



SAN DIEGO
HOUSING
COMMISSION

We're About People

San Diego Housing Commission (SDHC)

Moving Forward

Fiscal Year 2023 Moving to Work (MTW) Annual Plan

Presentation to the SDHC Board of Commissioners

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SDHC – Fiscal Year 2023 MTW Annual Plan Agenda

- MTW Overview
- Fiscal Year 2023 MTW Annual Plan
 - New Initiative: Blended Subsidies in Faircloth-RAD Conversions
- Questions & Comments



SDHC – Fiscal Year 2023 MTW Annual Plan

What is MTW?

- MTW allows SDHC to design innovative, cost-effective ways of providing housing assistance to low-income families
- Three statutory MTW objectives:
 - Reduce costs (increase efficiency) in federal expenditures
 - Help work-able families to become economically self-sufficient
 - Increase housing choices for families



SDHC Headquarters
1122 Broadway
San Diego, CA 92101



SDHC – Fiscal Year 2023 MTW Annual Plan

Investing in Our Community

- **Addressing Homelessness:** Innovative solutions, including several programs of HOUSING FIRST – SAN DIEGO, SDHC’s Homelessness Action Plan
- **SDHC Achievement Academy:** Opportunities for families to become more financially self-reliant
- **Affordable Housing:** Create and preserve affordable rental housing



Hotel Churchill
72 permanent supportive housing units
HOUSING FIRST – SAN DIEGO



SDHC Achievement Academy
Real Life Skills Workshop
August 12, 2019



Pulitzer Place
50 SDHC-Owned Units
Rehabilitation completed: June 2017



SDHC – Fiscal Year 2023 MTW Annual Plan

MTW Nationally

- SDHC is one of 39 original MTW agencies out of approximately 3,200 public housing authorities nationwide
- 2015: Congress directed the U.S. Department of Housing and Urban Development (HUD) to expand the MTW demonstration by 100 public housing authorities over seven years.
- 2021: Two cohorts totaling 41 public housing authorities received MTW status in 2021.
- A total of 80 agencies now have MTW status either under the original agreement or in the first two expansion cohorts.
- National MTW Collaborative



SDHC – Fiscal Year 2023 MTW Annual Plan

Proposed New Initiative

Blended Subsidies in Faircloth-to-RAD Conversions

What is Faircloth?

- Faircloth refers to the limit on the number of public housing units SDHC can own or operate.
- SDHC currently has a limit of 1,409 units
 - SDHC operates 189 public housing units
 - 1,220 public housing units fewer than maximum allowed

What is Faircloth-to-RAD?

- RAD is the Rental Assistance Demonstration program for public housing conversion.
- April 2021: HUD announced Faircloth-to-RAD
 - A way for public housing authorities with available Faircloth units to develop public housing on a temporary basis
 - Property would then convert under the HUD RAD program to operate as Project-Based Housing Voucher units under the Section 8 rental assistance program.
- Units undergoing RAD conversion are able to receive a RAD subsidy.



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Proposed New Initiative (Continued)

Description:

- Units developed and then converted via Faircloth-to-RAD are able to access RAD rents.
- RAD rents are used in conjunction with the tenant's share to meet the contract rents of units.
- However, these two sources may not be enough for the contract rent.
- MTW programs are able to use MTW funds to operate a subsidy to cover the remainder that RAD rents are unable to cover.

Goals:

- Due to receiving a RAD subsidy in addition to an MTW-funded subsidy, the average subsidy per unit in these conversions will be lower than the average subsidy for Project-Based Housing Voucher units.
- Smaller average subsidies will for more households to be assisted, while increasing the number of affordable housing units available to families with income below 80 percent of Area Median Income.



SDHC – Fiscal Year 2023 MTW Annual Plan Proposed New Initiative (Continued)

Source	Breakdown
Tenant Paid Portion	\$400
RAD Subsidy	\$500
2023-1 Blended Subsidy	\$600
PBV Contract Rent	\$1,500



Questions & Comments

