

## **2008 Sale of Public Housing Units**

### **Frequently Asked Questions**

**Q: *Why does the MHA want to sell these 20 single family homes?***

**A:** Scattered site large single family homes are expensive and inefficient to maintain. The Physical Needs Assessment forecasts costs between \$30,000 and \$70,000 per unit over the next five to seven years to keep the units in decent and safe condition. Most of the homes are over 30 years old and will soon require extensive modernization and repairs. Some have already required modernization to keep them in decent, safe condition. As an example, recent modernization work at 5611 Hillview cost over \$30,000.

The majority of these units cannot be converted into units accessible or visitable by persons with disabilities. One unit met accessibility guidelines when built but no longer meets current guidelines. Other units, if they can be made accessible at all, would cost over \$70,000 to convert.

Funds from the sale will enable the agency to improve, develop or purchase other more suitable property:

- While MHA's waiting list demographics indicate that one and two bedroom units are most in demand, we also know that three and four bedroom affordable rentals to our residents are few and far between. These funds will allow MHA to build new units of all sizes, enough to provide 3 and 4 bedroom units that are affordable both as rentals or for homeownership for relocated families, and add additional one and two bedroom units as well.
- More units can be provided that will accommodate persons with disabilities, in particular accessible units with more than one bedroom.
- The funds can be leveraged with other funds to build more units. Condominiums or townhomes can be constructed for lease-to-purchase or homeownership programs at prices that our residents can afford to buy.
- These homes have the highest market value of MHA's public housing inventory and can generate enough funds to construct more than double the number of housing units sold, producing affordable units for low-income families which can be maintained in a more cost-effective manner and be more energy efficient.

**Q: *When will MHA start selling the houses and when will I have to move?***

**A:** Before MHA can sell the houses, HUD requires us to submit a "Disposition Application" for permission to sell inefficient or ineffective public housing. MHA has just begun the application process with the initial tenant notification. MHA expects to submit the application by June 2008. HUD then has 90 days to review and approve the application.

Our residents will receive a minimum of 90 days notice after approval is received. We are planning on a phased sale of the 20 units that could take about a year. If there are units that are vacant when the application is approved they will be sold first because HUD will not allow us to re-rent them. We will then coordinate with all remaining households to ensure the phased sale and relocation is as smooth as possible.

**Q: *What will happen to the 20 families who are living in the units that will be sold?***

**A:** Families will be given substantial notice before being required to move and will receive continued housing assistance, a moving allowance, and housing counseling.

- Each family will continue to receive rental assistance through their choice of another Public Housing unit or a Section 8 voucher. With a Section 8 voucher you can move to any other place in the country that has a Section 8 program, use your voucher for homeownership if you meet the qualifications, and/or be eligible to participate in the Family Self-Sufficiency Program.
- Moving and utility reconnection allowance. Families may hire a pre-approved moving company paid for by MHA or may move themselves and receive a moving allowance.
- Housing Counseling, which includes things like helping you find a new unit, advising you on preparing for homeownership, how to move school-age children to a new school, refer you to other MHA and community resources, or any other assistance that can help make your move as smooth as possible.

**Q. *Are residents eligible for a Section 8 Voucher now?***

**A.** No. The vouchers become available only after the disposition application is approved by HUD, projected to be in the Fall of 2008.

**Q. *Can I buy the public housing single family home I'm living in?***

**A.** Perhaps. The Section 8 Voucher program has a homeownership program where the rental subsidy can be used to subsidize a mortgage payment instead. Once you receive a Section 8 voucher you could use your voucher to buy a home if you meet the program's eligibility criteria. There is a FAQ fact sheet about the homeownership program in your packet. If you are considering homeownership you may want to start preparing now. MHA staff is also available for homeownership counseling.

**Q. *How will MHA replace these units?***

**A.** MHA's intent is to build a phased development of about 120 units of replacement housing in midtown Missoula. We expect that they will be a mix of replacement public housing, Section 8 voucher housing, low income tax credit housing, and market rate, built more efficiently and allowing MHA to house many more families. Some of the units will be multi-family and some will be townhouses. We would also like to do a mix of rental and homeownership units. You will have the opportunity to have input into the design process as it develops over the next several months.