



# MOVING TO WORK (MTW) COHORT #4 LANDLORD INCENTIVES PLAN

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## Moving to Work (MTW) Plan and Application Package

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## **Part I: MOVING TO WORK (MTW) PLAN AND LANDLORD INCENTIVE ACTIVITIES**

### **1. Vision for the Dothan Housing Authority's Moving to Work (MTW) Program**

The Housing Choice Voucher Program (HCVP) is a public-private partnership between a landlord, voucher holder, and public housing authority (PHA). However, this public-private partnership appears to be a two-sided partnership instead of a three-way partnership as the HCVP was designed. There are too many times that landlords feel by themselves, and landlords feel that they do not have anyone in their corner to support them because of the lack of support that the landlord does not receive compared to the PHA and the voucher holder. Over 110,000 landlords have withdrawn from the HCVP since 2009, which has negatively affected housing choices for voucher holders.

Dothan Housing Authority (DHA) is submitting a formal application to participate in the Moving to Work (MTW) Expansion under Cohort #4 – Landlord Incentives. DHA is a high-performing PHA that manages and operates an optimized HCVP whose mission is to develop and strengthen affordable housing opportunities that embrace best practices in a high-value organizational culture. The regulatory flexibilities associated with the MTW Cohort #4 Landlord Incentives will increase housing choices for voucher holders in the Wiregrass Metro (WMA). The MTW program will provide voucher holders with the opportunity to live in mixed-income neighborhoods within the WMA that includes the five counties under the Wiregrass Regional Voucher Program (WRVP) of Geneva, Houston, Dale, Henry, and Coffee.

Congress enacted the MTW demonstration program in 1996, in which a limited number of PHAs were selected. The 2016 MTW Expansion Statute allows HUD to increase the program's size from 39 agencies to 139 agencies. There will be 100 new PHAs that will be selected for the MTW expansion. HUD recently designated 41 new MTW agencies under Cohort #1 and #2. DHA submitted an email according to PIH Notice 2021-03 to determine eligibility on March 4, 2021. On August 2, 2021, DHA received an email that confirmed that PHA would be eligible under PIH 2021-03 (the Landlord Incentive Cohort). DHA is applying to HUD for selection as an MTW Cohort #4 PHA. The agency is uniquely positioned to work very effectively with HUD in this endeavor and meet the three statutory goals.

#### **Cost-Effectiveness**

DHA will increase cost savings and productivity by improving the efficiency and effectiveness of its HCVP through the Two-Year Tool (TYT) and the Voucher Management System (VMS) through the MRI HAPPY software. This will be done by streamlining the HCVP operations through technology, simplifying the inspections process, improving communication, and enhancing customer service with landlords. The MRI HAPPY software provides access to a landlord portal that includes e-signature, direct deposit and 1099 information, and real-time inspection status information. DHA also increases cost savings through its new responsive website that consists of the landlord portal, web-based forms, and the e-newsletter. DHA will also increase cost savings by increasing landlord participation through monetary incentives and reimbursements such as vacancy loss, damage claims, and other landlord monetary incentives such as security deposits and signing bonuses.

#### **Self-Sufficiency**

The DHA will implement the Dothan Mobility Program (DMP) that will help voucher holders set goals and sustain motivation for moving to new homes, guiding families on the requirements of landlords and selection of units. DHA's plans to combine the DMP will provide mobility counseling on housing search, assisting the families with background credit reviews, providing transportation to inspect units, helping to negotiate rents, and providing information and follow-up counseling after participants move. The DHA plans to increase housing choices for voucher holders by utilizing mobility counseling and wrap-around services under the DMP. The goal of the DMP is to provide a comprehensive approach to expanding housing opportunities for voucher holders and to increase landlord participation in the HCVP. The objective for the DMP is to make affordable housing a steppingstone instead of a stumbling block for voucher holders.

## **Housing Choice**

DHA has launched its Landlord Marketing Outreach, Services, and Incentives Program to attract, recruit, and retain landlords in the WMA. DHA has made substantial efforts to improve its technological infrastructure, customer service, and communication with its HCVP landlords to meet the demand for affordable housing opportunities. The rebranding and marketing campaign to landlords in affluent areas about the rebranded HCVP will assist DHA with removing the “Section 8” stigma. It will increase housing choice for families in areas of opportunity. This will allow DHA to expand housing opportunities by adding new landlords to participate in the HCVP. DHA has a Landlord Liaison on staff charged with continuously recruiting new landlords and retaining current landlords. This position listens to landlord concerns, addresses red tape and other disincentives to landlord participation, and offering monetary incentives to landlords to accept voucher holders.

### **i. Skills and Experiences of the Dothan Housing Authority**

As already indicated, DHA has assembled an outstanding team ideally suited to working with HUD to test Landlord Incentives to determine which alternatives work best in the HUD MTW Cohort #4. Those directly involved in this effort will be the following team members:

**Samuel P. Crawford- Chief Executive Officer (CEO):** Samuel is DHA's strategic plan visionary. He has served four years as the CEO, and prior he served ten years on the Board of Commissioners. Currently, he serves on the Public Housing Authority Directors Association (PHADA) Housing Committee. Samuel holds a Bachelor of Science in Public Administration from the University of Memphis (formerly Memphis State University) and is a recent graduate of PHADA's Executive Directors Education Program (EDEP).

**Dr. Michael C. Threatt - Chief Operating Officer (COO):** Dr. Threatt is a proven transformational leader with over 15 years of experience working for several public housing authorities (PHAs) in various roles, including executive leadership and the current COO at DHA. He is an executive-level affordable housing professional with vast experience working within the real estate industry's public, private, and nonprofit sectors. Dr. Threatt is responsible for the day-to-day operations of DHA. This includes streamlining affordable housing programs through technology and the analysis of intelligence data to support the long-term sustainability of the agency. He is known as the "Voucher Landlord Coach" and is a Subject Matter Expert (SME) on “How to Attract, Recruit, and Retain Landlords in the HCVP.” Dr. Threatt earned his Doctorate of Public Administration (DPA) from West Chester University (WCU). He is also a licensed

REALTOR® in the WMA. Recently, he was awarded the 2021 Most Outstanding Student at WCU for his research on Voucher Landlords and the Intuition Change Theory. Before serving as COO, Dr. Threatt served as the Sylacauga Housing Authority's (SHA's) CEO. He was awarded the 2019 Executive Director of the Year for implementing his "Housing Authority of Tomorrow" and Website of the Year for his rebranding campaign. He also served as the VP of the HCVP at the Housing Authority of the Birmingham District (HABD), where he led the largest HCVP in Alabama with over 5200 vouchers and a budget of \$34 million. Dr. Threatt has quantitative and qualitative methods and descriptive statistics background to lead the data analysis for the MTW Cohort #4 Landlord Incentives. His research focused on using the input of landlords to streamline operations of the HCVP through technology to retain their participation.

**Dr. Tamara Berry-Andrews – Voucher Programs Manager:** Dr. Berry-Andrews is a 15-year PHA housing professional. She currently manages the day-to-day operations of the WRVP for DHA serving as the Voucher Programs Manager. She is a proven, affordable housing veteran where she prioritizes goals, ensuring the achievement of goals, utilizing best practices, and resolving problems. As a technical expert, she provides oversight for managing the Voucher Management System (VMS), Two-Year Tool (TYT), and other aspects of optimizing the HCVP and achieving maximum utilization. Dr. Berry-Andrews serves as the WASS secure system administrator as she monitors PIC/EIV/TRACS to ensure compliance in all indicators. Her experience includes LIHTC, RAD PBV, RAD PBRA, PBV, Public Housing, HCVP, etc. Prior to joining the team at DHA, she served as the Housing Programs Manager at the Troy Housing Authority (THA), where she managed the day-to-day operations of both the HCVP and the Multifamily Programs. Before that, Dr. Berry-Andrews served as the Director of Property and Asset Management for the Montgomery Housing Authority (MHA), where she led the third largest PHA asset management team in Alabama. She obtained her Doctor of Philosophy (Ph.D.) in Organizational Leadership and Management from Amridge University. Dr. Berry-Andrews has a background in statistics and quantitative and qualitative methods to monitor the MTW Cohort #4 Landlord Incentives data analysis to assess what alternatives are best for landlords.

**Esther M. Marshall- VP of Voucher Programs:** Esther is the Vice President (VP) of Voucher Programs at DHA, where she has dedicated 41 years to the agency. She takes pride in being a hard worker, a dedicated leader and is often relied upon for her expertise in the HCVP. Esther holds many certifications in the HCVP. Esther led the conversion of four public housing developments to the RAD PBV program for DHA. Esther played an instrumental role in the software conversion to MRI HAPPY housing software. Esther is currently assisting with marketing DHA's campaign for the MTW Cohort #4 Landlord Incentives designation with landlords and preparing the last public housing residents of DHA to receive Tenant Protection Voucher (TPV) under the Streamlined Voluntary Conversion (SVC) process.

**Nikki St. Pierre-VP of Fiscal Operations:** Nikki is the VP of Fiscal Operations. She leads the accounting, information technology, and contract management for DHA. Nikki provides oversight for the Two-Year Tool, Voucher Management System (VMS), Budget Authority funding, and HUD Payment Standards Tools. Under her leadership, the DHA incentives landlords with three (3) monthly check runs to maintain accuracy and build better relationships. Nikki sets up landlords in the MRI software, sets up or changes direct deposit requests, address change, and change other pertinent landlord information. She also monitors and tracks the Landlord Incentive payments and

resolving any HAP payment issues. Nikki led DHA with the software conversion to MRI HAPPY housing software. She obtained her Master's in Business Administration (MBA) from Troy University.

**Jordon Bonner Landlord Liaison:** Jordon is the Landlord Liaison for DHA. DHA is the only PHA in the state of Alabama with this position. She serves as the single point of contact devoted solely to landlords to provide customer service and communication about their units or any updates regarding the WRVP of DHA. Jordon is responsible for leading efforts to effectively attract, recruit, and retain landlords in the WMA. She develops and maintains a network of professional contacts in the property management and real estate industry through local REALTORS® Association, apartments association, & property management companies to promote the WRVP. Jordon utilizes the Landlord Incentive funding as a tool for landlord recruitment and retention. Jordon also coordinates the landlord orientation and education workshop schedules and facilitates educational workshops. She maintains the landlord portal, landlord webpage, landlord web-based forms on the DHA website and sends out an e-newsletter. Jordon assists landlords with navigating and setting up their HQS inspections portal, marketing, and posting rental property in the MRI HAPPY software. Jordon oversees the Landlord Advisory Committee and schedules meeting with landlords in-person and virtually via ZOOM. She obtained her Bachelor of Science in Hospitality, Sport & Tourism Management from Troy University.

## **ii. Statement of Fair Housing Civil Rights Goals and Strategies**

DHA's statement on fair housing and other civil rights goals, strategies, and specific actions equip voucher holders with information about housing opportunities in more affluent or diverse neighborhoods. Also, DHA is consulted and participates in developing the Consolidated Plan of the City of Dothan and the Analysis of Impediments to Fair Housing Choice to be compliant with all applicable civil rights nondiscrimination and ensure equal housing opportunities. DHA certifies that it complies with all Fair Housing laws for all public and affordable housing programs. DHA also certifies that it complies with the Title VI of the Civil Rights Act of 1964, the Fair Housing Act of 1968, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.

There is a direct correlation between the success of the HCVP and the Fair Housing Act (FHA). As a HUD program participant, DHA complies with the FHA to refrain from discrimination and address segregation and related barriers as often reflected or ethnically concentrated areas of poverty. DHA certifies in its annual plan that it adheres to the Affirmatively Furthering Fair Housing (AFFH) law and participates in assessing fair housing (AFH) every five years with the City of Dothan. DHA also confirms that it incorporates strategies and actions AFFH into its annual plan. Expanding fair housing choice aims to reduce economic, racial, and social isolation, increase freedom of movement, and create a more balanced menu of housing options for all families. Vouchers generate the possibility that families, armed with data and information, can exercise choices about where to live. AFFH includes helping families use their vouchers to move from segregated to integrated areas, from racially or ethnically concentrated areas of poverty, and regions with disparities in access to opportunity within its jurisdiction.

## **2. Plan for Future Community/Resident Engagement**

To prevent, prepare for, and respond to the COVID-19 pandemic along with preventing the spread of the coronavirus and its different variants, DHA has held Resident Advisory Board (RAB) meeting monthly virtually via ZOOM. Before the increase in the coronavirus different strains, DHA held the required two Resident/Participant meetings on June 15, 2021, and June 29, 2021, in-person and virtually via ZOOM. DHA will continue to engage assisted households in its low-income and affordable housing programs and the broader community and stakeholders during the implementation and development of its local MTW program. The DHA has two Resident Commissioners on its Board of Commissioners who advocate for the HCVP and the MTW Landlord Incentives Plan. They are champions of positive community awareness, understanding, and embracing the WRVP and the MTW Landlord Incentives Plan. The conversations and questions from the RAB have been focused on “how will DHA get perspective landlords on board with the MTW Landlord Incentives Plan, and if so, how will DHA sustain their interest?”

As an MTW Cohort # 4 designee, DHA will continue its comprehensive engagement efforts with the local community, including outreach to racial and ethnic minorities, persons with limited English proficiency, persons with disabilities, families with children, and groups representing such persons. DHA has started to offer forms in Spanish, and its new website is ADA accessible and offers Google Translation for different languages. Moreover, DHA will continue to discuss the MTW plan with the Board Commissioners, local leaders, staff, voucher holders, and community stakeholders. DHA's Landlord Liaison attends RAB, property management, and real estate industry association meetings to promote the Landlord Incentive program. Additionally, DHA has established a Landlord Advisory Committee that meets quarterly with Landlord Liaison, and they discuss ways to market the Landlord Incentive program. DHA also has a Family Self-Sufficiency (FSS) Program Coordinating Committee (PCC) active in the community and has assisted with promoting a consistent and positive message that supports establishing a favorable public image for the HCVP and the MTW Landlord Incentive program.

### **3. PHA Operating and Inventory Information**

DHA has converted four public housing properties to the Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV) model over the past three years. DHA's voucher portfolio consists of 904 HCVs (Tenant-Based Vouchers), 551 RAD PBV, and 55 PBVs. DHA's current voucher portfolio total is 1,510. Here is the breakdown regarding the RAD PBV units: Crimson Ridge has 148 RAD PBV units, Henry Green has 99 RAD PBV units, Martin Homes has 92 RAD PBV units, and Kinsey Cove has 212 RAD PBV units. The traditional 55 PBV units are tied to the Howell School Senior Apartments. DHA also owns and manages 19 market-rate apartments. DHA has been and continues to be a high performer with its SEMAP and PHAS assessments.

#### **i. DHA Major Plans Underway while Participating in MTW Demonstration**

DHA has 117 remain public housing units which the PHA has submitted a Streamlined Voluntary Conversion (SVC) Plan to the HUD Special Applications Center (SAC) to convert those units to Tenant Protection Voucher (TPV) to become a “voucher only agency.” This will bring DHA's voucher portfolio to 1,627.

#### **ii. Challenges DHA faces in leasing HCV Units.**

When the demand for rental units is high, landlords do not need guaranteed rents from voucher holders to meet their profitability and business goals for rental properties. Landlords conduct a cost-benefit analysis of whether to deal with the bureaucracy that comes with the guaranteed rent compared to dealing with a private market renter. The guaranteed rent ("carrot on the stick") approach does not incentivize landlord participation and correlates with the phenomenon of the landlord's withdrawal from the HCVP. These landlords can quickly lease to a private market renter without having to work with DHA.

### **iii. Demonstrated Innovation and Creativity with Other Grants and HUD Programs**

DHA has demonstrated innovation and creativity within its current programs by implementing a social entrepreneurial approach of providing housing choices that improve the quality of life for families through public-private partnerships and "thinking outside of the box." DHA has answered the challenge of evolution through transformational leadership and acknowledging the paradigm shift of PHAs doing more with less, moving from paper to the cloud, streamlining its operations through technology by embracing an online platform, and moving from outputs to outcomes. Some of the innovative programs that DHA has been recognized for and has implemented are as follows:

- Awarded the 2021 AAHRA Best Practices of the Year Award for Bridging the Gap between Housing and Health through Public-Private Partnerships.
- Awarded the 2021 AAHRA Commissioner of the Year Award for David C. Jamison for his lifetime of service and transformational leadership as 25-year former HUD Senior Policy Development Analyst, local CoC Vice-Chair, and the current DHA Board Chair.
- Awarded \$225,000.00 for Resident Opportunity and Self-Sufficiency (ROSS) Coordinator grant.
- Awarded \$250,000.00 for HUD Safety & Security grant.
- Awarded \$200,000.00 for 10 AmeriCorps VISTAs who will provide case management for the DMP.
- Launched the DMP that provides wrap-around services that include but are not limited to housing counseling, mobility housing, case management services, financial literacy, workforce development, digital literacy, transportation services, childcare services, health and behavioral health services, afterschool activities, etc.
- Launched Building Opportunities toward Self-Sufficiency (BOSS) as DHA's Resident Services affiliate and Ready to Rent (R2R) training course for voucher holders.
- Awarded \$350,000.00 for Community Development Block Grant (CDBG) grant for the OCI Housing and Enrichment Center to modernize the former school as new headquarters for DHA.
- Awarded \$93,150.00 for DHA's affiliate, Our Community Inc. (OCI), for two Rapid Rehousing positions in partnership with the ARCH (CoC) to address the COVID-19 pandemic and affordable housing crisis in the WMA.
- Awarded \$100,000.00 under the Alabama Department of Public Health (ADPH) COVID-19 grant through the collaborative effort of a public-private partnership (COVID VAX 7 initiative) to address the pandemic in minority and low-to-moderate (LMI) communities in the WMA.
- Launched COVID-19 Vaccine Clinics at RAD PBV Developments.

- DHA and Alabama College Osteopathic of Medicine (ACOM) partnered to implement a Community Health Clinic at the OCI Housing and Enrichment Center.
- Launched Digital Transformation for new hardware through docketing stations/ laptops, VOIP for cell/ desktop phones, and new software for finance, human resources, payroll, asset management, and the HCVP.
- The digital transformation involves implementing the modern-day, cloud-based MRI HAPPY housing software to optimize the HCVP that includes landlord portals, tenant portals, direct deposit portal, real-time inspections portal, unit listing portal, and a link on the new responsive website.

DHA has demonstrated the staff capacity to administer other HUD programs, including acquiring additional vouchers through regional collaboration to achieve economies of scale to increase housing choices. DHA's public-private partnerships have developed vibrant mixed-use affordable housing communities through mixed-financing by combing public housing dollars with the LIHTC program to leverage public and private resources to build mixed-income neighborhoods. Likewise, DHA has made the successful complete portfolio transition to the HCVP funding platform through its four RAD conversions and the current Streamlined Voluntary Conversion (SVC) Section 22-Tenant Protection Voucher (TPV) conversion. DHA voucher portfolio consists of the following conversions and acquisitions:

- Acquired 208 HCVs from the Troy Housing Authority and Launched the WRVP for providing voucher services in five counties.
- Converted Henry Green, Crimson Ridge, and Martin Homes to RAD PBV program.
- \$13-million Howell Senior Apartments Grand Opening (55 PBV/LIHTC).
- \$34-million Groundbreaking Ceremony (212 RAD PBV/ LIHTC) for the Capstone at Kinsey Cove Conversion (former Johnson Homes public housing development).
- Streamlined Voluntary Conversion (SVC)-Section 22 Tenant Protection Voucher (TPV) Plan for Ussery Homes and Marvin Lewis Village to close out the public housing program and become a "voucher only agency."

#### **4. Plan for Local MTW Program**

DHA's MTW program employs the best practices and strategies listed in the HCV Landlord Guidebook based on the three focus areas of monetary incentives and reimbursements; technology, and education and outreach. DHA plans to utilize the regulatory waivers and flexibility of the MTW designation for flexible spending to streamline its operations by removing institutional bureaucracy to sustain landlord participation in the HCVP. As an MTW Cohort #4 PHA, DHA will enact policies and procedures that will build strong relationships with local landlords that will be cost-effective, provide housing choices for voucher holders, and support voucher holders with achieving self-sufficiency. The MTW Plan for DHA will meet the three statutory objectives that are described through Cost Effectiveness, Self-Sufficiency, and Housing Choice below:

##### **Cost-Effectiveness**

Although the HCVP is complex and confusing, one of the primary reasons for the voucher program's success is its flexibility. DHA plans to use the Housing Assistance Payment (HAP) and Administrative Fee funding flexibly through the two HUD-identified activities under Cohort #4 Landlord Incentives for Vacancy Loss and Damage Claims Payments. In addition to the two HUD-

identified Landlord Incentives activities, DHA having discretion under the MTW program, will also provide the monetary incentives and reimbursements of a security deposit and signing bonuses. This will ultimately streamline the lease-up process for the PHA, landlords, and voucher holders.

The changing voucher funding climate compelled DHA to make cost-effective decisions to invest in technology. DHA will fund activities that update the software to carry out HCVP activities to attract, recruit, and retain landlords in the WMA. DHA purchased the cloud-based MRI HAPPY software to improve the efficiency and effectiveness of the HCVP. The software has improved communication and enhanced customer service with landlords and voucher holders. DHA also launched a responsive new website that hosts the MRI HAPPY online portals for landlords and voucher holders and a text-message alert system. Landlords will be able to monitor the entire lease-up process entirely online, from the Request for Tenancy Approval (RFTA) to the HAP contract signing in the MRI HAPPY software. As it relates to the landlord portal, it provides 24/7 access to all forms, documents, direct deposit information, 1099s, etc.

Moreover, DHA will cut direct deposits for HAP payments three times per month compared to the traditional once or twice a month to attract, recruit, and retain landlord participation. DHA simplified its inspections process through real-time online inspections status updates through MRI HAPPY software. The other cost savings and innovative initiative under this MTW Cohort are that the DHA's Landlord Liaison communicates with landlords virtually via ZOOM and monitors the Landlord Incentive program through the MRI HAPPY software.

### **Self-Sufficiency**

The DMP incorporates the following tenets of best and evidence-based practices: the HUD Moving to the Opportunity (MTO) study, the Mobility Housing Counseling program, the Mobility Housing program, and the Good Neighborhoods program. The DMP will provide wrap-around case management services, mobility and housing counseling, and the Ready to Rent (R2R) tenant education workshop certification for voucher holders. To accomplish this task, DHA has created an Expanding Housing Opportunities (EHO) and Deconcentration Marketing Campaign to attract and retain landlords in high opportunity areas to list housing opportunities for tenants wishing to relocate to these areas. Participants residing in the census tracts and zip codes in minority or poverty concentrated areas will have the chance to move to meet with landlords during the quarterly Rental Fairs. The DMP involves an eight (8) step-housing process of Surveys, Marketing, Assessments, Education, Housing and Mobility Counseling, Landlord Incentive Funding, Case Management, and Advocacy. These steps will reduce the barriers to affordable housing opportunities in high opportunity areas due to poor credit, criminal backgrounds, and negative tenant histories. DHA will utilize a comprehensive analysis approach for the DMP and the MTW Cohort #4 Landlord Incentives outcomes.

### **Housing Choice**

The removal of the bureaucratic red tape will develop better relationships between landlords and DHA, which will lead to more affordable housing choices for voucher holders. More landlords equal more housing choices for voucher holders who are served by the WRVP. DHA will increase housing choices for voucher holders to live in areas of opportunities based on the Payment

Standard housing subsidies of 100% or 110% of Fair Market Rents (FMR) in the traditional WMA areas and the Small Area Fair Market (SAFMR) for Houston, Geneva, and Henry counties. DHA also plans to increase housing choices by expanding housing opportunities and deconcentrating poverty for voucher holders by providing access to jobs, good schools, healthcare, a healthy environment, healthy foods, safe neighborhoods, and transportation services through the SAFMR payment standards.

## **5. Proposed Use of MTW Funds**

DHA formally requests to use funds flexibly under the MTW Landlord Incentives Cohort to evaluate landlord incentives and their effect on landlord participation in the HCVP. DHA will use all resources and, where appropriate, fungibility to increase housing choice for voucher holders and landlord participation in the HCVP. The proposed use of funds is evident in the recent "*The Choice in Affordable Housing Act*." The bill correlates with the MTW funds that DHA can receive a financial bonus for hiring a full-time Landlord Liaison and funding to invest in technology to streamline its HCVP operations.

DHA formally requests to use funds flexibly under the MTW Landlord Incentives Cohort to recruit and retain landlords through funding for the Landlord Liaison position under the Cohort #4 Landlord Incentives. The Landlord Liaison will play an essential role in helping landlords feel like they are actual customers of the HCVP. Many landlords think that there should be one designated person like a Landlord Liaison dedicated to working with them. The Landlord Liaison position would play an instrumental role in changing the perceptions and attitudes of landlords through their retention, recruitment, and support efforts. Ultimately, the Landlord Liaison position is essential to assisting DHA with improving the public-private partnership's relationship and for the HCVP to live up to its intended purpose.

DHA formally requests to use funds flexibly under the MTW Landlord Incentives Cohort based on the Cohort #4 MTW Activities List to provide monetary incentives and reimbursements through the following: vacancy loss for long waiting periods, damage claims for tenant-related damages, a security deposit for voucher holders who cannot afford to pay the required amount and signing bonus adding more new units to lease for new, current, and former landlords. The recent CARES Act funding also allowed DHA to utilize the administrative fee for the landlord monetary incentives of vacancy loss, damage claims, security deposits, and signing bonuses. Additionally, the recent flexibilities and waivers under the CARES Act can be used as a catalyst for DHA's MTW proposed use of funds as an opportunity to design and test innovative, locally designed landlord participation strategies. MTW is vital in moving away from a "one-size-fits-all" approach to affordable housing and allowing communities to address the distinct issues they face effectively. The locally tailored policies adopted by DHA will solve the challenges faced by all PHAs, mainly through their ability to inform HUD about "what works" in housing.

DHA formally requests to use funds flexibly under the MTW Landlord Incentives Cohort to pay for the continued investment in technology. DHA will remove the bureaucratic red tape by streamlining its operations through technology, simplifying the inspections process through a landlord portal, enhancing customer service through a responsive website, improving communication through telecommunications and social media interactions. Moreover, this will allow DHA to be more responsive to the landlords and increase landlord satisfaction and

engagement. This illustrates that DHA recognizes landlords as real partners and values their time to keep landlords satisfied and retain their participation in the HCVP.

DHA formally requests to use funds flexibly under the MTW Landlord Incentives Cohort to provide landlord education and training. Landlords often enter the HCVP blindly and have little to no knowledge of how the program works. Many landlords are inexperienced in property management, and landlord training would be helpful beyond clarifying the DHA's role and landlord's role related to property management and voucher management. The best practice for landlords participating in the HCVP is to be educated about the landlord's role as the property manager or rental housing owner related to the lease, between them and the voucher holder, and the HAP contract between the landlord and the DHA. Landlord orientation and educational workshops will be held virtually via ZOOM, where the Landlord Incentive program is discussed.

## **6. Evidence of Significant Partnerships**

DHA is a member of the local Continuum of Care (CoC), the Alabama Rural Coalition for the Homeless Inc. (ARCH). ARCH established the Rural Alabama Landlord Engagement Roundtable (RALER) Initiative to coordinate and collaborate with local landlords, management companies, and developers. DHA's Landlord Liaison seats on the RALER and has been instrumental in streamlining efforts to connect with landlords in the counties of Coffee, Dale, Henry, Geneva, and Houston under the WRVP and CoC Landlord Incentives to house homeless families. In addition, ARCH partnered with DHA and its affiliate, Our Community Inc. (OCI), to address the COVID-19 pandemic and affordable housing crisis in the WMA. ARCH awarded OCI \$93,150.00 in grant funding and entered into an MOU with DHA to sponsor two Rapid Rehousing positions. Previously, ARCH provided letters of support and entered into a Memorandum of Understanding (MOU) with DHA to apply for special purpose vouchers (SPVs) under the Foster Youth to Independence (FYI) initiative, Mainstream Voucher Program (MVP), and the Veteran Affairs Supportive Housing (VASH) programs.

DHA entered into an MOU with the City of Dothan to address the affordable housing shortage. The City of Dothan and DHA partnered together to create the City of Dothan Affordable Housing Implementation Plan (Study). Furthermore, this Affordable Housing study explained the housing gap and formulated the necessary implementable action strategies and initiatives to address these gaps. The Comprehensive study captured market data analysis based on affordable housing organization assessments. It translated the analysis into a set of recommendations that both entities will implement to position the City of Dothan as the regional leader for providing quality, affordable housing for all citizens around Dothan and in the WMA.

## **1. Landlord Needs Assessment**

DHA's Chief Operating Officer (COO), Dr. Michael C. Threatt, recently completed his dissertation on landlords at DHA that included a needs assessment. The title of his dissertation is *Using Input from Landlords Participating in the Dothan Housing Authority's Housing Choice Voucher Program (HCVP) to Streamline Operations and Increase Retention*. His quantitative research study evaluated landlords' opinions regarding their feelings toward streamlining the operations of the HCVP through technology and if this will increase their retention. Dr. Threatt's research study chose the convenience sampling of landlords, experiential stakeholders in the HCVP. Each landlord participant of the study had an active HAP contract with DHA and had been a landlord for at least one year. The descriptive statistics research study provided an objective analysis of the landlords' opinions at DHA through an online closed-ended survey. His dissertation addressed the gap in research to better understand landlords' important role through their opinions as experiential stakeholders in the HCVP. Dr. Threatt's dissertation study also added empirical knowledge by addressing the research gap to create recommendations for policy solutions to retain the landlords' participation in the HCVP.

The sample for his research study consisted of landlord participants who responded to an online closed-ended survey who were all participating in the DHA's HCVP. The summary and discussion of this descriptive research study results included optimizing processes by investing in technology to increase landlord satisfaction and engagement by the PHAs, improving communication, and enhancing customer service that cultivates better PHA-landlord relationships. Out of the seven questions, the data for Table 4 (See Appendices) for improving communication responses from landlords resulted in 85% of the landlord participants agreeing that improving communication through technology would streamline operations and retain their participation as a landlord in DHA's HCVP. Out of the eight questions, the data for Table 5 (See Appendices) enhancing customer service responses from landlords resulted in 86% of the landlord participants agreeing that enhancing customer service through technology would streamline operations and retain their participation as a landlord in DHA's HCVP.

Dr. Threatt also facilitated two MTW Landlord Incentives Focus Group virtually via ZOOM, one on June 3, 2021, and the other on July 1, 2021. Dr. Threatt discussed the proposed landlord monetary incentives and reimbursements, streamlining the HCVP operations through technology, landlord education workshops and landlord orientations scheduled for DHA, the new Landlord Liaison position, removing the bureaucratic red tape of the HCVP, the Dothan Mobility Program, and Ready to Rent (R2R) training certifications for voucher holders. During the Focus Groups, Dr. Threatt discussed the results of his dissertation study, the rental housing market conditions, why some landlords do not accept HCVs, and the strengths and weaknesses of DHA's HCVP.

### **i. Rental Housing Market Conditions**

Dr. Threatt discussed the current housing market conditions as a REALTOR® and the correlation of the City of Dothan's housing study. He mentioned that Dothan continues to experience a loss of affordable housing inventory without focusing on preserving the city's existing affordable housing stock and developing diverse new housing options. Trends include a shortage in supply of owner-occupied housing units affordable to households at or above the annual median income (AMI), which puts downward pressure on the market, and a shortage in the supply of rental housing

units for households at or above the AMI and households below 30% of AMI. Further complicating the lack of available, affordable housing is the perceived number of housing units that are vacant, abandoned, dilapidated, or in a deteriorated condition, creating a risk to tenants and homeowners. Nonetheless, it is a seller's market, and there is high competition for rental property and homes for sale. The problem is cumulative, meaning the gap keeps growing between the number of people that need or wants housing and the number of available homes for purchase or rental. The lack of housing supply plays a paramount role in the affordable housing crisis. This ultimately affects and puts pressure on prices and rents, especially for LMI households.

**ii. Why some landlords do not accept HCVs from DHA**

There are multiple pain points for landlords that affect their acceptance of HCVs. Some potential landlords are also hesitant to rent to voucher holders because of the stigmas and stereotypes associated with the HCVP, formerly the name "Section 8". These same landlords are aware of the bureaucracy, administrative burdensome red tape, and the former reputation of DHA. Additionally, some landlords expressed their reasons for withdrawing from the HCVP because of previous negative experiences. Some landlords' negative experiences resulted from lack of support during inspections for tenant-caused damages, the lengthy lease-up process from voucher issuance to approved HAP contract signing, and other administrative delays of the PHA. Some PHAs do not make it any better because of their staff's poor customer service, communication capacity, and how their operations are paper-driven.

The HCVP inspection process has become too complicated for current landlords to navigate, deters new landlords from participating, and causing current landlords to withdraw. The administrative burdensome inspection process of waiting on inspectors to inspect landlords' units is a huge deterrence. To add to the deterrence, the delay of waiting to find out results through the mail of whether an inspection passed or failed, or if the HAP payment will continue or stop without knowing the inspection status for days or weeks at a time. The landlords sit and wait on the mail, hoping that the HAP check makes it to them in time or if the mail comes at all to make a business decision. This is an extreme hardship for any landlord to operate their HCVP business without "real-time" inspection results and other pertinent information. This significant issue of waiting for a mailed HAP payment because the DHA has not embraced a technological environment.

**iii. DHA's Assessment of the strengths and weaknesses of DHA's HCVP**

During Dr. Threatt's assessment of the strength and weaknesses of DHA's HCVP, he discovered that DHA is extrinsically focused on being a "high performer" through the HUD Section Eight Management Assessment Program (SEMAP) to maintain its administrative fee funding from HUD at the expense of relationships with landlords. He also discovered that DHA struggled with trying to meet the regulatory requirements of the HCVP while also keeping landlords engaged and satisfied. He found that DHA chose status quo operations and sacrificed the relationship with landlords to pursue continued administrative fee funding to meet HUD mandates.

Dr. Threatt also discovered that the biggest concern and challenge to overcome for DHA is the substantial reduction in administrative fees. HUD's failure to provide adequate administrative fees significantly impede and disrupt HCVP operations and have a negative effect on the accomplishment of DHA priorities and goals. The administrative fee has fluctuated between 70%-

81% of full allocation over the past eight years. The continued failure to fully fund the administrative fee derails the functionality of DHA optimizing its HCVP to its full potential. The administrative fee pays for the staff and contracts to manage the HCVP effectively. DHA deals with the burdensome administrative work of maintaining the waiting list, signing HAP contracts, issuing payments to landlords, processing lease-ups, completing HQS inspections, and complying with all HUD regulations in a paper-driven environment.

The bureaucratic inspections process can be daunting for any landlords and devastating to their business operations. The vacancy waiting period is too long between a unit's inspections and getting a unit under a HAP contract because of DHA's outdated housing software. Dr. Threatt found that DHA utilizes a manual process of receiving mailed inspection results instead of a modern-day housing software that automatically creates and uploads the results letter to the online inspections portal. Furthermore, the inspection could be completed efficiently on a tablet or smartphone utilizing modern-day housing software to upload real-time inspection results to meet HUD mandates and simplify the inspection process by making it landlord-friendly and informative. DHA can address communications issues regarding the inspection process by investing in technology that creates automation through text messaging, emails, and phone calls. This would improve communication between the landlord and DHA and enhance the customer service of the agency.

Dr. Threatt noted that DHA and landlords did not naturally speak the same language and had different agendas as different actors, creates an indifferent relationship. Unfortunately, one of the biggest misconceptions of the HCVP for landlords is that DHA is the landlord's property manager. Likewise, the landlord assumes that DHA enforces the lease, and the landlord sits back, ready to receive the HAP payment. Furthermore, landlords felt that they gleaned more from the property management workshops facilitated by real estate professionals than the landlord orientations and seminars facilitated by the HCVP staff of DHA.

Dr. Threatt learned that some of these property managers utilize the HCVP as a business strategy to provide residential property management services based on the guaranteed rent. Furthermore, many individual and large investors assign their properties to property management companies found on economies of scale. Rental property owners utilize the economies of scale model by working with property management companies who have experience navigating the terrains of the HCVP to provide leasing services for investment properties. Landlords utilize the cost-benefit analysis of the guaranteed rent for return on investment by working with property management companies for their investment properties. There is a 10% property management fee charge of the contract rent in the State of Alabama.

## **2. MTW Cohort #4 Activities**

Landlords have specific pain points when dealing with DHA and leasing through the HCVP based on the deeply flawed program. Not only can these pain points be alleviated, but they can also be removed by developing strategies to cultivate better relationships for this public-private partnership between the PHA and landlords. Some of these strategies the three Activities are being considered because feedback through web-based surveys, virtual via ZOOM Focus Groups, and interviews indicate significant Incentives to Landlords geographically located in the City of

Dothan and around the WMA. Therefore, as stated previously, DHA's MTW program employs the best practices and strategies listed in the HCV Landlord Guidebook based on the three focus areas of monetary incentives and reimbursements; technology, and education, and outreach. DHA's MTW program employs the best practices and strategies listed in the HCV Landlord Guidebook based on the three focus areas of monetary incentives and reimbursements; technology, and education and outreach.

The MTW Landlord Incentive Activities for DHA are vacancy loss, damage claims, and other landlord incentives. The other landlord incentives consist of signing bonuses and security deposits. The monetary incentives and reimbursements that will attract, recruit, and retain landlords in the WMA are as follows: a) vacancy loss payment for long waiting periods, b) damage protection payment for tenant-related damages, c) security deposit for voucher holders who cannot afford to pay the required amount, and d) signing bonus for landlords for adding more units to lease.

Second, DHA plans also plan to invest in technology to streamline its operations, simplify the inspections process, enhance customer service, and improve communication that will increase landlord satisfaction and engagement. DHA has started to remove the bureaucratic red tape by investing in technology. This will allow DHA to increase landlord engagement and satisfaction through a landlord portal, web-based software and web-based forms, text message alerts, and making payments through direct deposits. Utilizing social media is a creative way to streamline operations through technology by improving communications efforts, leading to landlord satisfaction and engagement to sustain their leasing through the HCVP.

DHA launched its new responsive website in March 2021, which allows the PHA to embrace an online platform for landlords to submit web-based forms that will enable landlords to sign, complete, and submit transactions electronically without coming into the office. Simplifying the inspections process through technology is an essential step to streamlining the operations of the HCVP to increase landlord participation. The MTW flexibility will optimize the management of the HCVP based on the flexibility with the administrative fee for DHA. The MTW administrative fee flexibility will assist the DHA with streamlining operations to provide housing choices for voucher holders and landlord participation.

Third, DHA activities include education and outreach to Landlords through the Landlord Liaison position. The Landlord Liaison serves as the single point of contact devoted solely to landlords to provide customer service and communication about their units or any updates regarding the WRVP of DHA. The position utilizes the Landlord Incentive funding as a tool for landlord recruitment and retention. The Landlord Liaison also coordinates the landlord orientation and education workshop schedules and facilitates educational workshops. The position maintains the landlord portal, landlord webpage, landlord web-based forms on the DHA website and sends out an e-newsletter. The Landlord Liaison assists landlords with navigating and setting up their HQS inspections portal, marketing, and posting rental property in the MRI HAPPY software. The Landlord Liaison oversees the Landlord Advisory Committee and schedules meeting with landlords in-person and virtually via ZOOM.

Additionally, the bureaucracy will be removed by facilitating landlord orientation and training workshops, providing monetary incentives (e.g., signing bonuses, security deposit assistance,

vacancy loss payments, & damage protection funds), simplifying the inspections process, hiring a full-time landlord liaison, conducting conflict resolution for tenant-landlord disputes, hosting landlord engagement events, and establishing a landlord advisory committee. By removing institutional bureaucracy through streamlining operations through the following: enhancing customer service through a responsive website, investing in technology by creating a landlord portal, utilizing web-based software and web-based forms, text message alerts, making payments through direct deposits, implementing a marketing and outreach campaign; improving communication through landlord email addresses, and e-newsletters.

HUD understands the importance of thinking outside the box, focusing on best practices, and providing creative housing solutions for those serving the most vulnerable by allowing agencies to merge their funding streams and design creative policies. The most important lesson HUD has learned from MTW is that local agencies and their stakeholders are in the best position to assess the needs and challenges of their communities and rental markets. It is important that local leaders have the flexibility to utilize and leverage their strengths, resources, and partnerships in a way that best serves their communities.

The key principles for the expansion are to: simplify, learn, and apply. The vision for the MTW expansion is to learn from MTW interventions in order to improve the delivery of federally assisted housing and promote self-sufficiency for low-income families across the nation. In order to do this, HUD has developed a program delivery model that simplifies and streamlines HUD oversight and provides flexibility to high-performing PHAs in the delivery of housing services. This is a way for DHA to show HUD and Congress how these statutory waivers and flexibilities of the MTW Cohort #4 Landlord Incentives should become permanent public policy for the HCVP by creating innovative solutions to sustain and elevate their operations. Ultimately, DHA's MTW Cohort #4 Landlord Incentives designation will streamline HCVP operations for cost-effectiveness, enhance self-sufficiency opportunities and increase housing choices for voucher holders.