

A F F O R D A B L E H O U S I N G

ISSUES

SHIMBERG CENTER FOR AFFORDABLE HOUSING

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Florida's Public Housing Authorities

The Public Housing Authorities in Florida provide an important affordable housing resource for the lower-income citizens of the state. Over 120,000 housing units are included in their inventory of public housing developments and Section 8 Housing Choice Vouchers. The need, however, exceeds the supply of housing units available. A survey conducted in early 2004 found over 130,000 households were on waiting lists for the housing assistance provided by the Public Housing Authorities. The report summarizing the findings of this survey is available in downloadable format by visiting the Shimberg Center's Florida Housing Data Clearinghouse web site at www.flhousingdata.shimberg.ufl.edu.

Overview

More than 100 public housing authorities (PHAs) in Florida provide housing opportunities for low-income citizens through the operation of public housing rental units and administration of the Section 8 Housing Choice Voucher program. There are more than 41,000 rental units in Florida owned and operated by PHAs. In addition, PHAs in Florida administer more than 80,000 vouchers that allow low-income households to rent housing from private sector landlords.

By far, the largest proportion of those served by PHAs are households with incomes below the federal poverty level. Social Security recipients make up the largest group (about 58 percent) served by public housing authorities. Because Social Security income may arise from retirement, disability, or the death of a parent, this group includes households with members of all ages. Wage-earning households make up about one-third of those who live in public housing or receive housing vouchers, while less than 10 percent of public housing residents and voucher holders receive Temporary Assistance for Needy Families (TANF).

Public housing authorities are dependent upon Congressional budget deliberations and the U. S. Department of Housing and Urban Development (HUD) for funds used to operate public housing and administer the Section 8 Housing Choice Voucher program. In each of these programs, the tenant-paid portion of rents is based upon actual tenant income. Currently, the federal standard for housing affordability is that a household pay no more than 30 percent of its gross monthly income for housing-including both rent and utilities. Because incomes at the low- to moderate-level in the U. S. have tended to stagnate over the last decade while housing costs have continued to rise, the impact of federal resource constraints has posed significant challenges for PHAs as they work to serve income-qualified households in their communities.

Waiting for Assistance

Nearly every public housing authority in Florida has a waiting list for public housing units and housing vouchers. Based on a survey administered by the Shimberg Center on behalf of the Florida Association of Housing and Redevelopment Officials (FAHRO) in early 2004, there were 55,000 households on waiting lists for rental units in public housing authority-operated developments in Florida. Thus, there are more households on waiting lists for public housing rental units than are currently living in public housing.

The survey also indicated that more than 79,000 households were on waiting lists for Section 8 Housing Choice Vouchers. These waiting lists are long, despite the fact that resource limitations regularly force PHAs to close their waiting lists-sometimes for as long as five years at a time.

Monitoring Performance

Given the critical imbalance between the financial resources available and the need for affordable housing among Florida's lowest income citizens, public housing authority performance is a vital concern. Public housing authority performance is monitored regularly by HUD through two separate systems: the Public Housing Assessment System (PHAS) and the Section 8 Management Assessment Program (SEMAP).

Each public housing authority that operates public housing rental units is evaluated using PHAS. The PHAS score is calculated based on the PHA's performance on four different indicators, including physical condition of the housing. PHAS is based on 100 possible points. Based on data supplied by HUD in early 2004, large PHAs in Florida (those that operate 1,000 or more units of public housing) were standard performers, with a median score of 87. PHAs in the small and medium size categories were high performers, with median scores of 92.

In addition, each PHA that administers Section 8 Housing Choice Vouchers is evaluated using the SEMAP system. This performance measurement system uses 14 indicators, including the extent to which available funding is utilized (known as a utilization rate and calculated as a percentage). On average, Florida's PHAs are high performers in their administration of the voucher program. HUD data indicated that the median SEMAP score for large, medium, and small PHAs in Florida was 96.

Another means of looking at performance is available by evaluating the administrative expenses for the Section 8 Housing Choice Voucher program. Based on data supplied by HUD, administrative expenses for this program

were less than 11 percent of total program expenditures on a statewide basis. The data showed some evidence of economies of scale in administering the voucher program: Large PHAs had a median value of 9.74 percent on this measure, while medium PHAs had a value of 11.63 percent. Small PHAs had a median value of 13.01 percent.

PHA Expenditures

Total expenditures by public housing authorities in Florida were more than \$819 million for fiscal years ending between September 30, 2002 and June 30, 2003, based on data provided by the U. S. Department of Housing and Urban Development. Median expenditures for large PHAs were more than \$17 million per year during this period, while the median for medium PHAs was slightly more than \$2.8 million. Small PHAs had median total expenditures of more than one-half million dollars per year.

A significant portion of each PHA's total expenditures makes it way into the local economy. Payments to private-sector landlords on behalf of voucher holders represent the largest portion of total expenditures in PHAs that administer the Section 8 Housing Choice Voucher program. Salaries paid to staff are another source of stimulus to the local economy. Payments made to local businesses for various services are also part of total expenditures. Finally, those tenants and voucher holders who benefit from PHA-administered programs have more disposable income available to spend within the local community than do low-income households that do not receive housing assistance.

Housing Innovation

Public housing authorities in Florida have shown leadership in housing innovation. Successful competition for federal HOPE VI grant funds has been one source of housing innovation. Since HOPE VI inception in 1993, nine public housing authorities in Florida have received 13 grants totaling nearly \$250 million. National competition for these funds is fierce, and the HOPE VI grants represent funds that would not have been awarded within Florida without successful efforts in innovation by Florida's PHAs. These funds have been combined with other public and private sector funds to demolish distressed public housing and replace it with new, mixed income communities. By working with private sector partners and other sources of public funding such as the Florida Housing Finance Corporation, PHAs have brought more than \$657 million to distressed neighborhoods around the state.

Innovation among public housing authorities has not been limited to HOPE VI developments. Some housing authorities have issued tax-exempt bonds in order to preserve the affordability of properties that might otherwise be lost to the stock of affordable housing in Florida. Other housing authorities innovate by finding ways to fund new housing opportunities for special needs populations such as homeless persons or frail elderly individuals. Many PHAs have worked with private-sector partners or are interested in building future working relationships with the private sector.

For Further Information

For a more detailed look at public housing authority operations in Florida see the Shimberg Center's full report, Public Housing Authorities in Florida: An Analysis of Selected Issues. This report is available in downloadable format by visiting the Shimberg Center's Florida Housing Data Clearinghouse at www.flhousingdata.shimberg.ufl.edu. Users can locate the report by clicking on the Publications tab and scrolling down. The Clearinghouse also contains a searchable database on information related to PHAs, including the

number of public housing units operated, the number of Section 8 Housing Choice Vouchers administered, and contact telephone numbers for each PHA in Florida.

The Florida Association of Housing and Redevelopment Officials is a nonprofit professional organization made up of public housing officials from all regions of the state. Their website is another valuable source of information on PHA activities. Their website address is www.fahro.org.

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