly cost-burdened or squeezed out of their neighborhoods. With some of the highest housing costs in the country, the rate of renters in Boston that are cost-burdened has increased from 40% in 2000 to 48% in 2019. Black and Hispanic (27%) renters in Greater Boston are more likely than White renters (21%) to spend more than 50% of their income on rent. Long-time Boston residents – predominately low-income people of color – are increasingly displaced. Boston is ranked as the third most gentrified city in America.

Housing Choice: Creating and preserving affordable housing is a crucial element in turning this tide, and the BHA, as the city's largest landlord, plays a critical role by offering permanently affordable housing through its public housing (PH) and housing choice voucher (HCV) programs. BHA is currently constrained by federal guidelines, making it more difficult to

use innovative strategies for housing production. BHA is applying for the MTW designation to address local housing conditions and consider bold new strategies to reposition its portfolio to preserve and expand affordable housing choices in Boston.

Discrimination against HCV participants also presents a significant barrier to housing choice. A recent Suffolk University Law School study found that real estate brokers are significantly less likely to show apartments to people of color than White residents – and even less likely to show apartments to voucher holders of all races. As a result, options for where voucher holders can live are unfairly limited. Along with stepped-up enforcement of fair housing laws by the City and State, BHA needs to recruit more landlords to the HCV program, and participation in the MTW Landlord Incentives Cohort provides the perfect opportunity for BHA to try new strategies to do so. MTW status will not solve this problem overnight, but it provides an exciting opportunity to further BHA’s goal of creating true fair housing choice in Boston.

Self-sufficiency: Boston also struggles with persistent racial inequality in economic opportunity. Due to the legacy of racist federal policies like redlining, and continued racial discrimination experienced by people of color, youth in Boston often have vastly different odds of success based on their ZIP Code. BHA recognizes that its mission is more than just housing – it is to help residents create pathways out of poverty. BHA seeks the MTW designation to build on its record of innovation to provide opportunities to thrive for the 52,000+ residents that rely on its federal programs. Work is underway to dramatically expand programs like the Family Self-Sufficiency (FSS) program, but MTW flexibility will allow BHA to move more quickly to offer innovative programming to help residents move up the economic ladder.

Cost effectiveness: BHA’s participation in MTW will also allow it to simplify, streamline, and automate its core programs thereby reducing the reporting burden on families,

improving customer service, and ultimately increasing cost-effectiveness. Currently authorized streamlining is already taking place, including on-line eligibility questionnaires to facilitate remote recertifications, self-certification of assets under \$5,000, biennial inspections and activities as outlined in **b(3) Other Landlord Incentives and Initiatives**. Under MTW, streamlining the income verification process and conducting income reexaminations every two or three years, simplifying the rent calculation process, and streamlining aspects of the HCV inspections process will further increase the cost-effectiveness of BHA programs, allowing the agency to shift cost savings to MTW activities and goals.

Staff skills and experience: David Gleich, BHA's Chief Officer of Leased Housing and Admissions, will have primary responsibility for MTW program administration. Mr. Gleich is a licensed attorney with almost 20 years of low-income housing and management experience. He has overseen numerous agency initiatives, including a rewrite of the ACOP and Administrative Plan to streamline the application process and preference system, conversion to a paperless office environment, implementing a new waiting list portal, owner portal, and quality control software, establishing an external partnership to dramatically increase participation in the FSS program, and appealing the Metro Area Fair Market Rents to provide a dramatic boost in funding for Massachusetts Housing Authorities and allowing the BHA to lease up to baseline. Previously, Mr. Gleich served as a Vice President for CVR Associates, an affordable housing consulting firm, where he focused on redesigning PHA processes for operational efficiency, increased compliance, enhanced reporting, and improved customer service.

Supporting Mr. Gleich will be Nicholas Kelly, Senior Policy Advisor at BHA, and John Kane, Coordinator of Grants and Strategic Partnerships. Since 2018, Mr. Kelly has focused on innovations to improve housing choice and efficiency at BHA. He developed a housing search

tool, echosearch.org, that provides neighborhood information to voucher holders, and studied its impact through a randomized controlled trial. Additionally, his dissertation research on HCV program innovation involved extensive interviews with other PHAs, including MTW agencies, where he learned about flexibilities MTW designation can provide. In his current role, Mr. Kane is responsible for representing BHA and resident interests in several innovative healthy housing collaborations that explore the nexus of housing and health particularly related to chronic diseases, smoking rates, obesity, oral health, and depression. He helped facilitate changes to BHA's programs and practices to address health disparities and promote housing stability while research partners shed light on effective interventions that produced several peer-reviewed publications. Concurrently, Mr. Kane coordinates the BHA federal and state annual plan and amendment public processes including resident and advocate engagement. For years, he also served as BHA liaison to the peer-elected citywide Resident Advisory Board.

Statement of Fair Housing: BHA certifies that it will carry out its application in conformity with: Title VI of the Civil Rights Act of 1964 (42 USC 2000d-2000d-4); the Fair Housing Act (42 USC 3601-19); Section 504 of the Rehabilitation Act of 1973 (29 USC 794); Title II of the Americans with Disabilities Act of 1990 (42 USC 12101 et seq.); all regulations implementing these authorities; other applicable Federal, State, and local civil rights laws; and that it will affirmatively further fair housing by fulfilling the requirements set out in HUD regulations found at Title 24 of the Code of Federal Regulations, including regulations in place at the time of this certification, and any subsequently promulgated regulations governing the obligation to affirmatively further fair housing.

(2) Plan for Future Community/Resident Engagement: BHA is committed to ongoing communication and meaningful engagement during the development and implementation of its

local MTW program so that participants and stakeholders have a voice in shaping policies and programs that affect them. BHA will use multiple forms of communication and host varying forums to ensure that all families, regardless of their ability, country of origin, language proficiency or family composition, have equitable access to participate in the MTW process. Consistent with communications protocols and its civil rights protection plan, BHA will include the note *'This is an important document. If you require interpretation, please call the number below.'* in eleven languages on all MTW documents and translate all MTW documents into Spanish and Chinese. BHA letterhead also has a Teletype (TTY) phone number for deaf persons. BHA will provide oral interpretation in Spanish and Chinese at all public meetings with other languages, including sign language, available upon advanced request. BHA also has a dedicated staff person for Reasonable Accommodation to assist program participants as needed.

The COVID-19 pandemic has heightened the need for virtual communication. To this end, BHA is completing procurement of a new communications platform to send messages by phone, email, and text to all residents or to targeted groups. While BHA will continue to mail notifications of important MTW meetings, hearings, and announcements directly to PH and HCV families, this new platform will enable them to be more nimble and strategic in communications. BHA has a dedicated web page for the MTW program at <http://www.bostonhousing.org/mtw>, which will serve as a clearinghouse for all notices, presentations, and draft plan and policy documents. Notices and announcements will also be posted on BHA's social media feeds including Twitter, Facebook, and Instagram. BHA established an MTW-specific email and phone number to be staffed by a dedicated team with MTW knowledge and supported by Language Access staff to serve callers with limited English proficiency. A hard copy of plan and policy documents will also be available for viewing at BHA headquarters.

Following MTW designation and building upon its record of robust engagement in the Annual Plan process, BHA will hold a series of workshops for PH and HCV families, HCV landlords, other stakeholders, and the broader community to review and prioritize MTW activities and policies. BHA will work to engage a broad representation of BHA participants including racial and ethnic minorities, persons with limited English proficiency, persons with disabilities, families with children and groups representing such persons. BHA recognizes that resident leaders will be critical partners in this work and will use the following forums to share information about BHA's MTW program, solicit feedback, and conduct needs assessments to help prioritize MTW activities: 1) monthly meetings with the Resident Advisory Board which is composed of peer-elected leaders representing the diversity of residents served including public housing and Section 8; 2) quarterly meetings with the Resident Empowerment Coalition (REC), another forum designed to educate and mobilize residents to encourage engagement in BHA programs, policymaking, and community development opportunities; 3) quarterly meetings with the Monitoring Committee composed of nine members appointed by the Mayor of Boston, including five public housing and one Section 8 resident, to review matters relating to BHA management and performance; and 4) routine meetings between management and the elected or volunteer leaders at individual Public Housing developments and Section 8 project-based sites.

As with the Annual Plan and other major policy changes, BHA will engage elected and appointed officials as well as housing advocates. BHA staff will use their landlord relationships and networks, such as the Greater Boston Real Estate Board which is the oldest real estate trade association in the country serving 12,000 members, to engage landlords in the MTW planning process. This includes posting information and soliciting feedback via its landlord portal.

(3) PHA Operating and Inventory Information: BHA owns and operates 24,736

federally subsidized units: 9,198 federal public housing units in 64 properties, including mixed-finance redevelopment sites and 15,538 housing choice vouchers, including 13,189 Tenant Based and approximately 2,349 Project Based vouchers under lease. Within its federal portfolio, BHA administers numerous special purpose vouchers including VASH, Family Unification, Mainstream and Non-Elderly Disabled vouchers. In addition, BHA administers 2,273 state PH units and 894 state-assisted vouchers, and the City of Boston voucher program with a \$5 million-annual budget. Currently, BHA maintains 96% occupancy in its federal PH units. BHA is a SEMAP high-performer with a 90%+ HCV lease-up rate within 60 days, although many HCVs are clustered in lower-income neighborhoods in Boston and there are challenges serving 4+ bedroom households and some special needs populations such as homeless persons.

For the federal PH and HCV programs that will be eligible for MTW waivers and flexibilities, BHA currently serves a combined 23,655 families (representing more than 52,000 individuals). The average household size is 2.2 persons per household. 40% households have children under age 18 and 53% are headed by an elderly and/or disabled person. 4% identify as Asian, 49% as Black, 45% as White, and less than 2% identify as other races. In addition, 36% identify as Hispanic. The average household income is currently \$19,953, with approximately 32% reporting income from wages. BHA anticipates that MTW designation could result in increased employment rates and average income among its federal PH and HCV households through investments in supportive services programs and self-sufficiency incentives.

BHA has demonstrated innovation and creativity within its current programs, which could be enhanced with MTW designation. Over the past two decades, BHA has pursued a variety of repositioning strategies to assure the long-term viability of its public housing stock while remaining true to BHA's mission to provide quality homes and strong communities for

low-income Bostonians. BHA has developed over 3,900 units of housing, with over 700 units currently in construction, at more than a dozen public housing communities across the city. To accomplish these extensive redevelopment efforts, BHA has utilized HOPE VI and other mixed-financed mechanisms, state-funded redevelopment, Rental Assistance Demonstration (RAD) conversions, and transformation of the Whitter neighborhood via a 2016 Choice Neighborhoods implementation grant. BHA's recent mixed-income redevelopments have provided net-new housing with the addition of other affordable, middle income, and market rate housing. MTW funding flexibilities will allow BHA to expedite redevelopment and leverage opportunities with development partners to explore other repositioning options.

BHA has operated a FSS program for years. Through a new partnership with Compass Working Capital, this program has nearly tripled in size since 2020 to become one of the largest of its kind in the country. The partnerships with job training and other service providers that BHA has developed for FSS could be built upon for MTW programming. Other innovative programs include Healthy Housing, Supportive Housing, Housing Stabilization and Self-Sufficiency detailed below in (6) Evidence of Significant Partnerships.

(4) Plan for Local MTW Program: To achieve the vision for its local MTW program, BHA seeks to implement the following types of initiatives and activities:

Cost Effectiveness: BHA will use MTW waivers to streamline operations and automate processes in its core programs. This includes exploring the use of waivers to 1) simplify income and rent calculations for PH and HCV families via streamlined and/or expanded deductions, such as expanding the student deduction to serve part-time students, and tiered rents; and 2) conduct biennial or triennial recertifications of income and family composition. Such policies will reduce administrative costs that BHA could then use to serve its residents. It will also simplify the

process for residents and potentially facilitate better financial planning and income growth over time. BHA will also consider waivers to streamline the Housing Quality Standards (HQS) inspection process, such as pre-qualifying unit inspections and using alternative inspections schedules, to make units available for lease-up more quickly.

Self-Sufficiency: BHA will use MTW waivers and increased MTW funding flexibility to develop programs and partnerships that help residents prepare for work, compete for living wage jobs and remain stably employed, provide incentives for participation in training and education, and help build assets and wealth. BHA has been growing its FSS program and has a goal of serving 2,000 participants. BHA will consider MTW flexibilities to streamline its existing FSS program, expand services to public housing residents, provide financial incentives to achieve training and educational goals, and create incentive accounts to encourage savings and wealth building. BHA will build on its existing partnerships to provide job training programs for high-demand fields in Boston and create work-readiness and wraparound services for its families that need more support on their path to self-sufficiency. This includes scaling up successful parts of an existing EMPATH partnership and continuing to innovate ways to help families move up the economic ladder. BHA will also explore building upon its Moving On initiatives with HomeStart, Boston Medical Center, Boston Public Schools, and others as noted below to reach hard-to-serve populations that do not currently benefit from traditional PH and HCV programs.

Housing Choice: BHA will use MTW flexibility and fungibility to preserve and expand affordable housing in Boston and increase housing choices for the families it serves. To this end, BHA will explore the following: 1) increasing the PBV program and project caps to encourage development of affordable housing; 2) using MTW funding to expedite new construction of affordable mixed-income housing in its long-term redevelopment and repositioning efforts;

3) using waivers to facilitate landlord recruitment such as front-end vacancy-loss payments, signing bonuses, damage claim assistance and prequalifying inspections to increase housing options for its HCV households, as discussed further below; and 4) expanding its housing mobility program, Expanding Choice in Housing Opportunities (ECHO), to help HCV families find and lease apartments in neighborhoods with high performing schools, low violent crime rates, and low poverty rates throughout the BHA service area as described below.

(5) Proposed Use of MTW Funds: BHA requests authority to use public housing and HCV funds flexibly in its MTW program. BHA proposes to use MTW Funds to increase funding for landlord leasing incentives; increase funding for supportive services programs as well as direct financial incentives to participants and incentive accounts to encourage work, savings, and wealth creation; and increase funding for PBV vouchers to increase PBV program and project caps. BHA intends to use funds in a flexible manner across the traditional Section 8 and Section 9 programs to fund MTW programs that are prioritized each year.

(6) Evidence of Significant Partnerships: With a portfolio of state-assisted public housing and vouchers, BHA works very closely with the Commonwealth's Department of Housing and Community Development (DHCD). The BHA Administrator serves at the pleasure of the Mayor, as opposed to a Board of Commissioners, and works closely with other City department heads as an active member of the Mayor's cabinet. BHA has many other innovative partnerships with notable collaborations related to Healthy Housing, Supportive Housing, Housing Stabilization, and Self-Sufficiency that will serve as a foundation for leveraging additional funding and in-kind resources for implementation of its MTW program.

Healthy Housing: BHA has worked with local universities, especially the Harvard and Boston University Schools of Public Health over many years to better understand the link

between health and housing particularly around Integrated Pest Management and the impact on asthma. BHA's Healthy Public Housing Initiative, Healthy Pest-Free Housing Initiative, and subsequent peer-reviewed journal articles influenced pest control in PHAs reducing pests and the use of pesticides and improving resident health. BHA also voluntarily adopted a portfolio-wide Non-Smoking Policy reducing second-hand smoke and improving air quality which contributed to HUD's adoption of a nationwide policy in 2018. BHA has partnered with the Boston Public Health Commission (BPHC) for more than twenty years on the Community Committee for Health Promotion. An outcome of this partnership was the inclusion of a question on the Boston Risk Factor Surveillance System asking if a person lived in public housing or section 8, providing rich data on health disparities by housing status.

Supportive Housing: BHA also partners with BPHC on the Healthy Start in Housing program. Originally grant-funded but now part of the regular operating budget, BHA expedites housing placement for homeless pregnant women while BPHC provides skilled nursing, an investment that improves the health of both mother and infant at a critical time in development. BHA has multiple partnerships with Boston Medical Center (BMC) including the Elders Living at Home Program that places homeless seniors in BHA housing and provides ongoing case management, Housing Rx that expedites housing for medically complex individuals and families while providing ongoing care management, and the Reasonable Accommodation Rehab Program where BMC provides funds to make health and safety improvements in a patient's home. BHA is also partnering with Boston Senior Home Care to provide resident service coordination to stabilize families and for elderly/disabled to age in place and maintain a high quality of life.

Housing Stabilization: BHA created a Court Intervention Program (CIP) where HomeStart provides case management services for households facing non-payment eviction.

Originally grant-funded, the program was integrated into the agency's operating budget after the successful eviction diversion pilot demonstrated a positive return on investment. Recently, BHA and HomeStart have launched the Early Intervention Housing Stabilization program targeting eviction-prevention support to families with at least one child under age five that owe less than two months of rent. BHA also has a grant-funded collaboration with Higher Ground and Boston Public Schools (BPS) that seeks to improve academic performance by addressing housing stability, serving 300 formerly homeless students to date with placements in Public Housing. During the pandemic and in collaboration with BPS and DHCD, BHA also provided vouchers to more than 1,000 homeless families with school aged children.

Self-Sufficiency: BHA has worked with EMPATH (Economic Mobility Pathways) to operate economic mobility programs at several public housing sites for years and will launch a new program in October 2021 dubbed AMP Up. AMP Up will provide free Mobility Mentoring coaching to 200 work-eligible participants between the ages of 18-55 living in BHA-leased or Public Housing. Mentors will support participants to get a good-paying job, manage their money, and set and achieve goals that are meaningful to them such as taking care of their health or helping their kids succeed in school. Participants will meet with their own mentor regularly, in person or online, for three years and can earn incentives for making progress on their goals.

b) Landlord Incentive Activities Information

(1) Landlord Needs Assessment: The housing supply in Massachusetts is insufficient. The inventory of properties for sale is limited, keeping many would-be buyers as renters, and many renters are challenged to find affordable places to live in Boston and Greater Boston. Despite this dynamic, BHA has maintained a lease-up rate in its HCV program exceeding 90%. While 67% of current vouchers are leased in the City of Boston, BHA's jurisdiction extends to the metro

area. BHA has an extensive pool of 6,000+ landlords and historically has been able to achieve high lease-up rates without much outreach to landlords. However, there is a concentration of units among a smaller subset of landlords, more than 8,900 program units are operated by just 584 owners. Furthermore, many available units are concentrated in neighborhoods with high rates of poverty and minority concentration. Indeed, 46% of BHA housing choice voucher holders live in the 10% highest poverty ZIP Codes in Massachusetts. Higher contract rents and regular rent payments in the HCV program are incentives to landlords in some lower-income submarkets, especially in the fallout of the COVID-19 pandemic. While BHA has done an excellent job at retaining existing landlords, it is challenging to attract new landlords in higher-income neighborhoods and in municipalities outside of Boston where the inventory of multi-family rentals is limited, and landlords tend to be less familiar with the HCV program.

BHA reached out to landlords, including the Greater Boston Real Estate Board, to better understand motivations for and barriers to participation in the HCV program. Of 165 survey respondents, 97% are existing program participants who tended to be motivated to partner with BHA because of gratification in helping a family in need (53%) and/or to support expansion of housing choice (45%). The top three weaknesses of the current HCV program they identified included prior bad experience with a voucher client (29%), poor customer service at BHA (22%) and inspection standards that were too rigorous (18%). When asked about potential incentives, these landlords prioritized vacancy loss payments and tenant damage claims with pre-inspections and signing bonuses following close behind. More information is available in Appendix 4.

(2) MTW Cohort #4 Activities: BHA has selected four (4) landlord incentives that it will implement if selected for the Landlord Incentives Cohort, in response to the market assessment, feedback from landlords and HCV participants, and program costs:

Activity 1: Front-end Vacancy Loss Payments (COHORT 4.2.): To incent initial participation or for the landlord to make a new unit available for HCV tenants in “Expanded Choice Communities”, BHA will pay a landlord up to one-month of the contract rent to compensate for the time the unit spends vacant before a new HCV tenant moves in. This incentive will compensate the landlord for delays in the inspection and lease-up process that are out of the landlord’s control, or if the landlord is making repairs or upgrades to the unit before renting to the new HCV tenant.

Activity 2: Damage Claims (4.b.): To incent continued participation in the HCV program, BHA will provide compensation (not to exceed two months of contract rent minus the participant’s security deposit) for the cost of repairs due to tenant damage. This incentive is not only intended to compensate an existing landlord for damages, thereby making it more likely that they will stay with the program, but hopefully it will also assuage concerns that a prospective landlord may have about financial ramifications if they end up with a “bad” tenant.

Activity 3: Other Landlord Incentives (“Signing Bonus”) (4.c.): To incent participation in the HCV program, BHA will provide payments up to one month of contract rent, or a “signing bonus”. BHA will target these payments to achieve leasing goals, i.e., properties in “Expanded Choice Communities” with high-performing schools and low violent crime and poverty rates, in areas where vouchers are difficult to use, or for certain bedroom sizes/unit types. This incentive is intended to increase the location, number, and type of units available to HCV tenants.

Activity 4: Pre-Qualifying Unit Inspections (5.a.): To incent new landlords and to retain existing landlords, BHA will conduct HQS inspections up to 90 days before a participant occupies a unit. In such instances, the participant retains their right to request an interim inspection. This incentive is intended to reduce the amount of time it takes to lease a unit.

BHA believes that all four of these incentives, especially when paired with the non-MTW initiatives discussed below, will be most effective to attract landlords to the program.

(3) Other Landlord Incentives and Initiatives: BHA is already planning or implementing several non-MTW initiatives to improve its HCV program and attract landlords. BHA was one of the first PHAs to voluntarily adopt Small Area Fair Market Rents (SAFMRs) – a policy change that dramatically increased landlord participation and areas affordable to residents. BHA also conducts bi-annual inspections on existing HCV units and permits the landlord to self-certify that non-emergency repairs have been completed in the requisite 30 days. BHA provides direct deposits of Housing Assistance Payments (HAP) for landlords. BHA has implemented a landlord portal and provides technical tools like DocuSign and on-line document submission to streamline administrative functions and minimize paper. BHA offers an on-line listing site where landlords can advertise vacancies which help them avoid broker fees that are standard in the Boston rental market. BHA partners with the City to waive fees and inspection requirements for its rental registration program for HCV landlords. The BHA is also exploring a pilot to offer landlords solar panels and other energy efficiency upgrades in return for accepting voucher holders in their buildings. BHA also recently hired a Director of Housing Search and Landlord Recruitment to oversee the housing mobility program (Expanding Choice in Housing Opportunities (ECHO)). ECHO helps interested families with young children move to “Expanded Choice Communities” – areas with high performing schools, low violent crime rates, and low poverty rates in Boston and Greater Boston. As part of this initiative, BHA designed an ECHO housing search tool (<https://echosearch.org/>) to help families navigate the complex system of payment standards, public transit, school quality and violent crime data in Greater Boston.