



**Durham CAN**  
**(Congregations, Associations and Neighborhoods)**  
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Date: January 4, 2021

To: Ms. Ashanti Brown, Durham Housing Authority  
330 E. Main St., Durham, NC 27701

Subject: WRITTEN COMMENT - FY2021 Annual PHA Plan & 5-Year Plan

In 1998, the US Congress established the public housing agency (PHA) plan to ensure “that the PHA is accountable to the local community for choices it makes.” Our comments highlight specific recommendations that the Durham Housing Authority (DHA) should consider to increase accountability for the significant investments of tax-payer funds including:

- Publishing complete information for all prior and current RAD Conversions on the DHA website.
- Prioritizing the organization and training of a Resident Advisory Board and Resident Councils as required under federal law.
- Revising the Durham Housing Authority Downtown Neighborhood Plan (DDNP) to incorporate feedback from long-time homeowners and community members about what the plan gets wrong and is missing.
- Presenting a financial update at the next DHA Board of Commissioners meeting on how the RAD conversions of Damar Court and Morreene Road have generated funding that is being used to address maintenance issues in other DHA communities.
- Providing a briefing to the City of Durham’s Affordable Housing Bond Implementation Committee on the return of investment of City funds in DHA since 2017.

Thank you for the opportunity to submit comments on these plans. In the future, please consider how your scheduling of public hearings and public comment impacts religious and cultural holiday observances. A public review and comment period that falls over during the busiest months for clergy leaders and community members prevents meaningful public participation in the process.

Sincerely,

Durham Congregations, Associations and Neighborhoods

## **FY2021 and 5-Year Plan Comments**

### **Section A.1 Availability of Information**

DHA is required to make all information relevant to the public hearing and proposed PHA Plan available for inspection by the public. However, we note several missing documents, attachments, and supporting documents as outlined in HUD's List of Supporting Documents Available for Local Review which states "All listed documents must be on display if applicable to the program activities conducted by the PHA," including:

- Civil Rights Certification
- Resident Advisory Board (RAB) Comments
- Certification by State or Local Officials
- Troubled PHA Recovery Plan proposed to HUD for FY 2018
- Documentation for all of DHA's prior and current RAD Conversions including but not limited to:
  - RAD applications submitted to HUD
  - Commitment to enter into a Housing Assistance Payment contracts (CHAP) issued to DHA from HUD
  - Financing Plans from DHA submitted to HUD
  - HUD approval of Financing Plans /RAD Conversion Commitments (RCC) to DHA
  - For those properties that have officially converted, the (Housing Assistance Payment) HAP contract
  - Proposals for recovery for the 2016 and 2018 "Troubled" designations
- Miracle League Ground Lease Agreement
- Public Housing Admissions & Continued Occupancy Policy (ACOP)
- Jobs Plus Grant Application and Award
- ROSS Grant Application and Award
- New DHA Lease Violation Procedure
- Environmental Review Clearance for all Rental Assistance Demonstration (RAD), including pre-development activities and Section 18 actions (including demolition and/or disposition)

HUD strongly encourages PHAs to post *complete* PHA Plans on their official website. While we understand information will be available for review by the public by appointment at the DHA office locations listed on page 4, in light of the rising number of COVID-19 cases in North Carolina and its impact on DHA office operations, we recommend DHA make these documents publicly available on its website no later than January 16, 2021.

## **Section B.1 Revision of PHA Plan Elements (pp. 7-23)**

On p.17 under the *Community Service and Self-Sufficiency Program* heading, it states that the Jobs Plus program will be launched on February 15, 2021. The description states that the grant is place-based but does not include specifics as to the specific place, details or program goals.

Also on p.17, there is a reference to hiring two coordinators for administering the ROSS program as a result of the grant DHA received in 2018. DHA's website lists a program called GROW at the Hoover Road community (see below), but there is no contact information and it is unclear as to whether residents are aware of this program's existence.

## **RESIDENT OPPORTUNITIES AND SELF SUFFICIENCY PROGRAMS**

The ROSS Program works to promote the development of local strategies to coordinate the use of assistance under the Public Housing program with public and private resources, for supportive services and resident empowerment activities. These services enable participating families to increase earned income, reduce or eliminate the need for welfare assistance, make progress toward achieving economic independence and housing self-sufficiency.

Building Family Strengths (BFS) provides a comprehensive and developmental appropriate approach to strengthen the family structure. BFS focuses on the positive qualities of the family and encourages the family to recognize its strengths and build upon them.

### **WORC and GROW Programs**

The Public Housing Family Self-Sufficiency and Resident Opportunities for Self-Sufficiency work in partnership with Grace Place Ministries and the Godmothers Group to launch the Grow, Reach, Overcome and Win (GROW) Points program in the Hoover Road community and the Women Organized and Ready for a Career (WORC) Program in the Cornwallis Road community. These programs take participants from point A - Z of the employment process. Workshop topics included:

- Interviewing Skills
- Resume Building
- How to Conduct an Effective Job Search
- The Importance of Good Health
- Employment Stressors and Job Retention

On p. 19 under the section *Safety and Crime Prevention*, the plan refers to a Community Engagement Unit at McDougald Terrace. Residents of Hoover Road have expressed a need for increased communication from police in their community. DHA

requested a meeting with Durham Police Chief Davis in June 2020 and Mr. Scott said he would look into inviting her to a meeting with Hoover Road residents. At a December 3, 2020 meeting with DHA management and Hoover Road residents, safety was one of the main concerns. A few weeks earlier, on November 25, 2020, a shooting occurred in the area and residents stated that they received no communication from police about what happened. Page 19 also refers to a new DHA Lease Violation Procedure dealing with police reports but the procedure itself is not included as an exhibit in the plan.

On p.22 under the heading *Asset Management*, the plan states that “DHA is assessing the available level of Operating funds and Capital funds to align them with the maintenance needs at each property.” We support DHA’s goal for 2021 of resolving the backlog of work orders, and also encourage DHA to consider the money it will be allocated from the \$95 million Affordable Housing bond passed in 2019. We encourage DHA and City leadership to re-prioritize these bond funds to accelerate the necessary funding investments for deferred maintenance at older, existing properties like Hoover Rd and McDougald Terrace.

## **Section B.2 New Activities (pp. 24- 46)**

On pages 24 and 25 under the *Mixed Finance Modernization and Development* heading, the vacant Lincoln Apartments is listed as a proposal for 2021. However, the plans for this development are not included in the DHA Downtown and Neighborhood Plan (DDNP) included as Exhibit B in the 5-Year PHA Plan and it is unclear how this activity supports DHA's prioritization of responding to communities in need of repair.

### **Demolition and/or Disposition**

On page 28 in reference to McDougald Terrace states: *"DHA received RAD CHAP award for the development in December 7, 2018 and withdrew the CHAP on July 9, 2020. DHA expects to convert the development under RAD within the next 5 years."*

On page 32 still under *Demolition and/or Disposition* Hoover Rd is referenced as: *"DHA received RAD CHAP award for the development December 7, 2018. As part of the RAD conversion, DHA will explore and may use Section 18 RAD Blend tool in conjunction with the RAD conversion of the development as well as apply for low income housing tax credits."*

However, an excerpt from the April 2020 Board Packet states:

#### **Portfolio Conversion**

*"A portfolio conversion allows DHA to not convert at the same time. Some CHAPs will be returned. PART 1 - retain CHAPs at the following sites: Laurel Oaks, JJ Henderson, Oldham Towers, Liberty Street, McDougald Terrace, and Hoover Road. DHA will self-develop or co-develop on those sites. PART 2 - CHAPs at the following sites, Forest Hill Heights, Club Boulevard, Scattered Sites, Oxford Manor, and Cornwallis Road will be returned. DHA will reapply for the CHAP once the developments are ready to be redeveloped. Mr. Glenn asked how the inclusion of McDougald Terrace and Hoover Road will affect the funding, since DHA was focused on the downtown area. McDougald Terrace is included due to issues earlier this year related to carbon monoxide. HUD gave us until June 30 to explore options around the redevelopment of the site using either RAD conversion or Section 18 demolition. Mr. Scott said there is pressure to act on McDougald Terrace from the public and it has been explored for redevelopment. Per Mr. Glenn, would there be a concern that we spent \$4 million at McDougald Terrace to address the carbon monoxide and gas appliances at the site and then we tear it down. Mr. Scott said it takes several years to plan and do a redevelopment, so the work would occur further down the road and that shouldn't be an issue. Hoover Road was added to Part 1 to meet the 50% threshold since 50% of the units or developments have to close to receive a*

**portfolio conversion award.”**

The current Annual Plan states that DHA returned the CHAP for McDougald Terrace, but the April 2020 Board Packet seems to indicate that it has been retained in order to meet the 50% threshold. It is unclear as to whether DHA considered McDougald as part of the Part 1 CHAP as of April 2020, then withdrew the CHAP for McDougald Terrace units on July 9, and if not, which units or which community replaced them in the Part 1 CHAP award for the RAD conversion portfolio, in order to continue to meet the 50% threshold.

According to HUD form 50075.2 "Statement of Capital Improvements" for 2018-22, McDougald Terrace received \$396,000 in 2020 and will receive \$883,520 in 2021 wfor planned improvements (see image below). It is unclear as to whether McDougald Terrace’s inclusion (or exclusion) in the CHAP has any impact on the Capital Improvement Plan.

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
2577-0274  
02/28/2022

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 3 2020				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	MCDOUGALD TER (NC013000001)			\$396,000.00
ID0053	Closet Doors(Dwelling Unit-Interior (1480)-Interior Doors)	Replace damaged/deteriorated/missing closet doors		\$270,000.00
ID0054	Dryer outlet/vents(Dwelling Unit-Interior (1480)-Other)	Replace dryer outlet/vents		\$126,000.00

At the Sept. 10 Special City Council Meeting, Mr. Scott presented a summary of both McDougald Terrace updates and RAD Conversion updates. Neither the presentation nor the Sept 10 2020 Special Meeting Final Agenda with Supporting Documents showed McDougald Terrace or Hoover Rd as being part of the current RAD Conversion approach by DHA and indicated that almost 40% of the units at McDougald Terrace (for which the City of Durham granted \$1.4 mil to replace gas stoves with electric) still await completion of repairs.

## DHA RAD Approach

- Straight Conversion
  - Goley Pointe
  - Edgemount Elms
  - Hope VI deals: (Main Street Townhomes, Holman Homes, Holman Homes, Calvert Place
- Rehab
  - Damar Court
  - Morreene Road
  - Laurel Oaks
- Redevelopment
- Transfer of Assistance - Willard Street

## DDNP Development Plan

- New Construction and Rehabilitation of over **2,450 units**
- Estimated years to completion: **10+ years**
- Estimated budget: **over \$500 Million**
- **7 total properties, five of which are DHA controlled**

<ul style="list-style-type: none"><li>• JJ Henderson</li><li>• Oldham Liberty*</li><li>• DHA Office*</li><li>• Forest Hill Heights*</li></ul>	<ul style="list-style-type: none"><li>• Fayette Place</li><li>• Rigsbee Street Station (City)</li><li>• Southside III (City)</li></ul>
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\*Bond Funded Developments

## McDougald Terrace Update

- Jan 3, 2020 began evacuating families, last family returned on May 3, 2020
- Work undertaken included
  - Replaced:
    - Venting system of hot water heaters and furnaces (heaters)
    - Furnaces, including thermostats
    - Replaced gas stoves with electric ones for most units, upgraded electric
  - Added safety devices to water heaters (brought up to current code)
  - Addressed environmental concerns including fungal growth remediation, insect infestation and other hazards
- COVID-19 impact:
  - Electric stove replacement
    - ➔ 136 of 346 units remain
      - Requires upgrade of electricity and a 3-5 day hotel stay
  - Only completed emergency and urgent work orders

On p. 31, the Elizabeth Street Apartments table has differing numbers of types of units pre and post conversion with fewer 2 and 3 bedroom units in the post conversion plan. This raises concerns about how HUD requirements for RAD of a 1:1 unit replacement are satisfied under this plan.

## **Section B.5 Progress Report**

On pages 43 and 44, under the heading *Resident Driven*, there are a number of objectives listed with a completion date of 12/31/21 (items a-f). These are all important goals. DHA should consider adding more detail to include shorter term goals and milestones that would help the agency meet its goals. In addition to including information about funding for resident councils per HUD regulations (i.e. refreshments and stipends for members), we recommend that the DHA CEO and Board of Commissioners follow HUD guidance of taking an active role in the process of establishing and supporting Resident Councils and a Resident Advisory Board, such as making personal appeals/invitations.

Objective b states that the MTW designation will allow the Agency to fund programs that provide supportive services for all residents by 2021. However, the MTW designation does not provide any new revenue. Funding more programs by 2021 because of the designation seems unlikely and inconsistent with the top priority of repairing and maintaining DHA units.

On p. 46, under the *Recovery of Public Housing & Retaining HCV High Performance*, the plan states that DHA has drafted a Recovery Plan tracking report that the Board of Commissioners will be monitoring. We recommend that these reports as well as Board meeting materials be made available to the public (as of December 31, no board packets were available on the website for October, November, or December).

On p. 46, under the *Develop Strong Communities of Choice* heading, the Progress Report section refers to UPCS inspections to identify any deficiencies in all units. At a December 3, 2020 Hoover Road meeting, residents were told about upcoming UPCS inspections to take place on December 14 and 15. Residents were told that the inspections would identify all problems in their units, so they could be fixed. They were also told that they would receive copies of the report within 5 business days of the inspection. During the inspection, one resident tried to report that their heating system had been malfunctioning (resulting in the resident using their oven to heat their home) and the inspector refused to note that in the report. As of December 22, residents still had not received the promised report. DHA should consider partnering with the City of Durham's Neighborhood Services in piloting a Proactive Inspection Program to inspect all occupied DHA properties and learn about potential economies of scale through DHA's use/leverage of NIS's tracking system to ensure completion of repair issues in a timely manner, to the satisfaction of residents and in accordance with the City's housing code.

## **Section B.6 Resident Advisory Board Comments**

By HUD's own rules, Resident Participation is a key compliance factor in successful RAD conversion projects. HUD requires RAB involvement and/or Resident Participation in the formulation of the Annual Plan and Amendments *prior* to implementation. We are not aware of a Resident Advisory Board Meeting to obtain comments on these plans prior to submission.

Public housing residents and Durham citizens deserve to have a clear explanation and a thorough understanding of the proposed future development and conversion activities within the DHA portfolio. If the public and the residents most affected by the agency's plans are not informed, the core requirement of Resident Participation cannot be claimed as met. Based on our conversations with community members, there is a great deal of confusion about the RAD Conversion process. It is important for DHA to state clearly whether, when and how DHA communities will undergo RAD conversion.

We strongly believe that the involvement, direct experience and creative imagination of Resident Leaders is a vital component currently missing from the agency's approach to redevelopment. The success of DHA Resident Councils or the Resident Advisory Board will depend on mutual cooperation between the Agency's principals, Staff, Residents, City and County resources, and reliable community orgs who can support this initiative. As a step in that direction and in accordance with HUD guidance we recommend DHA:

1. Return to regular RAB meeting schedule.
2. Post times and dates of RAB meetings on the DHA website.
3. Make monthly phone calls to leaders in each community about resources available to them and RAB meeting dates.
4. Provide the technology and training necessary to make sure that RAB members and the community can participate during this time of physical distancing during the pandemic.
5. Hold regular town hall meetings to share information and receive feedback with times and dates posted well in advance of the meeting.
6. Provide child care to allow parents to attend meetings.
7. Provide refreshments at meetings. If the meetings are held in the evening, consider providing dinner.
8. Provide incentives for participating in RAB like rent reduction.
9. Provide a stipend to members of the RAB. They may receive a stipend for their participation that will not be considered as income (funds available under Capital Funds Management Expense or Operating Budget)

10. Explain that serving on the RAB is an eligible activity to meet the Community service requirement.