Moving to Work Demonstration Program
Asset Building Cohort

Housing Authority of the City of Arlington

2022 Application
Table of Contents

PART I: ................................................................................................................................. - 1 -

  MTW PLAN .................................................................................................................. - 1 -

  ASSET BUILDING INITIATIVES INFORMATION ................................................... - 8 -

PART II: ................................................................................................................................. - 10 -

  APPENDIX 1 – MOVING TO WORK CERTIFICATIONS OF COMPLIANCE ............. - 10 -

  APPENDIX 2 – PUBLIC PROCESS DOCUMENTATION ........................................... - 11 -

  APPENDIX 3 – REQUIRED STANDARD FORMS ...................................................... - 12 -

  APPENDIX 4 – OTHER SUPPORTING DOCUMENTATION ...................................... - 13 -
PART I:
MTW PLAN
(1) Vision for PHA’s Local MTW Program

The goal of Arlington Housing Authority’s (AHA) MTW Program is to increase the number of assisted households who have access to sound, cost-efficient bank / financial products, increase knowledge about banking and bank-related services, encourage savings and asset building, and to create / increase credit scores for assisted households with no or poor credit. At present, AHA’s market area, like many in the country, is experiencing rapidly increasing housing costs. It is critical that available Housing Assistance Payment (HAP) funds are used for their initial intent – to support housing costs for eligible, assisted households. Payment standards continue to be adjusted upward to stay on top of the increasing rental costs, and management has determined it would not be cost effective to provide money for savings accounts to assisted households over the basic need of housing assistance. Without increasing payment standards as we have been able to, we would severely limit housing choices of assisted families. However, we do want to provide opportunities for self-sufficiency and education for our assisted families.

Through work with our Housing Choice Voucher (HCV) program, we see firsthand how many households do not have bank accounts and rely on purchasing money orders for routine payments such as paying their monthly rent. Others use a variety of cash apps which may or may not be costly and negatively impact credit. During the past 18 months, our team, with the support of contract workers, have administered the US Treasury’s Emergency Rental Assistance Program for persons negatively impacted by the COVID-19 pandemic. The applicants of this program were largely self-sufficient prior to the onset of the pandemic but were impacted in a way that prevented them to be able to pay their rent and many faced evictions. This population of previously self-sufficient households also were largely unbanked and relied on cash apps and other means to conduct their financial business. Not only were they unbanked, but they relied heavily on predatory lenders for their debt needs such as payday lenders, title loans, or pawn shops.

While most would expect financial hardship to exist beyond programs supporting low-income families, the realization of how great the need is sparked housing authority staff’s interest in doing more, which is one of the reasons why AHA chose to apply for the asset building cohort of the MTW Demonstration Program.

Key staff that will be working on the MTW program include the Executive Director, Operations Manager, and the Housing Coordinator-Homeless/FSS Programs. AHA’s Executive Director, Mindy Cochran, began work with the City of Arlington (City) in 2003, working with a variety of HUD Community Planning and Development Grants. She transitioned to working with the AHA in 2008, setting up the Disaster Housing Assistance Program in Arlington and surrounding communities after the devastating hurricanes impacted the Gulf Coast Region. Ms. Cochran then became the Operations Manager at AHA through 2013, managing the HCV program, Family Self-Sufficiency Program, Housing Rehabilitation, and various homeless assistance programs. From 2014 through 2017, Ms. Cochran worked for a Community Housing Development Organization as
Vice President of Finance and Administration. There she was responsible for multi-family and single-family housing development. In early-2017, Ms. Cochran returned to AHA as the Executive Director of AHA and Director of the Housing Department where she manages the activities of the AHA as well as coordinating affordable housing development through the Arlington Housing Finance Corporation (AHFC). Under Ms. Cochran’s leadership, the AHFC closed its first tax exempt bond deal, and has since become the general partner in three affordable multi-family developments.

AHA’s Operations Manager, Farouk Salem, is new to affordable housing and new to the AHA. Mr. Salem was previously the Assistant Director of Business Services at the University of Texas-Arlington where he led and managed customer service, operational and technical functions, while ensuring compliance with state and federal law and local policy. He has extensive experience in developing policies and procedures, researching and developing new programs and his experience will be valuable in the development of AHA’s MTW program.

AHA’s Housing Coordinator II - Homeless/FSS programs, Ms. Jyme Gordy, is responsible for numerous homeless programs, the AHA’s FSS program, and the City’s EnVision Center. She has a very strong background and over ten years’ experience managing a variety of homeless programs (Rapid Re-Housing, Permanent Supportive Housing, and others), developing policy and procedures, ensuring accuracy of HMIS data and reporting, and recruiting and hiring. She is an experienced case manager who has progressed into management, while maintaining a strong empathy for struggling families. She’s currently revamping the AHA’s FSS program, to increase enrollment and the success of our families.

AHA complies with all fair housing and civil rights laws. Efforts to affirmatively further fair housing include providing information to tenants and applicants through a variety of means, encouraging the submission of reasonable accommodation requests, managing two architectural barrier removal programs to make housing more accessible to persons with physical disabilities, and providing ongoing fair housing training to staff. AHA also examines programs or proposed programs to identify any impediments to fair housing choice within those programs, addressing any identified impediments in a reasonable fashion in view of the resources available. AHA staff work with the City to implement any of its initiatives to affirmatively further fair housing that requires AHA’s involvement. AHA took an active role in the City’s commitment to the development of a Unity Council and the development of and work toward completing the goals of the Unity Council related to housing, education, health, and economic opportunity. AHA’s mission and services are consistent with the City’s Consolidated Plan and the Analysis of Impediments to Fair Housing Choice.

(2) Plan for Future Community/Resident Engagement

AHA plans to host a series of informational sessions about the MTW Asset Building Cohort to engage assisted households and sessions for the broader community as well.

AHA has recently employed new methods to reach our assisted families and believe these initiatives will help us connect them to the MTW program. In addition to the traditional mail and
email efforts, our housing software has a portal that is used to communicate with our families and landlords which has proven to be beneficial to them and staff. In addition, we recently subscribed to a system that enables us to text messages to assisted families. In this day and age, it is rare for someone not to be using a cell phone, and the communication success rate through this means has proven to be very effective and cost efficient.

AHA has a long history of community engagement. The housing authority is a component of the City, and as such, AHA employees are City employees. This connection provides the AHA with direct knowledge and participation in many programs and activities of the City. As an example, the City’s Housing Department Director is the Executive Director of the Arlington Housing Authority and also serves as staff liaison to the City’s AHFC. The City receives Community Planning and Development grant funds from the US Department of Housing and Urban Development, and the AHA staff are involved in the public participation process involved in those grants. Additionally, the AHA staff manage programs utilizing HOME Investment Partnership Program, Community Development Block Grant, and Emergency Solutions Grant funds on behalf of the City, and perform outreach to the community to ensure persons least likely to apply for funds but are most in need have information about these programs and access to apply. AHA staff participate in local community event, setting up a table to provide brochures and information about available programs.

The City was named an EnVision Center (EVC) by then-HUD Secretary Ben Carson just before the onset of the COVID pandemic. The EVC aims to provide resources for households in four areas: 1) Character and Leadership, 2) Health and Wellness, 3) Economic Empowerment, and 4) Educational Advancement. Arlington’s EnVision Center is co-located with the AHA, and the EVC team works hand in hand with the AHA’s Family Self-Sufficiency (FSS) team to provide resources to both assisted and unassisted households. Both teams co-host a variety of programs and conduct outreach to both assisted and unassisted households.

Outreach will be conducted through a variety of means including, but not limited to, social media outlets, direct mail, and email to our vast network of partner agencies. The EVC and FSS teams work regularly with the following nonprofit and for-profit organizations for outreach to families of all races and ethnicities and provide information in a variety of languages depending on the needs of the population. Services are generally provided at our offices which are ADA compliant.

- United Way of Tarrant County
- City of Arlington- Library, Parks, and Water
- Tarrant/Parker County Continuum of Care
- Arlington Life Shelter
- Salvation Army
- Choice TPC Advisory Council
- Housing Channel
- Catholic Charities
- Center for Transforming Lives
- Happy State Bank
- Wells Fargo
- BCL Texas
(3) PHA Operating and Inventory Information

AHA is an HCV program only agency. We do not have public housing. We have an allocation of just over 3,800 vouchers, but at present are only able to utilize 3,300-3,400 vouchers due to the rise in local rents. We use small area fair market rents, and actively utilize HUD’s Tool of Tools and Two-Year Tool to reduce cost burden for our families, increase their housing choice in areas of opportunity, and maximize the use of our HAP funds. While we offer a host of programs and services, our primary mission is to provide housing for families in need.

Approximately 56% of our assisted families are elderly or disabled, and 49% have children. This has been consistent in recent years.

Not unique to Arlington, one of the biggest challenges our families face is a housing shortage, and more specifically an affordable housing shortage. This is especially true for individuals exiting homelessness. AHA manages several homeless programs including Permanent Supportive Housing and Rapid-Rehousing to help meet the needs of these clients. Additionally, AHA manages an FSS program, Housing Rehab program, and the City’s EVC to provide resources for all residents in need.

The AHA’s management team provides staff support to the AHFC. Through work there, we have been able to encourage the development of tax credit developments to increase the affordable
housing in Arlington. The AHFC has created or retained 662 units of affordable housing, with another 670 in the pipeline. Through support from Arlington City Council, 9% tax credit developments have been approved in recent years providing an additional 500+ units, most of which are affordable units.

(4) Plan for Local MTW Program

AHA seeks to implement several “campaigns” through the Asset Building Cohort. We are currently conducting research related to the use of various banking alternatives (cash apps) and their impacts on credit scores. We plan to provide education to assisted families about banking, banking products, compare/contrast with alternatives including cash apps, pay day loans and title loans and help them understand the negative consequences of some choices. But we also recognize that sometimes these non-traditional lending products are the only option for the unbanked. We have been working with several nonprofit entities that provide low-cost employer-based loans that are an excellent alternative to pay day loans or title loans. We plan to initiate a campaign to challenge large area employers to offer these products to their employee base and hope to start with the City to lead by example.

Additional information about the MTW Asset Building Initiatives is addressed below. At this time, we are uncertain about the need for the various flexibilities we may utilize to address local needs. However, staff and the Board of Commissioners feel strongly that our primary mission is to house families and that use of any HAP funds for purposes other than that which would result in housing more families would not be prudent during this time of rising rents and housing shortages. We are designing our MTW program to have minimal impact on our existing and limited funding so that it can be conducted with cost effectiveness in mind. If Administrative funding were to be fully funded (not prorated), we would welcome the opportunity to explore adding the opt-out savings component to our plan. We intend to seek other grant funding or sources of funding for this purpose. One such opportunity is outlined below.

The City, in an effort to fulfill the mission of the Unity Council, is researching an “equity” rate proposal for low-income renters or homeowners for their water bills. If approved, AHA’s assisted families would be the first eligible enrollees of the program. Of our existing 3,438 assisted households, 1,923 live in units where water is a tenant paid utility. If an equity rate was approved for these households, the savings they realize would be a wonderful start for their savings plans!

With housing stability, AHA strives to create self-sufficient families by equipping them with the knowledge to make sound financial decisions. We also intend to target the next generation in our assisted families to provide educational information about personal finance.

With financial literacy, credit improvement and savings, assisted families will continue to improve opportunities for housing choice.
(5) Proposed Use of MTW Funds

AHA requests authority to use HCV funds flexibly. At this time, we are not certain how the flexibility will be utilized.

(6) Evidence of Significant Partnerships

AHA currently partners with several agencies identified below. Those in bold will be critical partners for the MTW initiatives. Agencies provide their services to our FSS and EVC clients at no cost. AHA provides meeting space for many of the programs they provide to benefit our FSS and EVC clients.

➢ United Way of Tarrant County
➢ City of Arlington- Library: offers several free classes for families to learn about personal finance.
➢ City of Arlington – Water Department: proposing a water utility “equity” rate that will be targeted to low-income renters and homeowners. The initial enrollees in the program will be families assisted through AHA. AHA’s MTW plan will encourage, but not require enrollees to utilize this cost savings to create a savings account.
➢ Tarrant/Parker County Continuum of Care
➢ Arlington Life Shelter
➢ Salvation Army
➢ Choice TPC Advisory Council
➢ Housing Channel: a local Community Housing Development Organization who provides homebuyer counseling for Arlington residents. They also administer the City’s homebuyer assistance program that helps low-income and HCV renters with down payment and closing cost assistance to purchase their first home.
➢ Catholic Charities: performs a lot of research into causes of and solutions to getting families out of poverty. We expect their research into non-traditional banking models to be informative as we refine our program.
➢ Center for Transforming Lives (CTL): instrumental in helping single moms become self-sufficient. They offer a myriad of programs, some designed to help infant business blossom from side-gigs to legitimate businesses that can help support a family.
➢ Happy State Bank: AHA has begun dialogue about a micro-loan program that would provide an alternative to pay day lending for low income, unbanked, low/no credit households. Happy also provides programming for the EVC and FSS programs in the areas of banking and personal finance.
➢ Arlington Housing Finance Corporation: a funding source that may be an option to provide loan guarantees or savings account seed money for the MTW program.
➢ Wells Fargo: long term partner providing financial literacy and other programming for FSS clients. They’ll be an excellent fit for the MTW program.
➢ BCL Texas
➢ Workforce Solutions of Tarrant County
➢ Mission Arlington
➢ **Pathfinders**: a nonprofit providing financial coaching to help our EVC and FSS families achieve their financial goals. They will be a beneficial partner in our MTW endeavors.

➢ SafeHaven
➢ Tarrant County College
➢ Arlington Independent School District
➢ University of Texas at Arlington
➢ Stay the Course-Tarrant County
➢ Water from the Rock
➢ Connect Home
➢ Department of State Health Services
➢ JPS Health Network
➢ My Health, My Resources
➢ HHS Early Childhood Intervention
➢ Dental Health Arlington
➢ Veteran’s Administration
➢ The Parenting Center
➢ Ladder Alliance
➢ Christian Women’s Job Corp.
➢ Girl’s Inc.
➢ Arlington Faith Based Network
➢ Arlington Resource Sharing Group
➢ Arlington Homeless Services Provider
ASSET BUILDING INITIATIVES INFORMATION

(1) Assessment of Existing Asset Building Programs

AHA has operated a HUD required FSS program for over 20 years. During the last 5 years, we have had 59 FSS participants who have graduated with an average escrow of $8,996.28.

At present, despite the negative impacts of the pandemic, 78 of our 97 FSS participants currently have escrow accounts with an average balance of $5,847.36.

The FSS team helps and encourages the FSS clients on asset building by linking them to different agencies that help them find employment, acquire skills needed to find better employment, improve credit, and become first-time homeowners.

All FSS clients are required to obtain and maintain full-time employment based on their skills, education, training, and available job opportunities to graduate from the FSS program. To help the FSS clients find employment, better employment opportunities or the skills needed to find better employment, the AHA’s FSS team refers clients to Texas Workforce, Christian Women’s Job Corps, Attitudes & Attire, and Goodwill.

The FSS team also refers its clients to agencies that provide financial empowerment classes. Center for Transforming Lives, Women’s Center, and Ladder Alliance provide education related to personal finance for our FSS clients. Additionally, the FSS team refers the FSS clients to Arlington Library, Aspire, and Goodwill for GED and ESL classes. Both classes/certifications can open the door to many new jobs and asset building opportunities.

In addition to the 2 mandatory FSS goals which applies to all FSS client clients, many FSS clients include improving their credit as one of their goals in the Contract of Participation. AHA partners with Pathfinder and the Housing Channel to help families achieve this goal. The Housing Channel also provides homeownership counseling services to FSS clients who are interested in purchasing a home or learning about first time homeownership. Some former FSS clients have purchased their first homes with the help of the Housing Channel’s expertise and assistance (down payment as well as closing cost assistance).

(2) Choice of Asset Building Initiatives Option

AHA elects the PHA-Designed Asset Building Option.

AHA’s per unit cost continues to rise faster than ever, meaning that we assist fewer and fewer households with the HCV program. We feel the need to dedicate any available funding toward this effort, versus use HAP funding to build small savings accounts for assisted households. Additionally, our Admin funds continue to be prorated significantly, so we are extremely cautious about reducing our Admin reserves. We believe in the effort of creating savings accounts for assisted households but would prefer to do so with an alternate funding source if possible.

Because we are an HCV only agency, the second option is not available to us.
(3) **Information Specific to Asset Building Initiatives Option Chosen by PHA**

The AHA Asset Building program includes several components, as listed below. At present, it is not anticipated that implementation of these components will require MTW flexibilities. The number of assisted households that participate in these components will vary as they will be available to all assisted households, but not required. AHA does not anticipate a significant impact on its budget and will seek alternative funding to support the program if needed. This program will address both increasing savings and building credit through various activities.

a. **Research** – AHA and its partners are researching and comparing traditional and non-traditional banking products including checking and savings accounts, cash apps, pay day loans, title loans and others. The goal of this component is to lay a foundation for education for assisted families.

b. **Education** – AHA intends to provide a series of educational sessions to assisted households who voluntarily enroll in the cohort, so they understand the benefits and obstacles to various financial options. Some education will be geared toward adults, and other sessions will be geared toward youth. As households enroll over time, the sessions will be continued. Sessions will be provided in conjunction with our partner agencies.

c. **Savings** – AHA partners with several area banks for a variety of existing programming. We’ve begun exploring the availability of these banks partnering with AHA to create a savings account product for our families. The goal would be to increase savings. We are also working with the City’s Water Department and their “equity” rate program to provide an opportunity for assisted families to save on their water utility bills and use these savings to start their savings accounts.

d. **Loan alternatives** – Families sometimes need access to credit. When they are unbanked or under-educated about loan types, they can make poor and expensive choices. To avoid those bad choices, there must be available alternatives. We are exploring a program with local banks to provide small loans to assisted families at reasonable rates, with repayment terms that are tied to a family’s income stream. The financial institution would report the positive credit to help increase the credit score. We are also in conversation with programs that provide employer based, payroll deduction-based loans. The repayment is also reported to credit agencies to improve credit scores.

e. **Credit reporting** – This component aligns with the Credit Building Option in the Asset Building Cohort. AHA does not own public housing. However, we do have significant interaction and relationships with area landlords and developers. For example, AHA provides staff support to the AHFC, which presently owns three multi-family housing developments. Additionally, AHA staff take a lead role in working with developers submitting applications to the City requesting support for 9% housing tax credit applications. AHA managed the Treasury’s Emergency Rental Assistance Program Grant, providing $26M to area landlords to prevent evictions during the pandemic. Through these landlord relations, AHA expects to be able to recruit landlords to voluntarily report positive credit on behalf of assisted households. The goal of this component is to build credit for assisted households.
PART II:

APPENDIX 1 – MOVING TO WORK CERTIFICATIONS OF COMPLIANCE

Documents will be added
APPENDIX 2 – PUBLIC PROCESS DOCUMENTATION

Documents will be added
APPENDIX 3 – REQUIRED STANDARD FORMS

*Documents will be added*
APPENDIX 4 – OTHER SUPPORTING DOCUMENTATION

*Documents will be added*