

# APPENDIX F: DECONCENTRATION POLICY

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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 Area Median Income (AMI)*, with adjustments for smaller and larger households, as determined by the Secretary of Housing and Urban Development.

- 1. 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.
- 2. 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.
- 3. 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

To prevent a concentration of poverty at a particular development or geographic area, FRHA has established policies and procedures to encourage the admission of higher-income households into lower-income developments and vice-versa.

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:

PROJECT NUMBER	DEVELOPMENT NAME	# DWELLING UNITS
MA0006-000001	Sunset Hill	355
MA0006-000002	Heritage Heights	127
MA0006-000003	Diaferio Village	224
MA0006-000004	Bennie Costa Plaza	60
	Fordney Apartments	36
	North Rocliffe Apartments	35
	Riley Plaza	25
MA0006-000010	Pleasant View	119
<b>TOTAL</b>		<b>981</b>

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.

#### 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.

- a) **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.
- b) **The Development Average Income:** The average income of all households residing in a single FRHA family development.
- c) **Higher-income Development:** A development in which the development average income is above 115% of the Authority-wide average income.
- d) **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:

- a) Selecting income-targeted applicant families over other eligible applicants on the waiting list to help the FRHA meet deconcentration goals
- b) 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.
- c) 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 FY2020**

**1. Deconcentration Analysis**

The calculations for annual monitoring of deconcentration and income mixing yield an Authority-wide Average Income of \$18,584. To meet Deconcentration of Poverty and Income-Mixing targets, Development Average Income (adjusted for bedroom size) must fall between 85% and 115% of this Authority-wide Average.

<b>TARGET RANGE FOR DECONCENTRATION POLICY GOALS</b>		
<b>Low (85%)</b>	<b>Authority-wide Average</b>	<b>High (115%)</b>
\$15,796 ≤	\$18,584	≥ \$21,372

An analysis of Development Average Income, adjusted for bedroom size, reveals that average household income at seven (7) of the eight (8) family developments fall within the target range for Deconcentration of Poverty and Income Mixing.

<b>AVERAGE INCOME BY DEVELOPMENT</b>			
<b>Development</b>	<b>Development Average Income <i>Adjusted for Bedroom Size</i></b>	<b>% of Authority Average</b>	<b>Within Range?</b>
Sunset Hill	\$16,266	88%	Yes
Heritage Heights	\$17,171	92%	Yes
Diaferio Village	\$18,108	97%	Yes
Bennie Costa Plaza	\$16,638	90%	Yes
Fordney Apartments	\$19,947	107%	Yes
North Rocliffe Apartments	\$20,497	110%	Yes
Riley Plaza	\$18,108	97%	Yes
Pleasant View	\$14,785	80%	No

**2. Income Mixing Analysis**

An analysis of all new admissions to federal family developments in FY2020 reveals that FRHA met and surpassed the federally-mandated minimum requiring Extremely Low-Income households comprise at least 40 percent of all new admissions. Over three-quarters (79%) of all 101 new admissions fell below 30% of area median income.

<b>APPLICANT INCOME AT ADMISSION FY2020</b>				
<b>Development</b>	<b>30% AMI <i>Extremely Low</i></b>	<b>50% AMI <i>Very Low</i></b>	<b>80% AMI <i>Low</i></b>	<b>&gt;80% AMI <i>Not Low</i></b>
Sunset Hill	81%	17%	2%	0%
Heritage Heights	71%	24%	6%	0%
Diaferio Village	75%	25%	0%	0%
Bennie Costa Plaza	100%	0%	0%	0%
Fordney Apartments	100%	0%	0%	0%
North Rocliffe Apartments	100%	0%	0%	0%
Riley Plaza	100%	0%	0%	0%
Pleasant View	73%	27%	0%	0%
<b>PERCENT</b>	<b>79%</b>	<b>19%</b>	<b>2%</b>	<b>0%</b>

The income statuses among new admissions (above) in FY2020 are relative to the income demographics of all active households in each corresponding development on April 1, 2020:

<b>INCOME STATUS OF RESIDENTS FY2020</b>				
<b>Development</b>	<b>30% AMI <i>Extremely Low</i></b>	<b>50% AMI <i>Very Low</i></b>	<b>80% AMI <i>Low</i></b>	<b>&gt;80% AMI <i>Not Low</i></b>
Sunset Hill	80%	14%	5%	1%
Heritage Heights	78%	12%	7%	2%
Diaferio Village	72%	18%	7%	4%
Bennie Costa Plaza	71%	19%	7%	3%
Fordney Apartments	61%	25%	8%	6%
North Rocliffe Apartments	51%	31%	17%	0%
Riley Plaza	72%	16%	8%	4%
Pleasant View	79%	19%	1%	1%
<b>PERCENT</b>	<b>75%</b>	<b>17%</b>	<b>6%</b>	<b>2%</b>

### 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 any development that falls below the target range for deconcentration. Conversely, to that same end, FRHA shall make every effort to increase the ratio of lower-income families at any development that exceeds target range for deconcentration.

To achieve this objective, FRHA shall target families on the waiting list in accordance with the methods outlined in Section 5.8 (A) of the FRHA Admissions and Continued Occupancy Policy.

- a) For developments that *fall below* the target income range for deconcentration of poverty, FRHA shall identify active applicant families on the waiting list whose incomes fall between 50% and 80% of AMI (Low Income).
- b) For developments that *exceed* the target income range for deconcentration of poverty, FRHA shall identify active applicant families on the waiting list whose incomes fall below 30% AMI (Extremely Low Income).

### 4. Waiting List Management & Unit Offers

To meet deconcentration of poverty and income mixing goals, FRHA shall:

- a) Offer vacant units of appropriate size and type at developments outside the acceptable income range to targeted applicants.
- b) Offer such units 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.
- c) 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
- d) Waive all penalties for unit offer refusals resulting from this deconcentration strategy. Refusals by applicants selected for income-targeting purposes are covered under the FRHA definition of "good cause" for unit refusal.
- e) Calculate the Development Average Income on a quarterly basis to determine whether deconcentration targets have been met.
- f) Discontinue income-targeting efforts at any development whose Development Average Income has been determined to be within the deconcentration range.