

DECONCENTRATION OF POVERTY POLICY



Fall River Housing Authority has adopted the federally required policies to provide for deconcentration of poverty and to encourage income mixing in all federal family (general occupancy) developments. The goals of the plan are to provide extremely low-income, very-low, and low-income households at all FRHA developments, and to avoid circumstances wherein higher-income or lower-income developments are created with respect to the Authority-wide average income.

A. LOWER-INCOME HOUSEHOLDS

For the purposes of the Admissions and Continued Occupancy Policy (ACOP), Lower-Income households are defined as households whose annual income *does not exceed eighty (80) percent of the Fall River area median income (AMI)*, with adjustments for smaller and larger households, as determined by the Secretary of Housing and Urban Development.

- **Low-Income Household:** A household whose annual income exceeds fifty (50) percent but *does not exceed eighty (80) percent of the Fall River AMI*, with adjustments for smaller and larger households, as determined by the Secretary of Housing and Urban Development.
- **Very Low-Income Household:** A household whose annual income exceeds thirty (30) percent but *does not exceed fifty (50) percent of the Fall River AMI*, with adjustments for smaller and larger households, as determined by the Secretary of Housing and Urban Development.
- **Extremely Low-Income Household:** A household whose annual income *does not exceed thirty (30) percent of the Fall River AMI*, with adjustments for smaller and larger households, as determined by the Secretary of Housing and Urban Development.

B. BROAD RANGE OF INCOMES (INCOME-MIXING)

It is the goal of FRHA to attain, within a reasonable period of time, a resident population in each development composed of Lower-Income households with a broad range of incomes. FRHA will make an effort to assure that each of its developments will include households with a broad range of incomes generally representative of the range of Lower-Income households in the City of Fall River.

To achieve and maintain this objective, FRHA will review its waiting list once annually to determine whether there is a representative income mix of Low, Very-Low, and Extremely-Low Income households. If there is not a representative income mix, FRHA will consider strategies to encourage a greater income mix including, but not limited to, conducting targeted outreach efforts.

Regardless of any discretionary strategies the FRHA may adopt to achieve the goal of income mixing, the FRHA will ensure that that it meets the targeting requirements as set forth by federal regulation where by at least 40% of new admissions to the FRHA's public housing family developments will be Extremely-Low Income households during each fiscal year.

C. DECONCENTRATION OF POVERTY

FRHA admissions policies are designed to deconcentrate poverty. This objective will be achieved by bringing higher-income households into lower-income developments and/or lower-income households into higher-income developments. While information regarding specifics of each development is contained each year in the FRHA's Annual Plan, which is submitted to HUD and DHCD, below is an outline of FRHA's deconcentration policy.

The FRHA will accomplish the deconcentration goal in a uniform and non-discriminatory manner. While targeting certain levels of income for admission to FRHA public housing, FRHA will not intentionally concentrate lower-income households, as defined above, in one public housing development.

The HUD Final Rule to *Deconcentrate Poverty and Promote Integration in Public Housing* defines "public housing development" as one which includes units or buildings with the same project number. Developments covered under this regulation are those designed for general occupancy (family developments) and having a minimum of 100 units. Fall River Housing Authority has five (5) such family developments in its federal public housing program: Sunset Hill (MA006-001), Heritage Heights (MA006-002), Father Vincent Diaferio Village (MA006-003), Bennie Costa Plaza (MA006-004), and Pleasant View (MA006-010).

1. Identification Procedures

In accordance with PIH Notice 2001-4, the FRHA will calculate the average household income at all federal family developments ("the Authority-wide Average Income") and the average income of all households at each family development ("the Development Average Income") adjusted for bedroom size.

Developments in which the Development Average Income is above 115% of the Authority-wide Average Income will be considered "higher-income" developments. Likewise, developments in which the Development Average Income is below 85% of the Authority-wide Average Income will be considered "lower-income" Developments.

- **The Authority-wide Average Income:** The average income of all households residing in FRHA federal family developments. Such an average is used as a base measure from which developments are either determined to be "higher-income" or "lower-income" for purposes of the FRHA's Deconcentration Policy.
- **The Development Average Income:** The average income of all households residing in a single FRHA family development.
- **Higher-income Development:** A development in which the development average income is above 115% of the Authority-wide average income.
- **Lower-income Development:** A development in which the development average income is below 85% of the Authority-wide average income.

2. Remedial Action

Based upon the above-mentioned analysis, the FRHA will review the need to offer incentives to eligible families that would help accomplish the deconcentration objectives at individual developments. Should the average income at a development(s) vary more than 15% from the Authority-wide average, the FRHA may utilize some or all of the strategies listed below:

- Selecting income-targeted applicant families over other eligible applicants on the waiting list to help the FRHA meet deconcentration goals

- Offering units at developments designated as higher or lower income concentration to targeted applicants over ready units at other developments which may have been vacant and/or ready for occupancy longer.
- Initiate affirmative marketing strategies to all eligible-income groups

3. Monitoring

In accordance with the guidance set forth in HUD Public and Indian Housing (PIH) Notice 2001-4, FRHA will annually monitor the income levels of households residing in FRHA housing and on the waiting list to assess its progress in attaining the deconcentration and income mixing goals.

FRHA will calculate and compare the average household incomes at each development with the Authority-wide average, as described above. For those developments whose average incomes, adjusted for bedroom size, do not fall within the 85% - 115% range of the authority-wide average, FRHA will compare these averages with the current Income Limits to ensure that at least 40% of households meet are at or below 30% of the area median income.

In addition, the income status of Applicants on the FRHA's waiting list will be analyzed to determine the percentage of Applicants with "Low," "Very Low" and "Extremely Low" incomes.

FRHA will also ascertain its progress in meeting the income-targeting goal that requires in federal developments that 40% of new admissions must be Extremely-Low Income Households. If the monitored data indicates any problems, FRHA will alter its marketing and deconcentration strategies in accordance with this policy and federal and state requirements.

D. DECONCENTRATION AND INCOME MIXING MONITORING REPORT

1. Deconcentration Analysis

The calculations for annual monitoring of deconcentration and income mixing yield an Authority-wide Average Income of \$14,507. The target range within which each individual development must fall is between \$12,331 (85%) and \$16,683 (115%) of the Authority-wide Average.

DECONCENTRATION AUTHORITY-WIDE (10/1/2017)	
Authority-wide Average Income	Established Range (85% to 115%)
\$14,507	\$12,331 to \$16,683

An analysis of Development Average Income data reveals that - with the exception of Pleasant View - each family development falls within the target range of 85% to 115% of the Authority-wide Average Income.

DECONCENTRATION BY DEVELOPMENT (10/1/2017)			
Family Development	Development Average Income	% of Authority-wide Average Income	Comparison to Range
Sunset Hill	\$13,875	96%	Within Range
Heritage Heights	\$15,463	107%	Within Range
Fr. Diaferio Village	\$14,803	114%	Within Range
Bennie Costa	\$16,573	114%	Within Range
Pleasant View	\$11,669	80%	Below Range

With a Development Average Income of \$11,669, Pleasant View falls below 80% of the Authority-wide Average. Pleasant View status as a Lower-income Development under the Deconcentration Policy indicates a potential need to increase the ratio of higher-income households during the Admission process and prompts a comparative analysis of Income Mixing at the development level.

2. Income Mixing Analysis

An analysis of all new admissions to federal family developments in FY2017 reveals that FRHA has met and surpassed the federally-mandated minimum requiring Extremely Low-Income households comprise at least 40 percent of all new admissions.

INCOME AT ADMISSION - AUTHORITY-WIDE (FY 2017)			
	Extremely Low	Very Low	Low
All Family Developments	61	22	4
Percent of Total	70%	25%	5%

A development-level comparison shows that Pleasant View and Bennie Costa have disproportionately lower ratios of Low-Income (50%-80% AMI) households in FY2017 as compared to the other three family developments. This trend accounts for Pleasant View falling below of the target income range for deconcentration.

A comparison of each development against these averages reveals that Pleasant View has a disproportionately low ratio of higher-income households with 3 percent of all households falling between 50% and 80% AMI (compared to 6% authority-wide) and zero households exceeding 80% AMI (compared to 3% authority-wide). The overwhelming majority (97%) fall below 50% of AMI.

INCOME AT ADMISSION - BY DEVELOPMENT (FY 2017)			
Family Development	Extremely Low <30% AMI	Very Low 30%-50% AMI	Low 50%-80% AMI
Sunset Hill	73%	18%	9%
Heritage Heights	54%	38%	8%
Father V. Diaferio Village	63%	33%	4%
Bennie Costa Plaza	82%	18%	0%
Pleasant View	82%	18%	0%

3. Income Targeting Strategy

In an effort to minimize the concentration of poverty, FRHA shall make every effort to increase the ratio of higher-income families at Pleasant View. This objective will be achieved through income targeting in accordance with Section 5.8 (A) of the FRHA Admissions and Continued Occupancy Policy.

This strategy will involve targeting screened, eligible applicants on the waiting list whose income falls between 50% and 80% of AMI (Low Income). As of October 1, 2017, a total of 25 active applicant families (3%) fall into this income category.

FEDERAL FAMILY WAITING LIST - APPLICANT INCOMES			
	Extremely Low	Very Low	Low

	<30% AMI	30%-50% AMI	50%-80% AMI
Federal Family Applicants	85%	12%	3%

FRHA shall:

- Offer vacant units of appropriate size and type at Pleasant View to target applicants ahead of otherwise-ready units other family developments, even if they have been vacant and/or ready for occupancy for a longer period of time.
- Select targeted applicant families (in their ranking order on the waiting list), over other eligible applicants who may rank higher on the list but who do not fall in the targeted income category.

Targeted applicants will not be penalized for refusing unit offers resulting from this deconcentration strategy; such refusals are covered under the FRHA definition of “good cause” for unit refusal.

This income-targeting strategy will continue until Pleasant View achieves a 5 percent ratio of Low-Income (50% - 80% AMI) new admissions over a 12 month period.