

2021

# Strategic Plan



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**This plan is a working document that provides a set of goals and objectives that will support our mission and establish a clear path forward to financial sustainability. Ashford Housing Authority is at a critical point that requires expansive change and to think “outside the box” regarding financial sustainability.**

**We are forced to take stock of the past and our reliance on revenue from traditional sources such as subsidies and grants. We must look for new opportunities to become fiscally independent and sustainable. Creating a non-profit organization dedicated to affordable housing will lead to new opportunities for funding, which is critical to our continued success.**

**The goals established outline steps needed to become a financially independent housing authority while maintaining the highest standard of service. While we create new funding opportunities, we must also ensure the highest level of maintenance and care of our current property. Fiscal responsibility is key to the success of this plan and moving beyond the next five years.**

## BACKGROUND

Ashford Housing Authority was created in 1987 to provide affordable housing for elderly and disabled individuals. Completed in 1994 the Pompey Hollow Senior Housing (PHSH) has thirty-two (32) one-bedroom apartments. All apartments are accessible with four (4) designated as handicap.

The Ashford Housing Authority is governed by the Ashford Housing Authority Commission. The Commission has five (5) dedicated members, including one PHSB resident.

Ashford Housing Authority receives funding from the Elderly Rental Assistance Program administered by the CT Department of Housing. In addition, AHA participates in the Resident Services Coordinator Program, also administered by the CT Department of Housing. This program allows AHA to have a Resident Services Coordinator on staff to assist residents with an extensive array of social services.

**Initially Ashford Housing Authority provided housing to individuals with extremely low-income levels.** The Elderly Rental Assistance Program (ERAP) was available for tenants even with extremely low income. **The program was open and subsidized rent for 75% of its residents.**

**The closure of the program in 2009 had a direct impact on applicants.** From that point on applicants were required to have a minimum amount of income to allow for the current base rent to be at 30% of their monthly adjusted income. **This also meant that every time the base rent was increased, qualified applicants needed a higher income level.**

**Currently, 40% of residents participate in the ERAP program, however 60% of tenants qualify for ERAP based on their income levels.** This gap in subsidies is the key reason we must move forward to find alternate ways of subsidizing rent for those who qualify. This number will only continue to increase if we do nothing to change the way our rent base is structured.

Implementation of this plan will allow us to move forward and create a base rent structure that allows current and perspective applicant's affordable housing while increasing revenue to strengthen our program and services.

## AHA Mission Statement

The mission of Ashford Housing Authority is to enhance the Ashford community by creating and sustaining safe, decent and affordable housing that foster stability and increase self-sufficiency for elderly and disabled individuals with low to moderate income.

## AHA Vision

Pompey Hollow Residents thrive when they live in an affordable home; within a vibrant, supportive community; and where they are empowered and have opportunities to pursue their goals.

## AHA Values and Principles

Ashford Housing Authority is committed to excellence in housing and works to maintain a responsive agency that meets the needs of its constituents.

The Housing Authority:

- ❖ promotes and supports quality housing and services that are accessible to low- and moderate-income residents and that help build strong communities
- ❖ believes that affordable housing and related services are essential components of a strong, vibrant community
- ❖ recognizes that quality affordable housing requires stable, adequate, and equitable funds derived from multiple sources.
- ❖ values the unique contributions and perspectives brought by residents, staff, Commissioners and the Ashford community

## Goal 1: Maintain and Preserve Pompey Hollow Senior Housing

Routine maintenance along with upgrading mechanical systems over time has kept the building in very good condition. **However, the building needs a major rehab to update apartments and common areas.** AHA needs to continue with regular maintenance and look for opportunities to complete the much-needed rehab.

### **Objectives:**

#### 1. Update Capital Needs Assessment (CNA)

In 2012 the CNA was completed in coordination with Connecticut Housing Finance Authority. This was the first CNA completed for Pompey Hollow. The 20-year plan was executed in April 2012. Since then, AHA has successfully completed many of the recommendations including:

Year	Project	Cost	Source
2016	Replace Fire Panel, add CO <sub>2</sub> detectors in basement and all apartments, installed new intercom system, and new LED emergency exits signs	\$24,363	DOH Critical Needs Grant
2017	Replaced all interior common area and exterior lighting with LED fixtures	\$35,216	Eversource
2018	Replaced gutters and patio, installed new door assembly and locks on elevator, and completed internal inspection of water tank for fire suppression system	\$31,108	DOH Critical Needs Grant
2019	Added insulation in the attic, replaced refrigerators in apartments, replace all windows. (this project is ongoing and will be completed in fall 2021)	\$152,383	Eversource
<b>TOTAL COST</b>		<b>\$286,420</b>	

#### 2. Create and implement a 5-year maintenance plan

AHA typically completes several maintenance projects each year based on greatest need. A maintenance plan will be created to better forecast needs and expenses for general maintenance and care of the building and property.

#### 3. Increase reserve, maintenance and repair (RM&R) account

**The RM&R account should be funded annually with \$1,000 per unit, a total of \$32,000 each year. Typically, AHA funds this account with less than \$10,000 annually.** Since the budget is so tight, it is difficult to adequately fund this account. When AHA begins to stratify the rent, the amount allocated to this account will increase yearly.

#### 4. Seek opportunities for capital needs funding

AHA will continue to pursue additional funding opportunities to complete a major rehab of the building as outlined in the capital needs assessment. Potential opportunities such as the Affordable Housing Program and the Housing Trust Fund could allow us to complete the much-needed rehabilitation to the building. AHA will also look to additional funding opportunities to address capital needs projects.

## **Goal 2: Create and implement a long-term sustainable plan to increase revenue**

It is critical that AHA creates a plan for sustainability that is financially independent from traditional sources of revenue such as rental subsidy, state grants and loan financing.

A property is fully sustainable when its revenue is adequate to fully support its operations, including reserve account deposits for repairs and replacements, and renovations without any outside financial support.

**Rent Stratification is a long-term plan for sustainability.** Implementation of this program will take a number of years to avoid displacement of current residents.

### **Objective:**

#### **1. Implement rent stratification for all new applicants for FY 2023**

Rent stratification is the methodology to structure base rents to maximize rental revenue to a property. Pursuant to CGS section 8-119kk-1, “base rent is the minimum rental charge determined by the Commissioner to be necessary for the operation, upkeep and long-term maintenance and capital replacement reserves of a housing development” Rent stratification is a program that allows owners to comply with the statute without economic displacement of current residents.

**By June 2022, AHA will determine levels of rent that will maximize revenue without displacement of any current tenants.**

## **GOAL 3: Identify and Pursue opportunities to expand affordable housing in Ashford**

It is widely acknowledged that Connecticut lacks adequate affordable housing. The COVID 19 crisis has heightened awareness of the disparities in housing throughout the state. There is a new urgency for updated legislation on zoning laws to help achieve an adequate level of affordable housing in all Connecticut towns. AHA will capitalize on this momentum and work together with the Town of Ashford to create and maintain affordable housing for its residents.

Currently, 4% of housing in Ashford is affordable, this includes CHFA/USDA mortgages.

**Pompey Hollow Senior Housing is the only housing complex that is affordable in town. Fifty (50%) percent of renters in Ashford are cost burdened and spend more than 30% of income on rent. Twenty-five (25%) percent of Pompey Hollow Senior Housing residents pay more than 30% of income on rent.**

### **Objectives:**

1. Create a 501c (3) to expand funding opportunities for AHA, this includes fundraising for rent subsidies.
2. Collaborate with the Town of Ashford Planning and Zoning Board to prepare the Affordable Housing Plan under Title 8, Chapter 126a, § 8-30j.
3. Identify and cultivate partnerships that create additional opportunities for the expansion of quality affordable housing.

#### **Goal 4: Resident Success and Satisfaction**

Residents are a vital part to the success of our program. Our goal is to provide excellence in housing and programs. As AHA expands the program and increases services, resident participation and involvement is essential to successful affordable housing.

##### **Objectives:**

1. Engage residents in pro-active communications and problem solving related to housing, programming, and civic issues.
  - Establish ongoing opportunities for residents to express their opinions and describe their experiences
  - Communicate how input from residents is incorporated
2. Assess service needs of tenants and refine and develop programs and services to ensure quality support for all Housing Authority participants.
3. Strengthen mutual understanding of Housing Authority challenges and opportunities.

#### **Goal 5: Intensify governance efforts commensurate with the Housing Authority growth over the next five years.**

As we continue to mature and expand programs and services, compliance and accountability are essential to the success of the organization.

##### **Objectives:**

1. Ensure accuracy and compliance to the practices and procedures impacting the efficient operation of the Housing Authority.
  - Review and as needed, recommend adjustments to the following:
    - 1.1 AHA Bylaws
    - 1.2 AHA policies
  - Develop and implement a process to recruit qualified candidates for Commissioner positions.
    - 1.1 Create Handbook for Commissioners
    - 1.2 Develop Commissioner job descriptions to provide clarity of purpose
  - Create a workflow calendar for the Commission to use as guidance for regular reviews of the goals established in this plan and annual reviews of policies.