

Housing Authority of the City of Erie



ANNUAL REPORT

2022

**Annual Report to the Board of the Authority
On the Goals and Objectives for 2022**

February 15, 2023

The Mission of the Housing Authority of the City of Erie is to provide safe, decent, and affordable housing for lower-income families, elderly, and persons with disabilities; and to foster among the residents we serve, economic self-sufficiency, a sense of community, and pride in the neighborhood where they reside.

To further the Authority's Mission, the Board formally established Goals and Objectives for 2022. The following annual report will give the status as of December 31, 2022, on our progress in carrying out the mandates in your resolution, dated 2/21/2022.

2022 was a year where HACE worked hard to accomplish our mission as the world began to move on from COVID-19 consequences and return to a more normal way of doing business. HACE staff worked through the end of the eviction moratorium and Erie County Rental Assistance Program and the challenges of maintaining a high occupancy rate and completing much needed capital improvement projects throughout HACE properties.

HACE has bid out several capital projects in 2022. Supply-side problems continue causing delays in several projects resulting in the need to extend contracts. Projects that might normally take 90 days have had to be extended to as much as 240 days. For example, a contract to install a generator and repair an elevator have been delayed for months because of the inability of the contractors to obtain the required equipment and parts in the allotted time. Despite these delays, work totaling over \$4,000,000 was completed in 2022 including replacement of all roofs in Harbor Homes Annex, 40 roofs in Harbor Homes, scattered site entry door replacements, the central maintenance roof, replacement of 20 scattered site roofs with metal roofs, bathroom upgrades in 40 Harbor Homes units, replacement of entry doors at Bird Drive, replacement of air conditioning units at Friendship, floor replacement at over 100 units, and ceiling replacements at the John E. Horan Garden Apartments, .

During the past 12 months, HACE has seen a decline in public housing occupancy from 97% to 95%. On December 31st, HACE occupancy was at 95.1%. We expect this trend to continue through the first quarter of 2023 and then improve throughout the remaining of 2023.

The Housing Choice Voucher Program is serving 69 more families as of December 31st than were being served on 1/1/22. The Voucher utilization rate is at 95.1%. This rate is above the 95% expected from the Department of Housing and Urban Development. The HCV program opened a new waiting list in June of 2021 adding over 2,000 applicants. HACE implemented a new process for landlords to request rental increases in 2022, utilizing a rent reasonableness calculation from NELROD, that should result in increased rental income for landlords allowing them to better maintain and improve their properties and encourage them to remain in the HCV program and new landlords to come into the program.

HACE staff continues to stay focused on improving the occupancy percentage in public housing, bringing

units that had been offline for long periods of time back online and transferring residents who are over and underhoused. 2022 has been a challenge with the end of the eviction moratorium and the Erie County Rental Assistance Program. HACE maintenance staff also worked diligently to complete all the Annual Inspection work orders causing less time for work in vacant units in 2022. All these factors caused the unit turnover time to increase from 84.84 to 109.89. Despite that 255 units were made ready for rental in 2022. 2022 saw 246 individuals and families moves out of public housing and 215 move-in, a net loss of 31. We expect this trend to continue in the first quarter of 2023 and then improve for the remainder of the year. Through 2/10/23 we have had 29 move-outs and 28 move-ins.

In addition, HACE has continued its goal of reducing the number of residents who are determined to be over or under-housed by focusing on transferring residents to appropriate size units for their family composition.

HACE contractor 2RW completed PHASE 1 of a Capital and Environmental needs assessment that included the John E. Horan Garden Apartments, Pineview, Friendship and Ostrow Apartments. Based on current situations at HACE including the fact that HACE properties are in good condition and the organization has a strong financial footing it was recommended and the HACE Board approved to not pursue RAD at this time. The PHASE 1 Capital needs assessment will be used as part of an overall capital needs study to develop a 10-year plan for capital projects throughout Housing Authority of the City of Erie properties. Roth Marz will work with HACE staff to develop the 10-year plan.

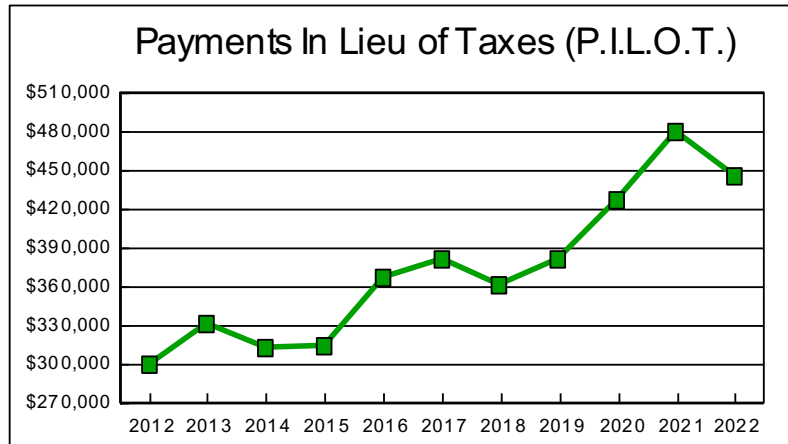
As of December 31, 2022, the Authority was providing housing assistance to 3,144 families, a decrease of 29 families from 2021. A total of 384 new families, elderly, and persons with disabilities received housing assistance. This is a decrease of 21 in 2022.

Our housing inventory while in good condition needs on-going maintenance and capital improvements. HACE staff has developed a two-year capital budget to address issues in every Amp group.

2022 was the 4th year HACE owned the Better Housing properties. In 2022, HACE utilized funds from two PHFA PHARE grants to replace windows in all 52 units with new windows and security screens, replaced all wooden entry doors with steel reinforced doors and upgraded the electrical delivery systems from 60 to 100 amps. The remaining \$100,000 left from the 2020/2021 PHFA PHARE along with monies from HACE reserves will be used to install new furnaces and add air conditioning in all 52 units. HACE applied for a 3rd PHARE grant that will be used to undertake exterior façade improvements, replace front stoops, replace siding on the buildings and sheds, replace an unused parking lot with green space, restore curbs and install 450 feet of wrought iron fencing. These grant monies along with monies from the multi-family and non-federal reserve accounts are being utilized to bring the Better Housing Properties up to modern-day standards. Our most recent REAC score of 84 is an improvement from 40 in 2021. We also saw improvement in our Management Occupancy Reviews in 2023 from 60 at Better Housing West to 74, improved from 63 in Better Housing East to 76 and improved from a 63 in Better Housing Old to a 75 from two years prior.

The Authority is also proud of the fact that, although tax-exempt, we did contribute **\$446,542** to local taxing bodies in lieu of real estate taxes during 2022, down slightly from \$481,126 in 2021 but higher than the five-year average of \$406,891. The reason for the decline was increased utility costs and a slight drop in public housing occupancy which is the formula HUD uses to calculate the Payment in Lieu of Taxes amount. In addition to PILOT payments, the Authority continues to pay the City of Erie a portion of the cost for six City of Erie police officers assigned to public housing community policing along with

paying a portion of the funding to allow the City to sponsor a full 12 - week summer swim program at the Rodger Young Pool. The Authority also pays Erie County government for a portion of the cost of an adult and juvenile probation officer and for services provided by the Erie County Library at our two on-site youth libraries. The total value of these contracts with the City of Erie and Erie County for 2022 was \$743,356.



GOAL 1 - CONTINUE ON-GOING HUMAN RESOURCES PROGRAM THAT MAINTAINS PROCESS FOR BOARD AND STAFF RECRUITMENT AND SUCCESSION.

Objective 1 – Revise and Update HACE Personnel Policies. (Completed)

HACE Board members are updated monthly on all changes in policies and procedures. The HACE Board receives an update on all program initiatives monthly including a monthly Executive Directors report. Synopsis and Board meeting are held the third Thursday and fourth Monday of each month. In 2022, the HACE Personnel Policies were reviewed and revised by the Knox Law Firm and approved by the HACE Board.

In 2022 the Public Housing Lease and maintenance charge list was revised.

Objective 2 – Continue training and orientation of HACE Board members and staff about HACE policies, procedures, and programs. (Significant Progress)

New Board Member Donald J. Fuhrman completed training programs offered to new Board Members. HACE staff provided him with information on HACE Policies and Procedures, the 2022 Budget and the 2022 Goals and Objectives along with PR literature on HACE programs.

On-going trainings have been conducted with staff to assist them in their current positions and for possible advancement. Twice monthly meetings are conducted with Maintenance supervisors and managers.

The Safety Committee was certified after a year-long process utilizing assistance from Erie Insurance. They continue to meet monthly.

Objective 3 – Have on-going succession plan for upper-level administrative staff. (Significant Progress)

In 2022, the HACE Board met with the Executive Director to discuss succession plans for the Executive Director position. The HACE Board interviewed Deputy Director Dusti Dennis to begin the process of succession once the Executive Director submits a retirement notice to the HACE Board.

In 2022 HACE Board member James Martin resigned. Donald J. Fuhrmann was interviewed by the HACE Board and submitted to and approved by Mayor Schember to complete Commissioner Martin's term.

In late 2022, Board members Bishop Dwane Brock, Edward Smith and Patricia Mickel were submitted to Mayor Schember for new 5-year terms. All three were approved for new terms beginning in March 2023.

Objective 4 – Continue training programs for administrative, clerical and maintenance staff. (Significant Progress)

Fair Housing Training for all staff was started in late 2022. All new HACE staff are required to complete 29 hours of on-line HUD and Housing Authority related training prior to ending their probationary period.

On-going HUD and Horizon training is provided to all staff with incentives provided to staff who complete approved training programs.

All current staff receive monthly trainings from Network Technologies on cyber-security. Our recent review with Network Technologies staff indicated that HACE has made substantial progress in staff related cyber-security training.

Objective 5 – Develop Process for evaluating staff beginning with top level administrative staff, managers, and maintenance supervisors. (Significant Progress)

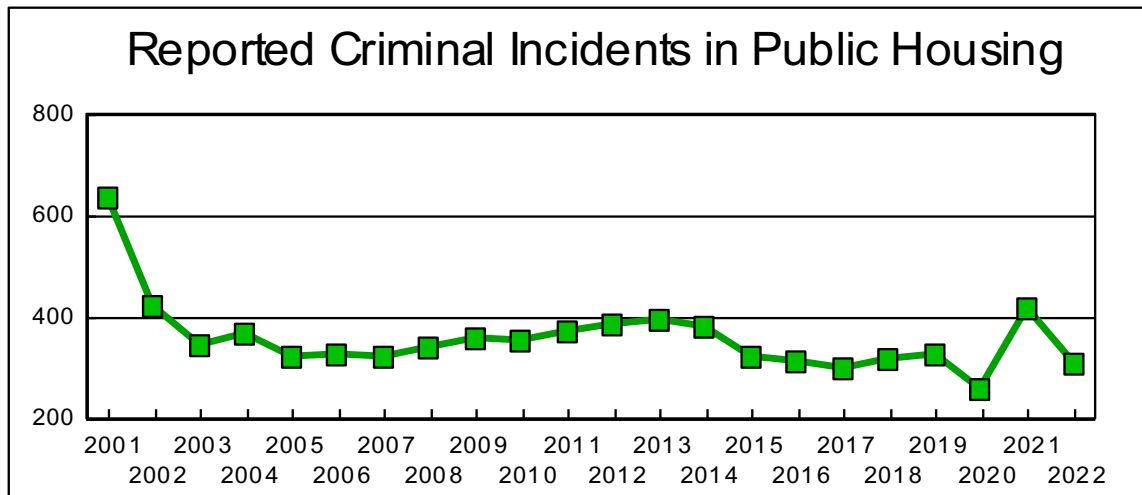
Goals and Objectives were provided to all managers and maintenance supervisors on or before 2/1/22. Evaluations will be completed and reviewed with all administrative staff by 3/31/2023. In 2023 new programmatic goals and objectives will be established for the Deputy Director, Controller, Resident Initiatives Coordinator, Associate Director of Compliance and HR Coordinator.

GOAL 2 - IMPROVE LIVABILITY OF PUBLIC AND SECTION 8 HOUSING

Objective 1 – Reduce reported crime by 2% from 2021 (Significant Progress)

In 2022, the Housing Authority recorded data on criminal activity in public housing neighborhoods based on calls for service to the COPPS unit that work in our neighborhoods 16 hours a day, seven days a week; and from the Erie Police Bureau reports on calls for service when the COPPS unit was not on duty. The bulk of all calls for service are responded to by the COPPS officers. In 2022, the number of incidents reported from all sources was 313 down 25.3% from 419 in 2021. There were 42 incidents (down from 55 in 2021) in the four senior buildings, Friendship- 14, Schmid- 28, Ostrow- 0, and Curry/Schell-0. In 2021, there were 58.8 incidents/1,000 residents in public housing, down from 65.1 incidents/1,000 residents in 2021.

The majority of incidents continue to be domestic, and people related crimes that involve residents who know each other and between family members.



In August 2022, the Authority and the City of Erie approved its tenth two-year contract to provide six police officers assigned to two shifts between noon and 4:00 a.m. The current contract expires on August 31, 2024. We have had a preliminary meeting with the City of Erie to discuss a new contract. Two new officers have been assigned to the program because of a promotion of one officer and an injury to a second officer.

In 2022, the Authority continued utilization of security cameras in all our developments to monitor incidents of inappropriate and/or criminal behavior. 80 incidents were resolved in 2022 with evidence recorded on the cameras. HACE completed replacement of security lighting with new LED lights in the family developments and inside senior buildings hallways and common areas.

The deployment and utilization of 227 security cameras throughout our family and elderly developments is a major tool for solving/preventing problems. Several more cameras were replaced in 2022 to ones that have multiple lenses allowing for a broader camera range.

Due in large part to the presence of these officers in 2022 we continue to see low violent crime rates in our neighborhoods. Serious crime continues to be low, totaling 25 up from 23 incidents in 2021 (assaults-16, burglary – 2, drug offenses – 3 and weapons violations – 4).

Most of the reported crimes involve individuals who know each other (domestic related) and mental health situations. We did see an increase in incidents among juveniles. This resulted in two (2) families from Harbor Homes and three from Pineview (3) being evicted or moving out to avoid eviction. This is a trend that HACE staff and the C.O.P.P.S. program will continue to work together on going forward.

The Housing Authority Resident Initiatives Program in partnership with SafeNet and the Community oriented Police and Probation Program (COPPS) continued its Lethality Assessment Program in public housing for victims of domestic violence. The goal was to provide an assessment tool to the COPPS officers that will tell them the danger level of the situation and allow for them to connect the victim with a counselor immediately if necessary. Mayor Schember has commented several times that the HACE COPPS program is a model for how community policing should be done throughout the City of Erie.

The Erie Police Department, under the leadership of Chief Dan Spizarny, Deputy Chief William Marucci, and Quebec Unit Supervisor Sergeant Tom Covatto, have been extremely responsive to the needs of our

residents. In 2022, monthly coordinating meetings were held with key HACE staff and all partners in the C.O.P.P.S. Program. This continues to be very effective in identifying and addressing quality of life issues for our residents.

In 2022, thirty-four (34) abandoned/unregistered/unlicensed vehicles were submitted to the City of Erie Police Department for removal from Authority property with the assistance of the C.O.P.P.S. officers. The problem with abandoned vehicles has declined through the years due to more systematic enforcement of parking regulations.

In January 1998, the Authority contracted with Erie County to provide an adult and juvenile probation officer dedicated to public housing sites. The Community-Oriented Probation Services has contributed to the improved conditions in our neighborhoods. The Probation Department's presence has acted as a deterrent against individuals who are on probation from causing problems in HACE neighborhoods. In January 2023, the County signed a one-year extension of the probation services contract through January 31, 2024. HACE continues to work with Erie County, Pennsylvania and Federal Probation and Parole to monitor individuals leaving prison who list a HACE address in their required housing plan. This has virtually eliminated the illegal housing of state and federal probationers in public housing.

The fencing, security cameras and recently installed LED security lighting has helped to deter criminal activity in all HACE neighborhoods and buildings.

The Authority adopted a Trespass and Banning Policy in 1998 in a joint venture with the Erie Police Department and the Erie County District Attorney's office. Individuals with prior criminal records, who were causing problems on Authority property, were identified, warned, arrested, and prosecuted for defiant trespass. This effort was continued in 2022, to exclude five (5) more individuals who had caused problems on HACE property and met the criteria for inclusion on the trespass and banning list. **Currently, 133 individuals are on the Banned List.** The Banned List is one of our most effective tools in reducing the presence of convicted criminals in public housing neighborhoods. Residents who allow banned individuals to visit or reside in public housing are subject to eviction. In 2005, the Board adopted an appeals procedure for individuals to be removed from the list. In 2022, one (1) individual inquired about being removed from the banned list. He did not respond to our letter about scheduling a hearing.

Objective 2 – Reduce fires and risks of injury and property damage. (No Progress)

In 2022, the Authority had 4 fires in public housing and 1 fire in Better Housing resulting in property damage of \$454,243. There were no deaths in 2022.

The Erie Fire Department conducted their annual fire safety talks at our elderly buildings during October, fire prevention month. All public housing and Section 8 units have smoke detectors. All the detectors were inspected and tested in 2022.

Objective #3 – Develop preventative maintenance program. Evaluate materials utilized by maintenance to ensure quality and longevity. (Substantial Progress)

Over the last three years all materials used to do rehab work in vacant units has been evaluated for quality and longevity. This has resulted in changing floor replacement to laminate flooring, using solid core doors on the inside of units, replacing kitchen cabinets when needed with soft closing solid wood cabinets, and changing all entry door locks to deadbolt only locks.

The bedbug preventative program was begun in 2022 including the monthly spraying of all community spaces and quarterly canine inspections in all high-rise buildings.

Work order maintenance staff as part of their protocol are instructed to check all health and safety areas when completing any work orders. (ex. Smoke and carbon monoxide detectors)

Objective 4 - Maintain response time for tenant-generated work orders to two (2) workdays or less. (Achieved)

In 2022, the Maintenance Department received 9,030 tenant-generated work orders, plus 1,485 emergency work orders. 1,465 (2021-1115) extermination work orders were completed. The average response time for routine tenant-generated work orders was 1.74 days, up slightly from the 1.29-day response time in 2021.

Objective 5 – Maintain “curb appeal” standards for all public housing communities including development of standards for areas outside living spaces. (Significant Progress)

The Authority strives to create a positive public image of its housing, by keeping them clean, neat, and well maintained; and by promoting neighborhoods that are visually attractive to our residents and the visiting public. This includes grass cutting and edging of all HACE properties by lawn care professionals. To ensure a positive impression, the Authority will continually monitor its developments for achievement of the highest “curb appeal” standards. HACE staff have begun housekeeping inspections on a regular basis. In 2022/2023 HACE continued contracting out its snow removal at the four high-rise buildings.

The HACE Maintenance Superintendent has also recommended multiple dead and dying trees for removal throughout public housing neighborhoods. HACE staff have also established a regular schedule for trimming trees. This has been very helpful in addressing potential damage to HACE properties and leaves clogging gutters.

In 2021 HACE began to use cement board siding and metal roofs on selected properties to improve the outside appearance. We continued to install metal roofs in 2022 completing over 20.

Objective 6 - Complete annual inspections and requisite follow-up on all public housing and Section 8-assisted units to assure all units are decent, safe, sanitary, and in good repair. (Significant Progress)

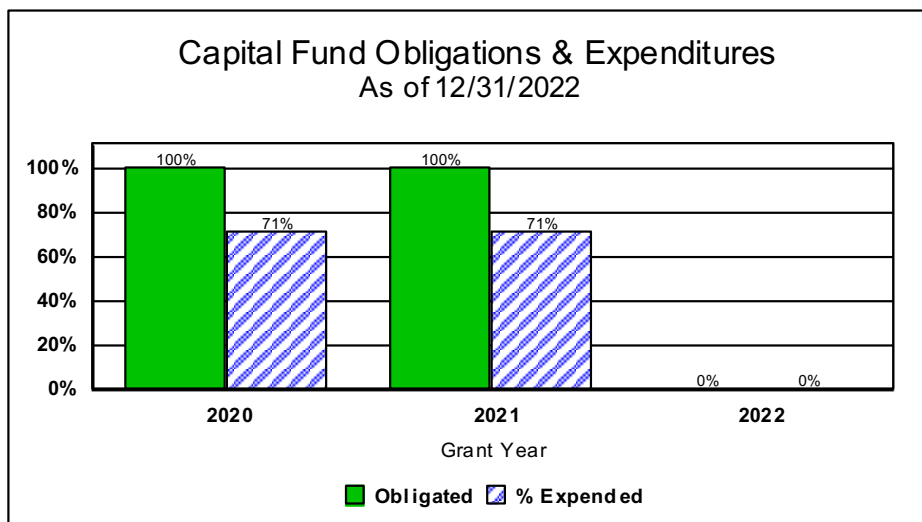
2,125 residential units owned and managed by the Housing Authority were inspected in 2022. To obtain inspections that conform to the HUD protocol, the Authority contracted with *The U.S. Inspection Group* to perform all our annual public housing inspections. Better Housing properties were added to the units to be inspected.

All privately owned units in the Section 8 voucher program scheduled for inspection were inspected at least once during 2022 to assure compliance with HUD’s Housing Quality Standards. A total of 1,708 initial, annual, biennial and complaint-inspections were conducted on Section 8 units. In 2020, the HACE Board of Commissioners approved biennial inspection of some properties, which reduced the number of units required to be inspected yearly.

As stated earlier, HACE staff will focus on addressing housekeeping issues and damage to units prior to a unit becoming vacant. Managers are now required to inspect all units when a resident submits a notice to vacate and not after they move out.

Objective 7 - Develop annual update to Agency Plan; and maintain Capital Fund obligation rate. (Achieved)

Contracts totaling \$3,448,213 for capital improvements were awarded in 2022. On 5/12/22 HUD approved our 2022 Capital Grant in the amount of \$6,469,050. The Authority continues to exceed the required Capital Grant obligation rates for all open phases of Capital funding. The Authority is given two years to obligate and three years to expend each year’s funding. In 2022, the Authority contracted and began work on approximately \$3.5 million in capital improvements, including replacement of flooring in over 200 units, French drain installation in multiple properties, gutter replacement at Eastbrook, replacement of all roofs in Harbor Homes Annex, roof replacements in Erie Heights, roof replacements in the John E. Horan Garden Apartments, replace shingle roofs with metal roof in 20 scattered sites, light fixture replacement at Friendship, replacement of all Bird Drive Entry Doors, roof and gutter replacement at Dombrowski apartments, Harbor Homes administration office upgrade, and electrical updates at Better Housing. Lead-based paint abatement continued at Harbor Homes in 2022. A new contract for the abatement of additional units was awarded in 2022 and work will be started and completed in early 2023.



The 2023 update to the Agency Plan was completed and approved by the HACE Board on 12/19/22. It was submitted to the Department of Housing and Urban Development on January 9, 2023.

Objective 8 -Maintain current level of resident satisfaction with living conditions in public housing. (Achieved)

The HACE Resident Satisfaction and Safety Survey was completed in the fall of 2022 with a return rate of over 40%. The final report will be submitted to the HACE Board at the February 2023 board meeting.

Objective 9 - Recommend capital expenditures from reserve budget for Board approval. (Significant progress)

Several capital projects have been approved for expenditures from Capital Fund and Reserves. With the

increase in the capital fund allocations funding of these projects will come from current capital funds.

A two-phase two-year capital improvements plan has been developed by HACE staff for 2022-2023. HACE staff and Roth Marz representatives met in January 2023 to develop Capital work projects for 2023. The major project will be façade work including brick, balcony, and railing repairs at Schmid Towers.

HACE staff will meet with representatives from Roth Marz in early 2023 to begin development of a 5 to 10 year capital projects plan.

GOAL 3 - PROVIDE HOUSING ASSISTANCE TO MORE FAMILIES/INDIVIDUALS

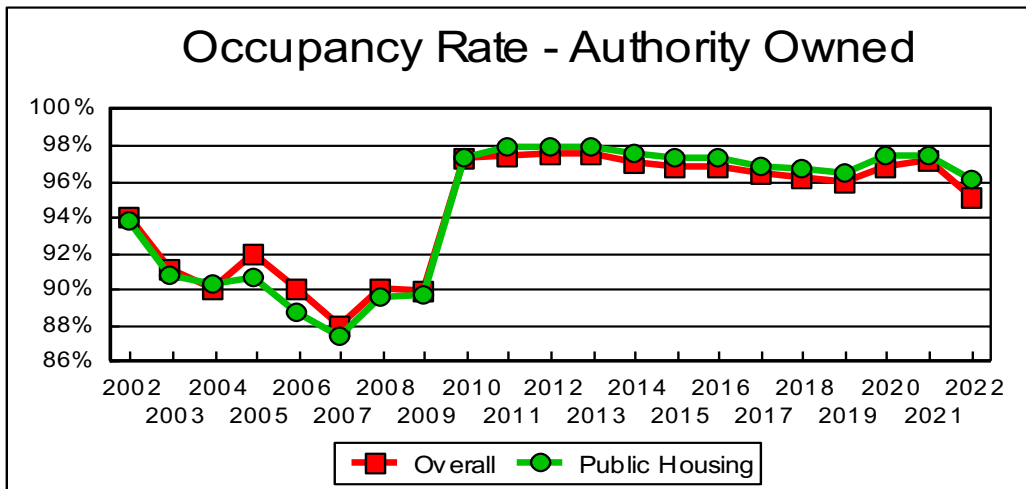
Objective 1 - Achieve 98% occupancy in our public housing inventory. (Did not make progress)

The Authority averaged **96.10% occupancy (public housing) in each month during 2022**, down from 97.37% in 2021. On December 31, 2022, the public housing occupancy rate stood at 95.2%. In 2022, the Tenant Selection Office processed 700 applications and **housed 218 new tenants down from 255 in 2021**. In addition, 39 families down from 41 in 2021 were transferred in 2022 to units that better met their family size. **On December 31, 2022, the overall occupancy rate was 95.2% down from 97.17% in 2021. A total of 2,077 units were in occupancy at year-end, down from 2,115 at the same time in 2021.** This decline is a direct result of the eviction moratorium and rental assistance program both ending. It is expected that this trend will continue through the first quarter and begin to trend upwards for the rest of the year. We are meeting weekly with Tenant Selection staff to efficiently speed up the process for housing new move-ins when a unit is ready. Two of seven AMP groups were at or above the 97% goal for 2022. Four of the seven AMP groups are currently above their year-end average as of December 31, 2022.

Rent-up time (the time between a unit being ready and occupied) in 2022 was 16.56 days up from 12.72 in 2021 and above the 5-year average of 12.74. Procedures for improving the rent-up time discussed at weekly meetings between tenant selection and the Deputy Director. Average tenant move-out to ready was 93.3 days in 2022 up from 72.13 days in 2021. In total the HACE turn-around rate for vacant unit to occupancy was 109.89 a 25.05 day increase from 84.84 days in 2021 and slightly above the five-year average of 106.21 days. Supply-side issues and our focus on completing annual inspection work-orders greatly contributed to the increased turn-around rate. We sound a significant improvement in the second half of 2022.

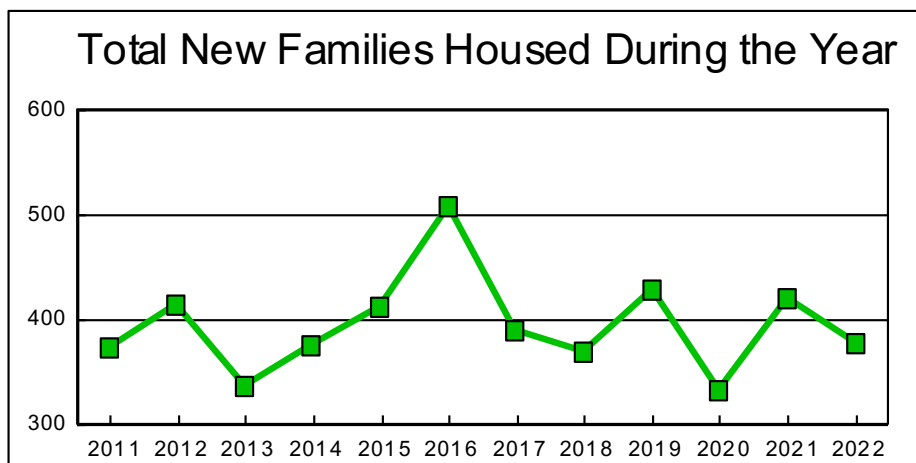
HACE, under the Deputy Director, is continuing a process with the HUD Pittsburgh Field office to remove units with extensive damage from the rent-ready list helping to reduce the unit turnover time. These units require scheduled contract work or extermination. As of 2/9/23, seventeen (17) units are currently approved by HUD for deferment. These units are to be repaired in 90 days or reported to the Executive Director with a completion date. This process has greatly reduced the amount of time that any unit is off-line.

In 2022, five (5) applicants were made eligible for housing assistance after completion of the Credit/Budget Counseling Program. Since its inception in 2001, 723 applicants have completed the counseling program, making them eligible to receive housing assistance.



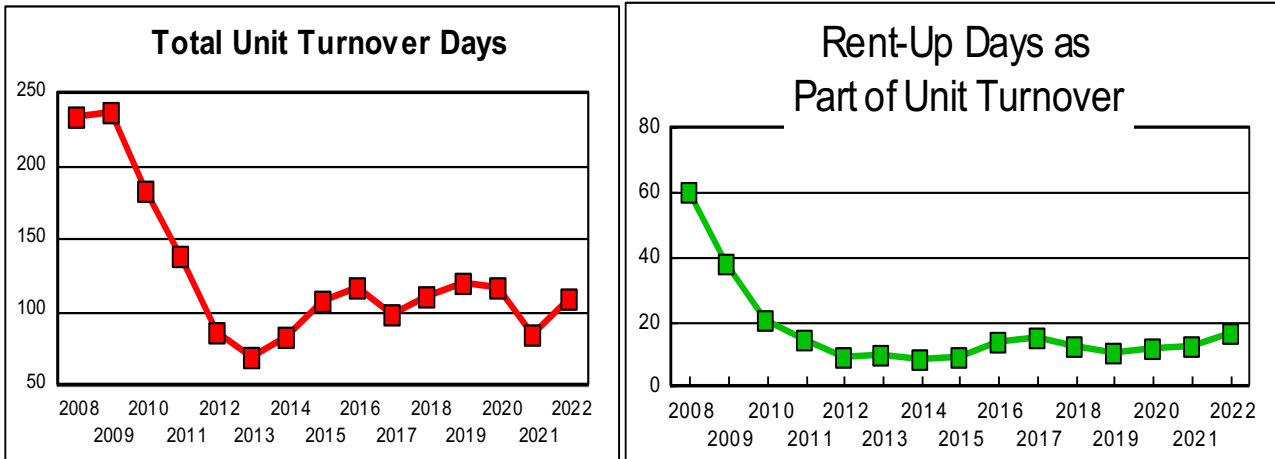
Objective 2 – Maintain Housing Choice Voucher/Section 8 utilization rate at 1,100 units. (Achieved)

In 2022, the Housing Authority utilized 94% of funding available to us for the Housing Choice Voucher/Section 8 Program. The number of families receiving assistance at December 31, 2022 was 1,069 up by 2 from December 31, 2021. **We were able to help 161 new families/individuals in 2022 down from 166 in 2021.** There are currently 1,927 individuals on the HACE Housing Choice Voucher/Section 8 waiting list.



Objective 3 - Decrease vacancy turnover rate. Continue deferred unit program. (Significant progress)

In 2022, the Maintenance staff of the seven asset management groups made a total of 255 units ready for occupancy up from 254 in 2021. **Turnover time—the number of days from the move-out of one tenant to the move-in of another averaged 109.89 calendar days, up from 84.84 days in 2021.** In 2022, the period from a make-ready to apartment rental increased from 12.74 to 16.56 days in 2022.



Objective 4 - Provide supportive services to non-profits with special needs populations. (Achieved)

In 2022, the Authority continued to provide supportive services funding at two Section 8 project-based developments that serve special needs populations. *Columbus Square Apartments* and the *Lodge on Sass* received funding for two caseworkers to assist the residents of those facilities. These caseworkers are helping to assist residents in obtaining social services allowing them to maintain their housing for longer periods of time.

Objective 5 – Continue to update and improve Housing Authority Web Site Interactivity. (Significant Progress)

In 2003, the Authority launched its web site (www.hace.org). The site includes information about the Authority, our housing, personnel, services, and news. The site was completely redesigned in 2020. Engel and O’Neil changed the format allowing HACE staff to update it on a regular basis and for it to become user friendly and more interactive for residents. Section 8 owners can now access their accounts, and families can now apply for public housing on-line. **During 2022, there were 63,390 visits to the website, compared to 57,036 visits in 2021. There were 33,370 unique users in 2022 compared to 31,748 unique users in 2021.**

The large increase was the result of residents being able to apply for public housing and Section 8 on-line and to do required recertifications and updates on-line.

In August 2022, HACE renewed a 2-year contract with Engel/O’Neil to provide public relation services for HACE. Engel and O’Neil updated the website, started utilizing the Facebook pages by sending regular notices, completed three newsletters, and completed a 2023 Calendar.

HACE also contracted with a program called One Call that allows HACE to send out text, voice mail and e-mail messages to residents by development or Authority-wide messages.

Objective 6 – Maintain Veteran’s Affairs Supportive Housing (VASH) program utilization at 98%. (Not achieved)

At December 31, 2022, the VASH program utilization was 71% down from 87.80% at December 31, 2021. The VASH program was able to provide housing for 22 new veterans in 2022 down from 24 in 2021. Thirty VASH participants left the program in 2022.

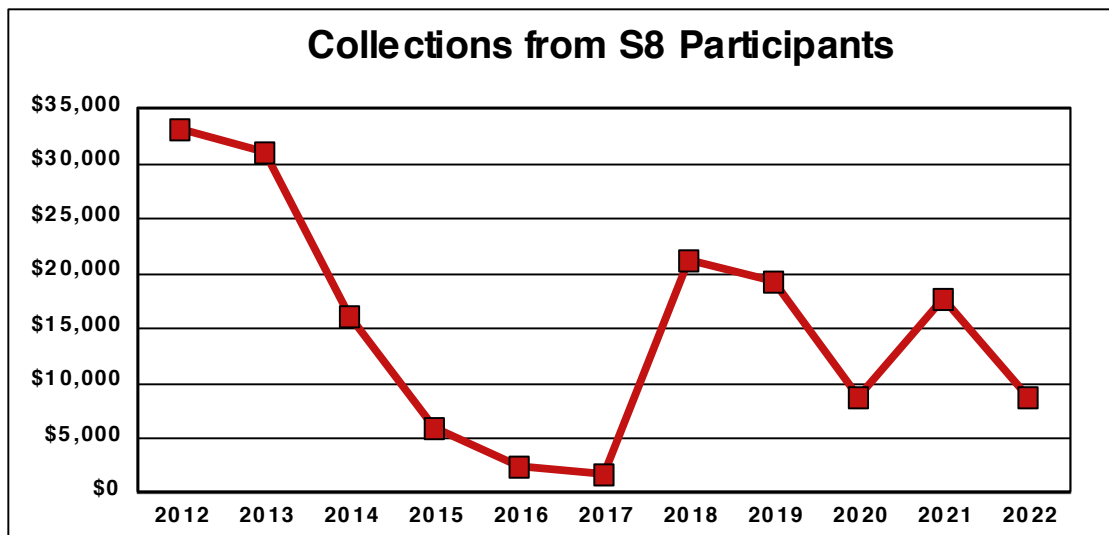
Objective 7 – Improve utilization of Foster Care to Independence Program (Not Achieved)

HACE was initially awarded 24 vouchers. Because of lack of referrals from OCY, ten (10) vouchers were returned to HUD. Currently five (5) participants are utilizing vouchers. Like the VASH program HACE is limited to referrals from the VA and OCY for both programs.

GOAL 4 - OPERATE ALL PROGRAMS EFFICIENTLY WITHIN BUDGETARY LIMITS; AND IMPROVE STAFF PRODUCTIVITY AND EFFECTIVENESS

Objective 1 - Collect 99% of annual charges by December 31, 2022. (Achieved)

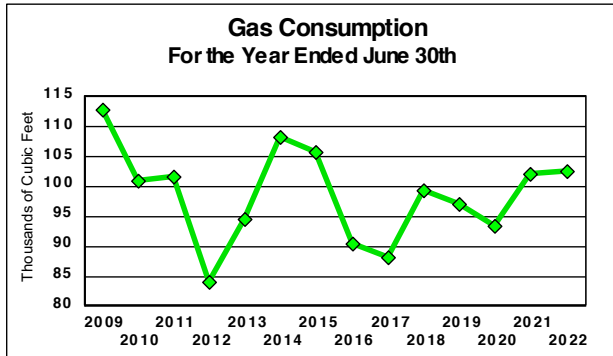
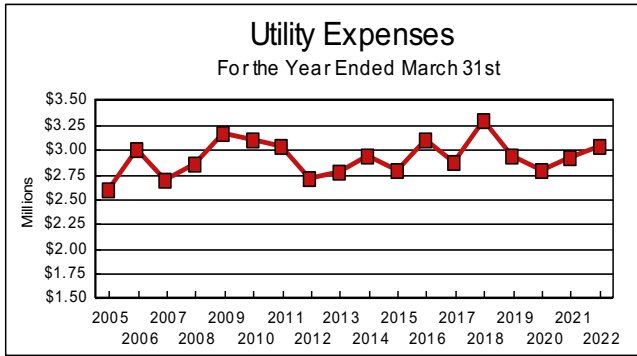
The Authority collected \$9,101,260 or 101.2% against a rent-roll for all units of \$8,991,036 in 2022. Total cash receipts were up \$241,583 over 2021. The Authority collected 96% of all charges in 2022. This collection record was accomplished by a variety of strategies; primarily, maintaining high occupancy in all programs and HACE staff working with tenants who fall behind in rent. Also, the Authority collected \$45,406 from ex-tenants who left owing money. Under the Authority’s policy, no one who owes money from a prior tenancy can be on the Authority’s active waiting lists. Section 8 staff also identified 9 Section 8 participants who had not reported all their family income. Agreements were signed with these participants resulting in repayments totaling \$8,640. The Authority continued, for the 34th year, its positive-incentive *Early Bird* program, where tenants who pay by the 5th of the month get a chance at a Gift Certificate each quarter during the year. In 2022, the payments by the 5th of the month were 78% over the base year, 1989. Part of this is attributable to increasing the late payment fee in 2014.



The Authority continues to encourage residents to pay rent through automatic debit of their checking account. In 2022, 486 residents selected this rent-paying option, a decrease of 1 from 2021. In 2022, 63% of our residents paid their rent before the 5th of the month. This is down from 65% in 2021.

Objective 2 - Reduce utility consumption and expense. (Not Achieved)

For the fiscal year ending March 31, 2022, the expenditures for utilities were up \$125,129 from the same period in 2021. Natural gas expenses increased 15% and electric expenses increased 7% due to increased supply rates resulting from the market volatility. Water and sewer expenses slightly increased due to increased consumption and the timing of quarterly invoices.



Objective 3 – Continue energy conservation improvements throughout public housing. (Achieved)

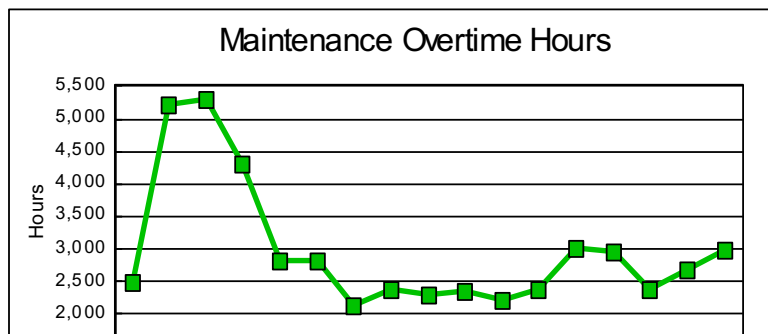
High-efficient heating boilers were installed at Schmid Towers in 2021. HACE is continuing the installation of tankless water heaters in several John E. Horan Garden Apartment units.

LED lights were installed in every Friendship Apartments. New LED lights were installed in the Schmid Towers Holland Street parking lot and Friendship Apartments front entrance. (Resident Advisory Board member suggestions) Energy efficient doors were installed at Bird Drive, Harbor Homes and multiple scattered sites, energy efficient windows were installed at Better Housing, attic insulation was done at JEHGA and Dombrowski Apartments, new roofs were installed at Harbor Homes Annex, Harbor Homes and the John E. Horan Garden Apartments and metal roofs have been installed at over 35 scattered sites.

Objective 4 – Limit operating expenses to rental income collected and projected HUD subsidies. (Achieved)

The operating expenses for the federally assisted public housing program totaled \$14,879,850 for the fiscal year ending March 31, 2022, up from \$13,691,329 in 2021. Operating income was \$18,460,938 and \$3,581,088 more than the expenses.

For the 12-month period ending December 31, 2022, maintenance overtime increased from 2,663 hours to 2,965 (+11.3%) from 2021 level. The overtime hours were slightly above the eleven-year baseline (1996-2006) average of approximately 2,800 hours.

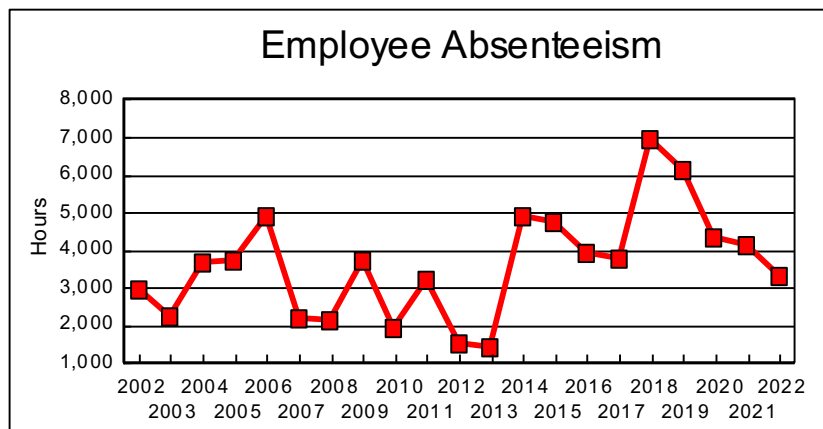


Objective 5 - Maintain fiscal operations and management operations so there are no audit findings. (Achieved)

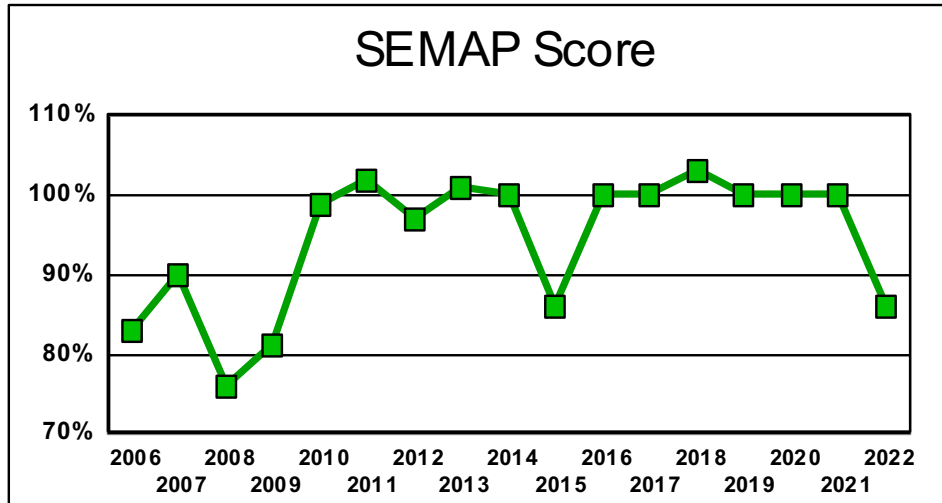
The independent audit for the fiscal year ending March 31, 2022, contained no audit/financial findings.

Objective 6 - Reduce employee absenteeism. (Achieved)

Paid time due to sickness, disability, and workers compensation leave decreased from 4,156 hours in 2021 to 3,324 hours in 2022 (A decrease of 832 hours). Thirty-six (36) of sixty-eight (68) employees went through the entire year without missing one hour of work due to illness, disability, or off the job injury. This represents 53% of the Authority’s full-time workforce. The employees had an overall attendance rate of 98% in 2022, missing an average of eight (8) days due to sickness, disability, or work-related injuries. The Authority continues its employee incentives for not using sick leave; employee training and education; implementation of a work safety program; referring all workers compensation injuries to the St. Vincent Occupational Health Center, and a light-duty program for injured employees. There were four (4) Worker’s Compensation claims in 2022 totaling 72.5 hours. Three (3) employees accounted for 673.5 of the missed hours. Three employees had major surgeries and seven employees were off due to COVID - 19.



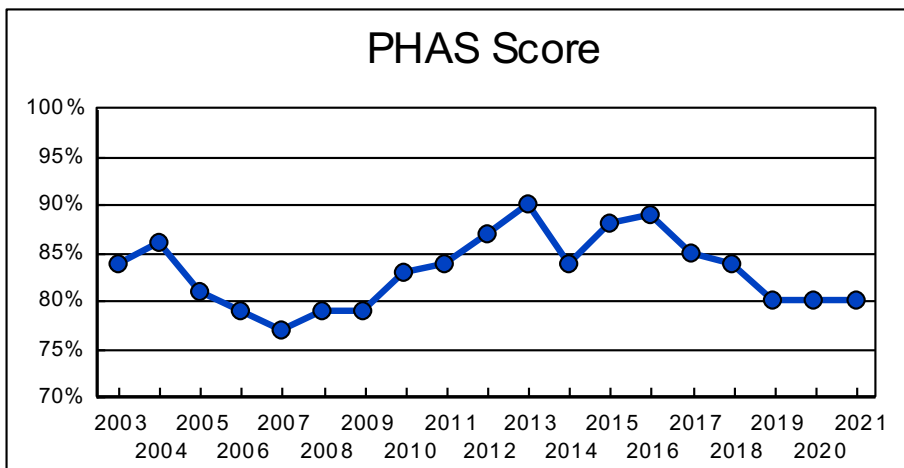
Objective 7 – Achieve HUD’s high performance on Section 8 Housing Assessment System. (Not Achieved)



In 2022, the Housing Authority received a score of 86% achieving the **HUD Standard performance** designation. The reduction in score was the result of a low score in indicator 13 where the lease up rate was slightly below 95% like the majority of other Housing Authority’s in the country due to COVID.

**Objective 8 – Achieve high performance status on Public Housing Assessment System (PHAS)
(Not Achieved)**

In 2022, HUD has not sent HACE a PHAS score. We are still in a pending status. Our last score was from 2019 and was an 80% or a Standard Performer.



**Objective 9 – Continue quality control for all HUD programs; and improve staff proficiency in use of verification tools; and continue tenant fraud detection in all programs.
(Significant Progress)**

Section 8 and public housing quality review and assurance for 2022 were conducted by the Associate Director of Compliance and the Tenant Selection Coordinator. All clerical and management staff have

been certified to perform HUD's Enterprise Income Verification (EIV) background checks. HACE staff are currently completing Fair Housing Training.

In 2022, the Authority identified 48 new cases of probable tenant fraud in the public housing program that resulted in repayment agreements totaling \$76,086.44. Also, 54 new cases of probable participant fraud in the Section 8 program resulted in repayment agreements totaling \$37,287.

Objective 10 – Continue Implementation of Strategic Plan for 2020-2024 (Progress)

In 2014, the Housing Authority retained a consultant to assist us in the preparation of a five-year strategic plan. The plan was approved by the Board in March 2015. It was updated in 2021. A review of the updated plan will be undertaken by the HACE Board and Senior staff in 2023. An RFQ will be developed to hire a consulting firm to assist in the development of the 2024 – 2029 Strategic Plan.

Objective 11 – Utilize Associate Director of Compliance to review operations in management offices to ensure compliance with HUD requirements and HACE policies. (Substantial Progress)

The position of Associate Director of Compliance has been instrumental in improving policy revisions as well as the consistency of adhering to these policies in the management offices. Over the past year she has set up a monthly report for monitoring repayment agreements, audited the FSS escrow accounts finding several inaccurate balances which had to be corrected manually, addressed late re-exams in PIC and as a result significantly reduced the number of outstanding re-exams, revised the public housing lease, increased training for staff through a contract with Nelrod for On Demand training, and continuously updates HACE forms and letters for compliance with HUD rules and regulations. In addition to the procedures and policies she has revised, she continues to review files at all the management offices and has significantly improved our Management & Occupancy Review scores of the multifamily properties.

Objective 12 – Continue to revise and update HACE procedures and policies to comply with HUD requirements. (Substantial Progress)

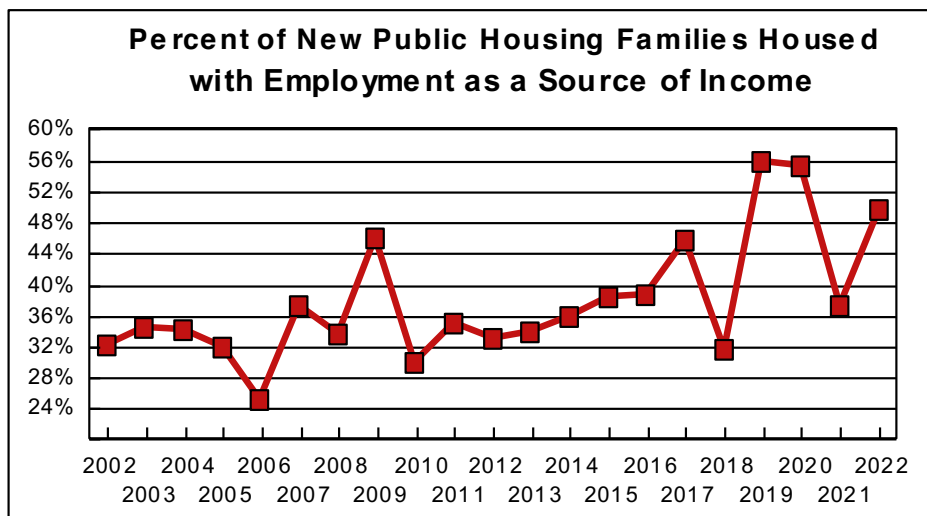
In 2022, the HACE Associate Director of Compliance revised the public housing lease which was adopted by the board. Housing Authority residents receive a copy of the new lease and sign it at their annual recertification. All residents will have received and signed a copy of the new lease by the end of 2023. HACE also updated the Maintenance Charges which were posted on the HACE website.

GOAL 5 - ENHANCE SELF-SUFFICIENCY OF PUBLIC HOUSING / SECTION 8 TENANTS AND PROMOTE GREATER SENSE OF COMMUNITY AND PRIDE AMONG RESIDENTS

Objective 1 – Provide housing to a cross section of the low-income population to obtain a broad range of incomes in housing and promote economic diversity resulting from employment. (Progress)

Objective 2 - Maintain the ratio of public housing/Section 8 tenants who have employment as source of income. (Significant Progress))

In 2022, 1,092 families had employment as a source of income. This was up from 1,082 families in 2021. There were 743 (-30) public housing households and 349 (+40) Section 8 households employed at December 31, 2022. This is a total net increase of 10 from 2021. Of the families newly housed in public housing in 2022, 87 (49.7%) of 167 families had employment as a source of income. In 2022, 183 working families enjoyed the benefits of the Authority’s flat rent or ceiling rent, which caps the household rent, regardless of income. These data reflect an overall improvement in the Erie economy.



Objective 3 - Maintain HomePLUS Program at Schmid Towers and Friendship Apartments. (Achieved)

In 1997, the Authority contracted with the Greater Erie Community Action Committee (GECAC), to implement the HomePLUS Program at Friendship Apartments and Schmid Towers. The program provides case management and supportive services to many residents of both buildings. From January 1 to December 31, 2022, 31 initial assessments were completed. Of the residents identified with service needs, 110 have accepted services. Annual reassessments were performed on 245 residents of the two buildings (some residents are assessed twice yearly). Direct services (e.g. home support, personal care, and chore services) have been provided since August 1, 1998 and, at present 63 residents are receiving direct services. GECAC estimates that 245 residents have been maintained in their homes because services are adequately meeting their needs. Additionally, 25 residents (14 Schmid and 11 at Friendship) are nursing home eligible and have been given a waiver from the Commonwealth to receive nursing home services in their public housing apartments. GECAC estimates that 71 residents would be immediately at risk of losing their independence without HomePLUS services.

Objective 4 – Continue Community Policing focus of C.O.P.P.S. Program. Contract with City of Erie to approve 2- year C.O.P.P.S. contract effective 9/1/22. (Achieved)

C.O.P.P.S. officers were able to fully return to participation in HACE community service programs in 2022. This included attending all HACE neighborhood events, participating in food distribution programs and offering special programs to seniors.

The HACE Board of Commissioners approved a new 2-year contract with the City of Erie to continue the C.O.P.P.S. program for the period of 9/1/22- 8/31/24.

Objective 5 – Work with residents to improve the image of public housing. (Achieved)

The Authority encourages beautification efforts by residents who reside in our family communities. The annual Garden Contest continues to attract many participants.

In August 2022, HACE signed a two-year contract with Engel/O’Neil to continue to provide public relation services. They completed a redesign of the HACE webpage, three newsletters and the 2023 Housing Authority Calendar. They were instrumental in increased coverage of HACE activities both in print and on television.

Objective 6 - Maintain maximum participation in the Section 8 and Public Housing Family Self-sufficiency programs. (Progress)

All current providers of social services for our residents are required to have a comprehensive self-sufficiency goal for participants and to coordinate activities with inter-agency team members. Quarterly meetings with the E.F. Smith Quality of Life Learning Center (QLLC) and the Multi-Cultural Resource Center (MCRC) together with monthly reports result in the monitoring of their progress in assisting residents on their journey toward self-sufficiency. **In 2022, five residents obtained employment through the two learning centers. This does not include the over 100 youth that obtained summer employment through the partnership with Erie County and the E.F. Smith Quality of Life Learning Center.**

In January 2023, HACE was awarded a third three-year HUD ROSS grant to provide one Family Self-sufficiency Case Manager to coordinate the Public Housing and Housing Choice Voucher/Section 8 Family Self-Sufficiency Program. She is contracted through MCRC to provide case management services to public housing and Section 8 residents.

Objective 7 - Encourage Homeownership for Section 8 and public housing residents. (Substantial Progress)

As of December 31, 2022, there were thirty-four (34) families enrolled in the Section 8 Family Self-Sufficiency Program. Of those fifteen (15) have a cash escrow account. The total number of Section 8 FSS graduates in 2022 were eight (8). The total cash escrow paid out to Section 8 graduates as of December 31, 2022, is \$489,751. The total escrow cash assets, including current Section 8 participants, interim withdraws, and graduates equals \$720,498.

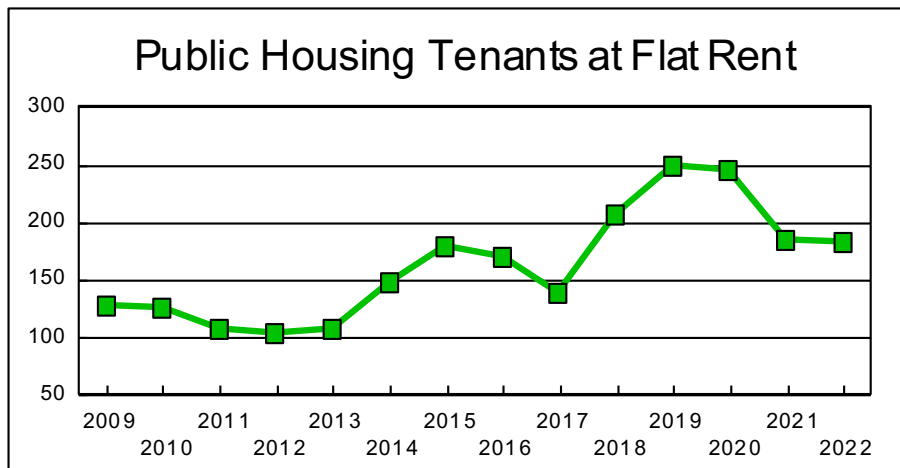
As of December 31, 2022, there were sixty-eight (68) families enrolled in the Public Housing Family Self-Sufficiency Program. Of those 68 participants, 43 have a cash escrow account. The total number of Public Housing FSS graduates in 2022 were nineteen (19). The total cash escrow paid out to graduates as of December 31, 2022, is \$447,846. The total escrow cash assets, including current participants, interim withdraws, and graduates, equals \$659,139.

Two families were able to access their FSS Escrow accounts for down payment and closing costs. In

2022, there were 27 graduates from the Section 8 and Public Housing FSS programs. Since the inception of the Section 8/Public Housing FSS Program there have been one hundred and thirty-six (163) graduates with fifty-two purchasing their own home. Escrow payments totaling \$933,033 have been awarded since the program's inception.

Objective 8 - Continue flat rents that reflect market based on size, condition, and location. (Achieved)

The Authority believes that the use of flat rents provides stability for our communities by giving working families an incentive to remain in public housing while they are getting on their feet economically. In 2022, the number of families who opted for the flat rent was 183 down from 186 in 2021. The Authority first adopted a flat rent schedule in 2004, based on market data. In 2014, Congress required HUD to change the way Flat Rents are calculated and revise them on a yearly basis. Under RAD the option for flat rents would be eliminated.



Objective 9 – Continue conversion of two learning centers to self-sufficiency, job development and employment training centers for public housing residents. (Progress)

Both MCRC and the Quality of Life Learning Center (QLLC) continue to work with residents on improving job skills. The job market has changed markedly in the past several years with HACE residents utilizing temporary agencies to obtain both temporary and permanent employment.

Both agencies continue to provide valuable services to HACE residents and receive multiple referrals from HACE staff for family support and assistance with rent payment issues. MCRC help residents obtain over \$1,000,000 in tax payment returns in 2022. QLLC worked with youth to obtain over 100 summer jobs. Both agencies continue to have strong ESL and GED programs. It is important that as we move forward that both agencies increase their focus in providing family support services that assist residents in maintain their stable housing situation.

HACE had several news stories highlighting resident successes. We also include success stories in every newsletter and on the HACE website.

Objective 10 – Revise and distribute 2022 Resident Survey tool to assess resident needs. Contract with local organization to develop, distribute and analyze data from resident survey. (Progress)

The 2022 Resident Survey was administered in August through October. There was an over 40% response rate from residents. New this time was utilizing MCRC staff to administer part of the survey over the phone. A report on the results of the survey will be presented at the February Board meeting.

Objective 11 – Begin evaluation process of all HACE social service programs to determine if they are meeting programmatic requirements and if the services they require are still necessary to meet the goals of assisting residents in moving towards self-sufficiency. (Sufficient Progress)

A Request for Qualification was advertised in late 2022. There were three submissions to provide the review services. Category 1 a consulting firm out of Omaha, Nebraska was selected. The review process was begun on February 1st. Interviews and program inspections have been scheduled with 10 program partners. A presentation will be made to the HACE Board at the April Board meeting.

GOAL 6 - IMPROVE NEIGHBORHOODS SURROUNDING PUBLIC HOUSING COMMUNITIES

Objective 1 – Establish development account to be utilized as investment capital to expand and improve low-income residents access to quality and affordable housing. (Significant Progress)

HACE recovered over \$600,000 in funds from HUD as repayment for reserve funds that were taken in 2012. These funds were placed in the New Development Account for future projects.

Objective 2 – Identify public and private partners to participate in neighborhood community development initiatives. (Progress)

HACE staff is working with the Erie Supportive Housing Group to address the homeless situation in Erie County.

Objective 3 – Continue acquisition of properties near public housing that are available and/or in distress.

No properties were purchased in 2022.

Objective 4 – Develop strategy for the utilization of vacant land at Erie Heights and the property adjacent to Harbor Homes that would generate non-federal funds for other HACE initiatives. (Progress)

A non-profit was created to work with HACE to develop future projects benefiting low-income families.

Objective 5 – Develop relationships with community leaders and businesses in neighborhoods surrounding public housing that could provide employment opportunities for public housing residents. (Progress)

HACE has a strong relationship with community leaders in the areas surrounding HACE properties. The E.F. Smith Quality of Life Learning Center purchased the Joyce Savocchio Industrial Park in late 2018. HACE staff will work with QLLC to ensure that HACE resident's benefit from any projects undertaken at the Industrial Park.

Objective 6 – Continue renovations of Better Housing to bring the properties up to the modern day standards expected of HACE properties. (Significant Progress)

The Housing Authority purchased Better Housing properties (52 units) on January 10, 2019. This provides stability in an area where the Housing Authority has significant investment. HACE was awarded a PHFA PHARE Grant in 2020, allowing us to move forward in completing much needed upgrades to the properties including replacement of all windows and security screens. In 2021, HACE was awarded a second PHFA grant in the amount of \$300,000 that will be used to upgrade the electric delivery system to each unit. HACE has applied for a 3rd PHARE grant to complete façade and property upgrades in Better Housing.

To date, new entry doors, new security windows and screens and an upgrade of the electrical delivery system have been completed.

Objective 7 – Research and apply for funding sources to assist HACE in pursuing development projects and renovating current properties such as Better Housing and Erie Heights. (Progress)

HACE has applied for a 3rd PHARE grant to complete Better Housing renovations.

HACE received a \$1,000,000 Lead-based Paint Grant in 2019 for the removal of lead-based paint in up to 67 units in Harbor Homes.

- Hoffman Construction completed abatement of lead-based paint in 67 Harbor Homes Units. The Erie Redevelopment Authority continues to do the pre- and post lead testing at all units.

HACE requested and was approved to expand the number of units be abated for Lead paint. Hoffman Construction was awarded a contract to abate lead in 40 additional apartments beginning in March 2023.

Personnel Changes

- A new accountant was hired in the accounting department.
- A new maintenance supervisor was hired in Harbor Homes.
- A new secretary was hired in the administrative offices.

Review of management office procedures and policies.

- The Associate Director of Compliance has met with all office managers to review their office procedures to ensure HUD compliance and uniformity. We have seen a great deal of improvement in completing recertifications as scheduled. These reviews continue on a quarterly basis.

- HACE staff have reviewed multiple HACE policies. The Public Housing Lease, EIV Policy and Personnel Policies have all been revised.
- HACE staff continue to improve transfer, deferred unit, and unit turnover procedures.
- HACE staff are now mandated to complete updated HUD policy and procedures training and Computer/software security training.
- HACE staff are meeting with representatives from our Horizon software provider to determine if their system is productive for HACE going into the future. A decision will be made early in 2023 on if we should bid out the services.