

The Housing Authority of the City of Fort Worth DBA Fort Worth Housing Solutions (FWHS) is amending its annual and 5-year PHA Plan because it was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, FWHS will be converting to Project Based Rental Assistance under the guidelines of PIH Notice 2012-32 (HA) H-2017-03, REV - 3, REV-1 (Attachment A), PIH Notice 2012-32 REV-2 (Attachment B), and 2012-32 (HA) H-2017-03, REV – 3.

Upon conversion to Project Based Rental Assistance, FWHS will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.7.B & 1.7.C of PIH Notice 2012-32, REV-1. These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, FWHS is currently compliant with all fair housing and civil rights requirements and is not under a Voluntary Compliance Agreement.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing FWHS with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, FWHS' Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that FWHS may also borrow funds to address their capital needs. FWHS will also be contributing Operating Reserves up to the amount of \$5,000,000.00 and Capital Funds up to the amount of \$3,000,000.00 towards the conversion.

Please find specific information related to the Public Housing Development(s) selected for RAD:

Development #:

1

Name of PH Development:

Butler Place Apartments

PIC Development ID:

TX004000002

Conversion Type:

PBRA

Transfer of Assistance:

Yes

Total Units:

412

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family, Elderly and Disabled

Capital Fund allocation of

Development:

\$474,980.68

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

Number of Units Pre-

Conversion

92

159

139

22

Number of Units Post-

Conversion

196

148

63

5

Change in Number of Units per

Bedroom and Why

104 increase (right sizing)

Decrease by 11

Decreased by 76

Decreased by 17

If Performing a Transfer of Assistance, explain how.

Butler Apartment RAD conversion is currently proposed as a 20 phase project conversion. All RAD units will be transferred from the current Butler Public Housing site to as many as 20 acquired and/ or newly constructed mixed finance sites throughout Fort Worth. Existing non-public housing sites currently owned by FWHS will be awarded RAD converted units upon HUD approval, and are identified on Attachment D. FWHS also intends to pursue additional sites through a combination of activities, including acquisition and development using the 9% and 4% Low-Income Housing Tax Credit programs. At this time, eight sites have been identified to date on Attachment A (Proposed Sites to Receive RAD Allocation). FWHS will continue to identify sites over the next two years. For each project assigned a commitment for RAD units, FWHS will establish a site-based waiting list in accordance 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on FWHS' Butler Apartment site based waiting list have been offered placement on all newly established waiting lists. For the purpose of establishing the initial waiting lists, FWHS will use its discretion to determine the most appropriate means of informing applicants on the current public housing waiting list given the number of applicants, FWHS' resources, and community characteristics of the proposed conversions under RAD. Such activities should be pursuant to FWHS' policies for waiting list management, including the obligation to affirmatively further fair housing. FWHS may consider contacting every applicant on the current public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (i.e., radio stations, posters, newspapers) within the marketing area; informing local nonprofit entities and advocacy groups (i.e., disability rights groups); and conducting other outreach as appropriate. Applicants on FWHS' public housing waiting list who wish to be placed onto the newly-established waiting lists will be done so in accordance with the date and time of their original application to the site-based public housing waiting list. All activities to contact applicants on the public housing waiting list shall be conducted accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).After the initial waiting lists have been established, FWHS shall administer its waiting lists for the converted projects in accordance with 24 CFR § 880.603.

Development #:

2

<u>Name of PH Development:</u>	<u>PIC Development ID:</u>	<u>Conversion Type:</u>	<u>Transfer of Assistance:</u>
Cavile Place Apartments	TX004000003	PBRA	Yes

<u>Total Units:</u>	<u>Pre-RAD Unit Type:</u>	<u>Post-RD Unit Type:</u>	<u>Capital Fund allocation of Development:</u>
300	Family	Family	\$345,859.72

<u>Bedroom Type</u>	<u>Number of Units Pre-Conversion</u>	<u>Number of Units Post-Conversion</u>	<u>Change in Number of Units per Bedroom and Why</u>
Studio/ Efficiency			
One Bedroom	60	60	0
Two Bedroom	146	146	0
Three Bedroom	69	69	0
Four Bedroom	25	25	0

Cavile Apartment RAD conversion is currently proposed in multiple phase project conversion. All RAD units will be transferred from the current Cavile Public Housing site to approximately multiple acquired and/ or newly constructed mixed finance sites throughout Fort Worth. FWHS also intends to pursue multiple sites through a combination of activities, including acquisition and development using the 9% and 4% Low-Income Housing Tax Credit programs. For each project assigned a commitment for RAD units, FWHS will establish a site- based waiting list in accordance 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on FWHS' Cavile Apartment site based waiting list have been offered placement on all newly established waiting lists. For the purpose of establishing the initial waiting lists, FWHS will use its discretion to determine the most appropriate means of informing applicants on the current public housing waiting list given the number of applicants, FWHS' resources, and community characteristics of the proposed conversions under RAD. Such activities should be pursuant to FWHS' policies for waiting list management, including the obligation to affirmatively further fair housing. FWHS may consider contacting every applicant on the current public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (i.e., radio stations, posters, newspapers) within the marketing area; informing local nonprofit entities and advocacy groups (i.e., disability rights groups); and conducting other outreach as appropriate. Applicants on FWHS' public housing waiting list who wish to be placed onto the newly-established waiting lists will be done so in accordance with the date and time of their original application to the site-based public housing waiting list. All activities to contact applicants on the public housing waiting list shall be conducted accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).After the initial waiting lists have been established, FWHS shall administer its waiting lists for the converted projects in accordance with 24 CFR § 880.603.

If Performing a Transfer of Assistance, explain how.

Development #:

3

Name of PH Development:

PIC Development ID:

Conversion Type:

Transfer of Assistance:

Scattered Site Apartments

TX004000016

PBRA

No

Total Units:

Pre-RAD Unit Type:

Post-RD Unit Type:

Capital Fund allocation of

16

Family

Family

Development:

\$18,445.85

Bedroom Type

**Number of Units Pre-
Conversion**

**Number of Units Post-
Conversion**

**Change in Number of Units
per Bedroom and Why**

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

14

2

14

2

0

0

If Performing a Transfer of
Assistance, explain how.

N/A

Development #:

7

Name of PH Development:

Overton

PIC Development ID:

TX004000018

Conversion Type:

PBRA

Transfer of Assistance:

No

Total Units:

54

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family

Capital Fund allocation of

Development:

\$62,254.75

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

**Number of Units Pre-
Conversion**

23

21

10

**Number of Units Post-
Conversion**

23

21

10

**Change in Number of Units
per Bedroom and Why**

0

0

0

If Performing a Transfer of Assistance, explain how.

N/A

Development #:

5

Name of PH Development:

Sycamore Center

PIC Development ID:

TX004000019

Conversion Type:

PBRA

Transfer of Assistance:

No

Total Units:

47

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family

Capital Fund allocation of

Development:

\$54,184.69

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

**Number of Units Pre-
Conversion**

20

23

4

**Number of Units Post-
Conversion**

20

23

4

**Change in Number of Units
per Bedroom and Why**

0

0

0

If Performing a Transfer of
Assistance, explain how.

N/A

Development #:

8

Name of PH Development:

Stonegate

PIC Development ID:

TX004000020

Conversion Type:

PBRA

Transfer of Assistance:

No

Total Units:

34

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family

Capital Fund allocation of

Development:

\$66,866.21

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

**Number of Units Pre-
Conversion**

24

26

**Number of Units Post-
Conversion**

24

26

**Change in Number of Units
per Bedroom and Why**

0

0

If Performing a Transfer of Assistance, explain how.

N/A

Development #:

6

Name of PH Development:

Cambridge Courts

PIC Development ID:

TX004000021

Conversion Type:

PBRA

Transfer of Assistance:

No

Total Units:

33

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family

Capital Fund allocation of

Development:

\$38,044.57

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

**Number of Units Pre-
Conversion**

18

15

**Number of Units Post-
Conversion**

18

15

**Change in Number of Units
per Bedroom and Why**

0

0

If Performing a Transfer of Assistance, explain how.

N/A

Development #:

4

Name of PH Development:

PIC Development ID:

Conversion Type:

Transfer of Assistance:

Candletree

TX004000022

PBRA

No

Total Units:

Pre-RAD Unit Type:

Post-RD Unit Type:

Capital Fund allocation of

44

Family

Family

Development:

\$50,726.09

Bedroom Type

Number of Units Pre-

Number of Units Post-

Change in Number of Units

Conversion

Conversion

per Bedroom and Why

Studio/ Efficiency

One Bedroom

23

23

0

Two Bedroom

21

21

0

Three Bedroom

Four Bedroom

If Performing a Transfer of Assistance, explain how.

N/A

Development #:

8

Name of PH Development:

Wind River

PIC Development ID:

TX004000023

Conversion Type:

PBRA

Transfer of Assistance:

No

Total Units:

34

Pre-RAD Unit Type:

Family

Post-RD Unit Type:

Family

Capital Fund allocation of

Development:

\$39,197.43

Bedroom Type

Studio/ Efficiency

One Bedroom

Two Bedroom

Three Bedroom

Four Bedroom

**Number of Units Pre-
Conversion**

10

24

**Number of Units Post-
Conversion**

10

24

**Change in Number of Units
per Bedroom and Why**

0

0

If Performing a Transfer of Assistance, explain how.

N/A

CHANGES IN POLICIES THAT GOVERN ELIGIBILITY, ADMISSIONS, SELECTIONS AND OCCUPANCY FOR THE RAD PROGRAM, THE PUBLIC HOUSING PROGRAM AND THE HOUSING CHOICE VOUCHER PROGRAM

Rental Assistance Demonstration Program:

A. PBRA Resident Rights and Participation

- 1. No Rescreening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, the first clause of section 8(c)(4) of the Act and 24 CFR § 880.603(b), concerning determination of eligibility and selection of tenants, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family
- 2. Right to Return.** Any resident that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.
- 3. Phase-in of Tenant Rent Increases.** If a resident's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 5 years. To implement this provision, HUD is waiving section 3(a)(1) of the Act, as well as 24 CFR § 880.201 (definition of "total tenant payment"), to the limited extent necessary to allow for the phase-in of tenant rent increases. A PHA must set the length of the phase-in period to be three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "Calculated Multifamily TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on the family's most recent HUD Form 50059.

Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the Calculated PBV TTP

- Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 5 AR and all subsequent recertifications – Full Calculated PBV TTP

Please Note: In either the three year phase-in or the five-year phase-in, once Multifamily housing TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full multifamily housing TTP from that point forward.

FWHS has chosen the Five (5) Year Phase In Period.

- 4. Public Housing Family Self-Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency (ROSS-SC).** Current PH FSS participants will continue to be eligible for FSS once their housing is converted under RAD. All owners will be required to administer the FSS program in accordance with the participants' contracts of participation and future guidance published by HUD. Owners may not offer enrollment in FSS to residents in projects converted to PBRA that were not enrolled in the PH FSS program prior to RAD conversion, nor may owners offer FSS enrollment to any new residents at the project. Owners will be allowed to use any funds already granted for PH FSS coordinator salaries until such funds are expended. All owners will be required to provide both service coordinators and payments to escrow until the end of the Contract of Participation. Please see future FSS Notices of Funding Availability and other guidance for additional details, including FSS coordinator funding eligibility under a RAD conversion. As the PH FSS grant is the source of funding for PH FSS, program compliance will continue to be monitored by the Office of Public and Indian Housing.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future public housing ROSS-SC grants nor will its residents be eligible to be served by future public housing ROSS-SC grants.

- 5. Resident Participation and Funding.** Residents of covered projects converting assistance to PBRA will have the right to establish and operate a resident organization in accordance with 24 CFR Part 245 (Tenant Participation in Multifamily Housing Projects). In addition, in accordance with Attachment 1B of PIH Notice 2012-032, residents will be eligible for resident participation funding.
- 6. Resident Procedural Rights.** The information provided below must be included as part of the House Rules for the associated project and the House Rules must be furnished to HUD as part of the Financing Plan submission. The Model RAD House Rules were approved by HUD on June 30, 2016 and have not been revised, but include the following information:

- a. Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects converting assistance under RAD, that supplement notification requirements in regulations at 24 CFR § 880.607 and the Multifamily HUD Model Lease.
- i. *Termination of Tenancy and Assistance.* The termination procedure for RAD conversions to PBRA will additionally require that PHAs (as owners) provide adequate written notice of termination of the lease which shall not be less than:
 - A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction; or
 - 14 days in the case of nonpayment of rent.
 - ii. *Termination of Assistance.* In all other cases, the requirements at 24 CFR § 880.603, the Multifamily HUD Model Lease, and any other HUD multifamily administrative guidance shall apply.
- b. Grievance Process.** In addition to program rules that require that tenants are given notice of covered actions under 24 CFR Part 245 (including increases in rent, conversions of a project from project-paid utilities to tenant-paid utilities, or a reduction in tenant paid utility allowances), HUD is incorporating resident procedural rights to comply with the requirements of section 6 of the Act. RAD will require that:
- i. Residents be provided with notice of the specific grounds of the proposed owner adverse action, as well as their right to an informal hearing with the PHA (as owner);
 - ii. Residents will have an opportunity for an informal hearing with an impartial member of PHA's staff (as owner) within a reasonable period of time;
 - iii. Residents will have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the owner as the basis for the adverse action. With reasonable notice to the PHA (as owner), prior to hearing and at the residents' own cost, resident may copy any documents or records related to the proposed adverse action; and
 - iv. PHAs (as owners) provide the resident with a written decision within a reasonable period of time stating the grounds for the adverse action, and the evidence the PHA (as owner) relied on as the basis for the adverse action.

The PHA (as owner) will be bound by decisions from these hearings, except if the:

- i. Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.
 - ii. Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- If the PHA (as owner) determines that it is not bound by a hearing decision, the PHA must promptly notify the resident of this determination, and of the reasons for the determination.

- 7. Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID exclusion after conversion, in accordance with regulations at 24 CFR § 960.255. After conversion, no other tenants will be eligible to receive the EID. If a tenant receiving the EID exclusion undergoes a break in employment, ceases to use the EID exclusion, or the EID exclusion expires in accordance with 24 CFR §960.255, the tenant will no longer receive the EID exclusion and the Owner will no longer be subject to the provisions of 24 CFR §960.255. Furthermore, tenants whose EID ceases or expires after conversion shall not be subject to the rent phase-in provision,

as described in Section 1.7.B.3 of PIH Notice 2012-032; instead, the rent will automatically be adjusted to the appropriate rent level based upon tenant income at that time.

- 8. Capital Fund Education and Training Community Facilities (CFCF) Program.** CFCF provides capital funding to PHAs for the construction, rehabilitation, or purchase of facilities to provide early childhood education, adult education, and job training programs for public housing residents based on an identified need. Where a community facility has been developed under CFCF in connection to or serving the residents of an existing public housing project converting its assistance under RAD, residents will continue to qualify as “PHA residents” for the purposes of CFCF program compliance. To the greatest extent possible the community facility should continue to be available to public housing residents.

B. PBRA: Other Miscellaneous Provisions

- 1. Access to Records, including Requests for Information Related to Evaluation of Demonstration.** PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work.
- 2. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** The Davis-Bacon Act (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) and Section 3 (24 CFR Part 135) apply to all initial repairs that are identified in the Financing Plan to the extent that such repairs qualify as construction or rehabilitation. (The Davis-Bacon Act only applies for projects with nine or more units.)
- 3. Establishment of Waiting List.** In establishing the waiting list for the converted project, the PHA shall utilize the project-specific waiting list that existed at the time of conversion. If a project-specific waiting list does exist, but the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

If a project-specific waiting list for the project does not exist, the PHA shall establish a waiting list in accordance 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA’s public housing community-wide waiting list have been offered placement on the converted project’s initial waiting list. For the purpose of establishing the initial waiting list, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing waiting list given the number of applicants, PHA resources, and community characteristics of the proposed conversion under RAD. Such activities should be pursuant to the PHA’s policies for waiting list management, including the obligation to affirmatively further fair housing.

A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (i.e., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (i.e., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency’s centralized public housing waiting list who wish to be placed onto the newly-established waiting list are done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted accordance with the

requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).

To implement this provision, HUD will not apply 24 CFR § 880.603, regarding selection and admission of assisted tenants. However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR § 880.603.

4. **Mandatory Insurance Coverage.** The project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project, except with the written approval of HUD to the contrary.
5. **Choice-Mobility.** HUD seeks to provide all residents of covered projects with viable Choice-Mobility options. PHAs that are applying to convert the assistance of a project to PBRA are required to provide a Choice-Mobility option to residents of covered projects in accordance with the following:
 - a. *Resident Eligibility.* Residents have a right to move with tenant-based rental assistance (e.g., Housing Choice Voucher (HCV)) the later of: (a) 24 months from date of execution of the HAP or (b) 24 months after the move-in date.
 - b. *Voucher Inventory Turnover Cap.* Recognizing the limitation on the availability of turnover vouchers from year to year, a voucher agency would not be required, in any year, to provide more than one-third of its turnover vouchers to the residents of covered projects. While a voucher agency is not required to establish a voucher inventory turnover cap, if implemented the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received.
 - c. *Project Turnover Cap.* Also recognizing the limited availability of turnover vouchers and the importance of managing turnover in the best interests of the property, in any year, a PHA may limit the number of Choice-Mobility moves exercised by eligible households to 15 percent of the assisted units in the project. (For example, if the project has 100 assisted units, the PHA could limit the number of families exercising Choice-Mobility to 15 in any year, but not less than 15.) While a voucher agency is not required to establish a project turnover cap, if implemented the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received.

HUD's goal is to have 100 percent of residents in the Demonstration offered a Choice-Mobility option within a reasonable time after conversion. However, as HUD recognizes that not all PHAs will have vouchers sufficient to support this effort, HUD will:

- Provide ranking factor points where a voucher agency has committed to provide vouchers to the covered PBRA project of a PHA without a voucher program (see Section 1.11D). Additionally, voucher agencies that make such a commitment will receive:
 - Priority points for new HCV FSS coordinator positions in an upcoming FSS competition and
 - The bonus points provided under the Section Eight Management Assessment Program (SEMAP) for deconcentration.^{45, 46}
- Grant a good-cause exemption from the Choice-Mobility requirement for no more than 10 percent of units in the Demonstration. HUD will only consider requests for good-cause exemptions from the following types of PHAs:
 - Public housing-only agencies, defined as agencies that own units under a public housing ACC, but do not administer, directly or through an affiliate, a Housing Choice Voucher program; or

- Combined agencies that currently have more than one-third of their turnover vouchers set aside for veterans, as defined for the purpose of HUD-VASH, or homeless populations, as defined in 24 CFR § 91.5.47 To be eligible for this exemption, the PHA's admission policies must have been formally approved by the PHA's board prior to the time of application.

HUD will issue these exemptions in the following order of priority: 1) small public housing-only PHAs; 2) all other public housing-only PHAs; and 3) combined agencies that currently have more than one-third of their vouchers set aside for veterans and/or homeless. See Section 1.11 for more information on Choice-Mobility exemptions in the competition.

- 6. Future Refinancing.** Owners must receive HUD approval for any refinancing or restructuring of permanent debt within the HAP contract term to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)
- 7. Submission of Year-End Financial Statements.** Covered projects converting assistance to PBRA must comply with 24 CFR Part 5 Subpart H, as amended, revised, or modified by HUD from time to time regarding submission of financial statements.⁴⁸
- 8. Classification of Converting Projects as Pre-1981 Act Projects under Section 16(c) of the United States Housing Act of 1937.** For purposes of ensuring maximum flexibility in converting to PBRA, all such projects converting to PBRA shall be treated as Pre-1981 Act Projects under Section 16(c) of the US Housing Act of 1937. Section 16(c)(1) of the US Housing Act of 1937, which applies to pre-1981 Act projects, restricts occupancy by families that are other than very low-income to 25% of overall occupancy. Thus, owners of projects converting to PBRA may admit applicants with incomes up to the low-income limit. HUD Headquarters tracks the 25% restriction on a nationwide basis. Owners of projects converting to PBRA do not need to request an exception to admit low-income families. In order to implement this provision, HUD is waiving section 16(c)(2) of the US Housing Act of 1937 and 24 CFR §5.653(d)(2) and is instituting an alternative requirement that owners of projects converting to PBRA adhere to the requirements of section 16(c)(1) of the US Housing Act of 1937 and 24 CFR §5.653(d)(1).

Site Selection and Neighborhood Standards Review

Elements Affecting Site and Neighborhood Standards

Provide a description of the proposed new sites and how they are adequate for the needs of the tenants and are consistent with or further the goal of deconcentrating poverty.

1. For all transfers

Fort Worth Housing Solutions (FWHS) is proposing through new construction and acquisition to relocate 712 public housing units (PHU) with the conversion of these units to RAD units. The 712 PHU are currently located in two different sites, Cavile Place and Butler Place. Both of these current development have a high concentration of ethnic minority population, high poverty rate and a low average household income.

To date, FWHS has identified twelve (12) sites to receive RAD units to be allocated from Butler Place. Other sites will be identified in the near future for both Butler and Cavile. Although the demographics for each of these site differs from each other, none have as high a concentration of poverty and minority ethnic population or as low an average income as Butler or Cavile. Each of these sites was selected because of several positive characteristics of the neighborhood, to include but not limited to access to retail amenities, quality of the schools, and educational and employment opportunities.

In addition, FWHS currently has six (6) mixed income developments that currently include PHUs. These PHUs will be converted to RAD units at each of these sites. These sites will not be transferring assistance.

Describe the various methods for demonstrating furthering the goals of deconcentrating poverty include:

- **Mixed income developments;**
- **Development in a HUD Enterprise Zone, Economic Community, Renewal Community or a Revitalization Zone, including any areas where current or future HOPE VI or Choice Neighborhoods Initiative developments exist.**

2. If transferring assistance to areas of concentrated poverty:

FWHS proposes to convert and relocate 225 PHUs of the 300 PHUs from Cavile to newly constructed sites located in the Cavile Place neighborhood, known as the Historic Stop Six Neighborhood. The remaining 75 units will be located in neighborhoods outside of the Historic Stop Six Neighborhood throughout the city of Fort Worth.

Though Cavile Place and the surrounding Stop Six neighborhood have high levels of poverty, the Historic Stop Six Neighborhood has been designated a targeted revitalization area for the City of Fort Worth. In 2013, FWHS and the City of Fort Worth jointly developed a transformation plan for the Historic Stop Six/Cavile Neighborhood. The plan outlines goals for the redevelopment of the housing stock, the neighborhood infrastructure and strategies to help residents improve their quality of life. The Historic Stop Six Transformation Plan was then adopted into the City's Consolidated Plan in 2014. The implementation of the plan not only involves FWHS and the City of Fort Worth, but also includes the Fort Worth Independent School District, Tarrant County College, Texas Department of Transportation, Fort Worth Transportation Authority, and numerous social service providers.

3. If transferring assistance to developments qualifying as new construction in areas of minority concentration:

Identify: 1) Sufficiency of comparable opportunities for minority families in the income range to be served by the project outside areas of minority concentration; o Please examine 24 CFR §983.57(e)(3)(iv) & (v) to see more on comparable opportunities.

2) If there is an overriding housing need, which includes whether this is an integral part of an overall redevelopment strategy in a revitalizing area; o Please see 24 CFR §983.57(e)(3)(vi) for more information on overriding housing needs.

Although some of the proposed sites have a poverty rate over 20%, all of the developments have poverty rates at or below 40%, a significant improvement over both Butler Place and Cavile Place poverty rates. Secondly, several sites have minority concentrations comparable to either Butler Place or Cavile Place. However, FWHS' overall strategy for allocating RAD units is several-fold:

- To ensure that sites are geographically diverse and representing every Council district in the City of Fort Worth
- To provide additional affordable housing opportunities in areas where there are fewer housing options available to residents at all income levels, including those at 30% of the AMI and below
- To diversify development activities in both areas of high opportunity and areas of revitalization, and in close cooperation with partners such as the City of Fort Worth, Fort Worth Independent School District, and the Transportation Authority
- To provide residents in each site with a variety of positive neighborhood characteristics and opportunity that will enhance the residents' efforts to improve their quality of life.

FWHS certifies that the RAD conversion complies with all applicable site selection and neighborhood standards and that include, but not limited to: comparable units and size, full compliance with applicable provisions of title VI of Civil Rights Act of 1964, Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, promotes greater housing choice, areas of high opportunity for employment and education.

Relocation Plans

FWHS has developed a relocation plan to address the various relocation efforts necessary for our various projects and is attached. In addition, an Accessibility and Relocation Checklist will be submitted to HUD for each RAD project with each Financing Plan, as required under the RAD program rules.

Attachment FWHS Relocation Plan

Housing Choice Voucher Administrative Plan

FWHS will amend its Annual and Five Year Plan, Section 7.0(e) Project-Based Vouchers to reflect the following:

Consistent with FWHS' plan to increase affordable housing units, FWHS may use Housing Choice Voucher units for project basing on units owned by FWHS, in joint venture with private developers or solely for other private developers intending to create new affordable housing units. FWHS plans to award up to 20% of its vouchers under the Annual Contributions Contract (ACC) for tenant based Housing Choice Voucher Program for Project-Based Vouchers. The Project-Based vouchers will be awarded to projects through Fort Worth and in locations that will further fair housing opportunities for low-income families, homeless individuals and families, youth aging out of foster care and veterans. FWHS will follow applicable regulations in the issuance of these vouchers.

Capital Fund Program Amendment

Capital Fund Plan

Impact on Current Five-Year Plan: FWHS will amend its CFP Plan to include the Budget Line Item 1504 for RAD Development Activities, and ensure that when Capital Funds are cited as sources in the Development Budget, prior to Closing, FWHS will take the following step to make sure that the Capital Funds used in the Development budget are available at closing:

1. PHA Submits Capital Fund budget revision. Prior to closing, the PHA must submit an executed Capital Fund budget revision utilizing HUD Form 50075.1 "Capital Fund Program Annual Statement/Performance and Evaluation Report" to the assigned Closing Coordinator to allow for the movement of funds into BLI 1504. The amount moved to BLI 1504 must match the amount of Capital Funds approved in Exhibit D (Sources & Uses) of the RAD Conversion Commitment (RCC). If the amount of Capital Funds being used as a development source needs to be revised, whether above or below the amount presented in the Financing Plan, the PHA must submit a written request for a RCC amendment to the assigned RAD Closing Coordinator well in advance of closing in order to avoid any delay in closing. If needed, the PHA must submit the Capital Fund budget revision at least five days prior to closing to ensure that the funds are available at closing.

As indicated by information noted for each site, the annual Capital Fund grant will be reduced by approximately \$1,150,560.00 (100%) annually as a result of the RAD conversion.

Attachment C CFP Plan

Significant Amendment Definition

As part of the Rental Assistance Demonstration (RAD), FWHS is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items:

- a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- b. Changes to the Relocation Plan and processes for each approved RAD conversion;
- c. Changes to the construction and rehabilitation plan for each approved RAD conversion;
- d. Changes to the financing structure for each approved RAD conversion; and
- e. The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance.