

Q&A from Resident Meetings held on 06/11/2024

Question: When we recertify, where will we have to go?

Answer: SHA says that they still have yet to make that decision. It will depend on whether or not MHA offers a space, and what SHA decides to do.

Question: What about transfer of apartment size if you are in the wrong size unit?

Answer: SHA says they use the HUD occupancy standard of 2 children of the same sex.

Question: Does MHA have to fulfill their lease obligations before SHA takes over the program?

Answer: SHA said that they will perform an HQS inspection and the unit will consider to pass if the current condition of the unit abides by the requirements of HQS. Any promises made by MHA are outside of SHA's scope if it doesn't affect the condition of the unit. MHA commented that any residents that are on the list to transfer would not be on the list to have their units painted every five years because we would wait and paint their unit once they move out.

Question: What is the declaration of trust?

Answer: MHA answered that the DOT is what HUD is tied to each public housing property and it essentially prevents a housing authority from selling the units to someone because they aren't theirs to sell. The DOT is released once we leave the public housing platform. The property will still be owned by MAHA (non-profit) under the MHA.

Question: What is the Housing Assistance Payment?

Answer: SHA stated that the HAP contract is between the MHA and the SHA and not part of the resident's documents. MHA stated that the HAP contract allows SHA to pay MHA their monthly subsidy for the units.

Question: Can you provide a formula for the rent calculation?

Answer: SHA mentioned some changes under HOTMA regarding the rent calculations and stated that once the conversion is done, SHA may provide some briefings regarding HOTMA changes as they become available, but they said they cannot provide them with the formula because too many variables exist regarding the deduction amounts that HUD will change each year. She explained that the HOTMA does not go into effect until January 2025. And MHA reminded residents that those changes will not affect them before June 2025.

Question: Will we get a notice two months ahead of changes?

Answer: MHA clarified that one resident was asking about Flat Rents and Utility Allowances and MHA explained that those would no longer apply beginning in June 2025. Another resident as asking about the notice of recertification and MHA explained that would come from SHA.

Question: If you have a two-bedroom apartment but you need a one-bedroom, will you be kicked out?

Answer: No.

Question: Will the flat rent go up?

Answer: SHA said there isn't a flat rent in public housing. SHA explained that the elderly disabled deduction will go from \$400 to \$525

Question: Can we buy our place?

Answer: This was related to SHA's home ownership program and not MHA's units. SHA explained that once you have been on the HCV program for one year (not PBV), then you can apply for homeownership to purchase another place. This program provides counseling to residents to get them ready for home ownership.

Question: Is the voucher only good in Mooresville?

Answer: Once you receive a tenant-based voucher, you can use it anywhere in the country.

Question: When we get a voucher, do we have to apply for the program where we want to move?

Answer: No, you will let SHA know where you would like to go and they will send your paperwork there so that the other agency will be able to assist you based on the voucher you already have.

Question: Is there a time limit to how long you can use a voucher?

Answer: You have 150 days to find a unit once you receive a voucher. If you fail to find a unit within that time frame, you are not eligible to receive another voucher for one year from the last voucher issuance date. SHA stated that it's 1 year and not 10 months or 11 months. It's 12 full months.

Question: Do you help us find a place with a voucher.

Answer: No. You have to find your own place and you have to qualify for the unit based on your income, the rent of the unit, and the unit has to pass HQS (also explained INSPIRE for future inspections starting 10/1).

Question: When will we have an inspection.

Answer: Sometime between conversion completion and lease effective date because each unit will have to have an inspection in order to qualify for the Section 8 program.

Question: Will we get a list of what we need to do to our unit ahead of time.

Answer: SHA said to make sure housekeeping is done and any damages are called into MHA as soon as possible so that we can fix it.

Question: Do you have to have the voucher for one year before you can use it?

Answer: MHA said you have to be under the RAD conversion for one year before you can request a voucher. And SHA said you only have to request a voucher if you want to use your Choice Mobility. And you have 150 days to use the voucher once you receive it. The market is tight and the rents are high and you have to keep that in mind before asking for a voucher. If you can't find anything, then you will need to check with MHA to see if they will let you remain where you are if you have already given notice to move out.

Question: What is the fair market rent?

Answer: MHA explained that the current public housing units do not have market rents tied to them, but under Section 8, each unit will have a payment standard tied to it. The rent will be set at 110% of Fair Market Rent minus utility allowance, or the Rent Reasonable amount, whichever is less.

Question: What is the utility allowance?

Answer: That is the amount that we use when determining your rent portion that you pay. Your rent is 30% of your income minus the utility allowance. The utility allowance will change to SHA's allowance beginning in June 2025.

Question: Will we still get an allowance for children?

Answer: Yes and that amount can change under HOTMA rules.

Question: How high can my rent go?

Answer: SHA stated that the rent is whatever the landlord charges and the tenant's portion of rent is determined with the rent calculation. The tenant's rent portion cannot exceed 40% of a tenant's income when using a voucher. If a voucher client finds a unit that exceeds 40%, then SHA will contact the landlord and try to negotiate the rent to a lower amount.

Question: What if you don't find a unit for your voucher after 150 days? Can you ever get another voucher?

Answer: Yes, in one year from the last voucher issuance date.

Question: Does this turn into Section 8 when SHA takes over?

Answer: It turns into Section 8 project based voucher. Not a tenant based voucher.

Question: Who do we tell that we are moving with a voucher?

Answer: You have to contact SHA and let them know you would like a voucher and then once you get the voucher, you will provide MHA a thirty day notice that you plan to move out.

Question: What is the changes called that HUD is implementing?

Answer: HOTMA is Housing Opportunities through Modernization Act.

Question: How will HOTMA affect us?

Answer: The deductions will change and there are asset caps and property ownership that will be in place starting in January 1st.

Question: Is there a certain time limit for being on a voucher?

Answer: No, you can keep the voucher for life. Unless you “voucher out” which means that your income is so high that the rent calculation results in zero subsidy for the unit that you are living in. Once you reach this level, you will only be allowed to remain on the program for 6 months and then you will have to come off of the Section 8 program.

Question: If we get kicked off of a voucher because we are paying all the rent, will we have to move?

Answer: No, because you are still paying all the rent and you are in compliance with your lease.

Question: How come none of the work that was supposed to be done at Circle Drive has been done? Specifically, all new flooring and cabinets?

Answer: MHA spoke about the 20-year capital needs assessment that was done in 2022 by the architect and how our current funds will be required to be used to complete certain repairs in the units within 12 months of closing. Some things that will be done are replacement of all the kitchen cabinets in all 106 units (**CORRECTION-THIS SHOULD HAVE BEEN SAID AS KITCHEN COUNTERS INSTEAD OF CABINETS**), bathroom sinks at Duffy, 10 HVAC and water heaters at Circle Drive.

Question: Will the conversion be effective August 1st?

Answer: No, the closing will happen sometime before July 31st and then SHA and MHA will sign a contract effective September 1st. The lease will be effective this same date.

Question: When will we sign a lease?

Answer: You will sign a lease ahead of the lease effective date. MHA will send out lease termination notices at least 30 days ahead of the new lease effective date and then each resident will be sent an appointment to come in and sign their new lease and any other required documents such as PBV lease addendum and House Rules.

Question: What if I need a shower instead of a tub?

Answer: MHA said that was originally slated to be done before COVID but then got put on hold. Then we put everything on hold while we worked on a Capital Needs Assessment. MHA also stated that you can request reasonable accommodation if you have a medical necessity for walk in shower. Those are technically showers that have a 6-inch step, and not a true walk in shower.

Question: How will this work for flat renters again?

Answer: Flat Renters will be contacted by SHA after closing to discuss the flat renter phase in which will occur over a 3-to-5-year period, depending on SHA's administrative plan. This is only for tenants who pay flat rent in public housing. Their rents will not change before June 2025, and then at that time, their rents will be incrementally adjusted over a 3-to-5-year period until they reach the fair market rent for the unit.