



MIDDLETOWN

October 23, 2012

Shawn M. Sweet, Director
Cleveland Office of Public Housing
U.S. Bank Centre
1350 Euclid Avenue, Suite 500
Cleveland, Ohio 44115-1815

Dear Ms. Sweet,

Please find enclosed the written response to your September 24, 2012, letter requesting a formalized corrective action plan to bring leasing percentages within an acceptable level, i.e., 95 % of units or ABA and addressing late and undocumented HQS inspections found on the August 21-23, 2012, visit.

HQS deficiencies

When Nelson & Associates first took over the contract to manage MPHA in April of 2011, the HQS inspections were being performed by The Inspection Group and the backlog was significant. There were issues with getting the actual inspection forms back from the prior inspectors and into the files.

Action Plan:

These problems have largely gone away. Inspections are now performed by a new contractor, Chase Construction. They have eliminated the backlog and brought us current on inspections. Inspections are now downloaded to our management software program daily. While initially only the passed inspection reports were being printed, now all inspection forms are printed out (fail as well as pass) and placed in the file. We are now timely with the inspections and monitor our progress closely.

Leasing Performance

Under 24 CFR Section 985.3(n)(3)(ii), HUD will measure lease up performance for housing agencies by determining whether “[t]he percentage of units leased during the last PHA fiscal year was 95-97 percent.” To comply with this regulation, MPHA would need to lease vouchers at a rate of 1579-1612 units of the allocated 1662 units assigned to the Agency. As of the end of July, MPHA was leased at a rate of 89.3%, or approximately 1484 units.

Root Causes of Performance Deficiency:

The City of Middletown has discussed with HUD previously its concerns regarding the concentration of vouchers within the City and the potential need to reduce vouchers. The City included this concern in its PHA 5-Year and Annual Plan. Under Section 5.2, Goals and Objectives, MPHA stated that it would “review Assisted housing levels of all types in the City of Middletown to determine if needs are best served by maintaining existing levels of Assisted housing, or whether current or unmet needs might be better served by adjusting the overall level of Assisted housing within the City.” Since the issue under analysis was whether MPHA would reduce the number of housing choice vouchers, MPHA did not issue new vouchers while the analysis was being completed.

Plan of Action to Correct the Deficiency

After careful consideration by the City Council/MPHA Board, MPHA has elected to reduce vouchers available in in the City by 1008, thereby reducing our Housing Choice Voucher Program to 654 vouchers. The analysis and documentation supporting that reduction is included for HUD’s review. MPHA recommends using attrition to reduce vouchers slowly with minimal effect to existing voucher holders, but would also be open to a partial transfer of excess vouchers to another PHA or an outright reduction of funding to the new unit level. MPHA will work with HUD to accomplish the reduction with the least impact on existing voucher holders.

MPHA will pass appropriate Resolutions to amend its 5 year and Annual Plan and the Administrative Plan to address these policy changes at the December 18, 2012, MPHA Board Meeting.

Waiting List

Under 24 CFR Section 982.206(c), “[i]f the PHA determines that the existing waiting list contains an adequate pool for use of available program funding, the PHA may stop accepting new applications, or may accept only applications meeting criteria adopted by the PHA.”

We are implementing the software needed to open the waiting list and allow online registration at this time. MPHA will open the waiting list under the regulations when the final available funding and/or transfer is complete as appropriate.

Sincerely,



Judith A. Gilleland, Executive Director
Middletown Public Housing Agency

Cc: The Honorable John Boehner
Speaker of the House of Representatives
7969 Cincinnati-Dayton Road
Suite B
West Chester, OH 45069

The Honorable Sherrod Brown
United States Senator
425 Walnut St., Suite 2310
Cincinnati, OH, 45202

The Honorable Rob Portman
United States Senator
312 Walnut St.
Suite 3075
Cincinnati, OH 45202

The Honorable Mike Turner
United States Congressman
120 West 3rd St, Ste. 305
Dayton, OH 45402