



**FRANKLIN COUNTY REGIONAL HOUSING &  
REDEVELOPMENT AUTHORITY**

42 Canal Road • Turners Falls, MA 01376  
Telephone: (413) 863-9781 • Facsimile: (413) 863-9289

**ANNUAL REPORT  
October 1, 2013 – September 30, 2014**

The Franklin County Regional Housing and Redevelopment Authority is a public body politic and corporate, created by the Massachusetts legislature in 1973 to serve the residents and communities of Franklin County. HRA has all of the powers and responsibilities of a local housing authority and a redevelopment authority in all 26 communities of Franklin County. Our services include housing education; development, ownership and management of affordable rental housing; administration of housing subsidies; programs for homeless families; homeownership and foreclosure prevention education and services; and Community Development Block Grant application and administration for Franklin County towns.

**Housing Consumer Education Center**

HRA is part of a statewide network of nine regional Housing Consumer Education Centers that provide information, education, counseling, and referrals to individuals, families, organizations and businesses with housing-related questions or problems. HCEC staff work closely with social and human services providers to coordinate assistance to individuals and families in need, and conduct outreach to local banks, schools and utilities to provide information on housing-related resources.

HCEC staff served more than 3,200 clients in Franklin County in FY 2014. Types of clients included:

Tenants	65%
Homeowners	14%
Homeless households	8%
Other agencies and client advocates	4%
Homebuyers	4%
Landlords	3%
Other	2%

HCEC offers educational programs on housing-related topics and financial literacy. This year's workshops included:

- First-time homebuyer classes with 52 graduates.
- Outreach to regional lenders providing information on housing-related programs and services.
- Two educational workshops for landlords with 24 participants.
- A Do-it-Herself Divas workshop for women homeowners with 11 graduates.
- A rental housing search workshop for tenants with seven participants.
- Massachusetts Housing Partnership-sponsored Homesafe Post-Purchase Workshop, which served 11 first-time homebuyers.

Rental Assistance • Housing Development • Housing Management • Community Development  
Municipal Assistance • Rehab Financing • Homeownership • Public Infrastructure

Equal Housing Opportunity

HRA manages the Massachusetts HomeBASE program, which helps families avoid homelessness and provides re-housing services for families in the state's family shelter program. HomeBASE is available to families that are eligible for the state's Emergency Assistance shelter program. HCEC provided up to \$4,000 in HomeBASE Household Assistance to 19 families, which allowed the recipients to stabilize their housing. HRA provides a year of housing stabilization services to these families. In total, HRA provided stabilization services to 41 families in FY 14, and HCEC staff assisted 31 homeless families in locating new housing.

The Residential Assistance for Families in Transition Program also provides homelessness prevention and re-housing assistance to families with very low incomes. HRA assisted 69 families through the RAFT program in 2014. A total of approximately \$160,000 in RAFT funding was used to pay rent, utility and mortgage arrears, security deposits, assistance with rent, and transportation-related expenses. Payment of rental arrears accounted for more than half of total RAFT spending. The need for assistance exceeded available funds, and some eligible families were turned away.

HCEC continues to offer foreclosure prevention services to Franklin County homeowners through a partnership with the Western Massachusetts Foreclosure Prevention Center run by HAPHousing. This fiscal year, 47 homeowners at risk of foreclosure were referred to HAP for foreclosure prevention services. These services are most successful when homeowners seek assistance as soon as they know they are having difficulty making mortgage payments.

HRA staff also sought private donations, worked with other agencies, and coordinated volunteer activities to improve the lives of homeless and extremely low income families and individuals. In 2014, the housing authority partnered with Community Action's Center for Self Reliance to deliver food twice a month to homeless families receiving shelter in Franklin County motels. All homeless children receiving shelter in motels in Greenfield received backpacks and school supplies thanks to donations from United Way and private individuals. Homeless children also received winter clothing with assistance from Warm the Children, Community Action, Salvation Army, and donations. Thanks to the generosity of BJ's Wholesale Club, students at Deerfield Academy and individual community members, we were able to provide holiday gifts to 193 children receiving shelter in motels and to families who were recently homeless. HRA's non-profit affiliate, Rural Development, Inc., received \$10,000 in funding from the United Way of Franklin County; 100% of the United Way funds are used for direct assistance to homeless households. In addition to other purposes, these funds were used to send eight homeless children to summer camp. HRA volunteers also hosted three community meals, including one for homeless families.

Sources of funding for the Housing Consumer Education Center in FY 2014 included:

- Massachusetts Department of Housing and Community Development
- Massachusetts Housing Partnership
- The Massachusetts Attorney General's office
- United Way of Franklin County
- F.M. Kusmeskus, Inc. (in-kind donation)

A special thanks to the individual donors who contributed funds HRA's non profit affiliate, Rural Development, Inc., to assist homeless children.

### **Asset Management**

In FY 2013, HRA managed 254 units of affordable rental housing, including:

- 117 units of state-assisted public housing for elders and persons with disabilities located in the towns of Bernardston, Gill, Montague, Northfield, and Shelburne.
- 27 units of state-assisted public housing for families located in the towns of Bernardston, Buckland, Charlemont, Northfield, and Orange.
- 48 units at the Crocker and Cutlery Block buildings in Montague.
- 26 single-room occupancy units for individuals in recovery from substance abuse at the Moltenbrey Building in Montague.
- 18 units at the Ashfield House in Ashfield.
- 8 double-occupancy units for men in recovery from substance abuse at the Orange Recovery House in Orange.
- 6 units at Prospect and Grove Apartments in Orange.
- 2 units for elders at the Smikes House in Whately.
- 2 fully-accessible units for people with disabilities at the Wisdom Way Solar Village in Greenfield.

Sources of revenue for property management include rent, subsidies, and laundry income. Rent at public housing properties is set as a percentage of tenant income. At these properties, the state pays the difference between what tenants can afford and a maximum level of subsidy set by the Commonwealth each year. Unfortunately, the combination of rent and state subsidies is not sufficient to cover the costs of managing HRA's public housing properties, which results in long-term maintenance issues and strains on the agency's budget.

There were a total of 50 vacancies at properties owned or managed by HRA in 2014, excluding the Orange Recovery House. Turnover is highest at the Moltenbrey Building, and higher at properties designed for families than at elderly/disabled developments.

Capital improvements to rental properties managed by HRA in 2014 included:

#### ***Stratton Manor, Bernardston (public housing for seniors & persons with disabilities):***

- Completed energy efficiency upgrades, including new lighting, refrigerators, hot water tanks and insulation funded by Western Massachusetts Electric Company

#### ***Squakheag Village, Northfield (public housing for seniors & persons with disabilities):***

- New roof, funded by DHCD capital funds and Town Community Preservation Act funds

#### ***Stoughton Place, Gill (public housing for seniors & persons with disabilities):***

- Energy efficiency upgrades, including new lighting and refrigerators funded by Western Massachusetts Electric Company
- Heating system repairs, funded by DHCD capital funds

#### ***Winslow Wentworth House, Montague (public housing for seniors & persons with disabilities)***

- Energy efficiency lighting upgrades
- Replacement of stovetops funded from operating budget
- Shared shower replacement funded by DHCD capital funds
- Driveway replacement funded by DHCD capital funds

***Family public housing, Orange***

- Deck replacement funded by DHCD capital funds
- Roof replacement funded by DHCD capital funds
- Driveway replacement funded by DHCD capital funds
- Tree removal funded from operating budget

***Highland Village, Shelburne (Shelburne Housing Authority public housing for seniors & persons with disabilities)***

- Sidewalk replacement with Community Development Block Grant funding awarded to the towns of Buckland and Shelburne by DHCD
- Exterior ramp installation with Community Development Block Grant funding awarded to the towns of Buckland and Shelburne by DHCD
- Siding repairs with Community Development Block Grant funding awarded to the towns of Buckland and Shelburne by DHCD and DHCD capital funds
- Drainage improvements funded by DHCD capital funds
- Energy efficiency upgrades, including new lighting, refrigerators and insulation, funded by Western Massachusetts Electric Company

***Ashfield House***

- New energy efficient propane fired boiler funded by the Massachusetts Affordable Housing Trust
- New energy efficient commercial washing machines funded by the Massachusetts Affordable Housing Trust
- Low flow toilet installation funded by the Massachusetts Affordable Housing Trust
- Limiting thermostats funded by the Massachusetts Affordable Housing Trust
- Energy efficient lighting upgrades funded by Western Massachusetts Electric Company

***Orange Recovery House***

- Exterior painting funded by the Franklin County Sheriff's community service program

***Smikes House***

- Exterior painting funded by the Franklin County Sheriff's community service program

In addition, HRA received funding for a new dump truck from DHCD.

**Leased Housing**

HRA administers a total of 606 federal and state subsidies that allow individuals and families with low income to rent privately-owned housing or purchase their own homes.

In 2014, HRA served 29 families through the Massachusetts Rental Voucher Program. Thirteen vouchers are project-based, which means that they are connected to a particular property. These

vouchers subsidize rent for clients of a program run by Franklin County DIAL/SELF, Inc., which assists young adults to become self-sufficient, and the Positive Parenting Program run by the United ARC, which helps stabilize at-risk families. The Ashfield House was awarded three additional vouchers in July 2014 and a lottery was conducted for the subsidies. All of these units are now leased. HRA is also administering 13 mobile vouchers, which can be used in any property statewide that meets health and safety standards. Seven voucher holders are renting units in Greenfield, four in Turners Falls, one in Florence, and one in Amherst.

HRA has 579 federal Section 8 Housing Choice Vouchers. Households with Section 8 vouchers pay a minimum of 30 percent and a maximum of 40 percent of their income toward housing and utilities at initial lease-up or move-in; the program pays for the remainder. Subsidies may be used to pay rent (or a mortgage in limited cases) for apartments and homes that meet federal guidelines for affordability and safety. HRA's Section 8 program served 626 families in FY 2014, with a turnover of 87 families over the course of the year. The agency's Section 8 vouchers can be broken down into the following categories:

- 453 are mobile
- 126 are project-based
- 340 are held by families where the head of household or the spouse is disabled
- 151 vouchers are held by families with children
- 114 vouchers are held by households in which the head of household is elderly

Mobile Section 8 vouchers can be used anywhere in the United States for housing that meets health and safety standards and federal rent reasonableness regulations. In 2014, HRA's Section 8 vouchers were being used in the following areas:

- Franklin County – 88%
- Hampshire County – 6%
- Other MA counties – 5%
- Outside MA – 1%

As of September 30, 2014, there were approximately 265 households on the HRA waiting list for Section 8 mobile vouchers and the housing authority is issuing new vouchers to families on its waiting list. The waiting list is currently closed. HUD regulations give priority for mobile vouchers to families who complete a year of successful tenancy in project-based units. HRA also gives priority for available Section 8 mobile vouchers to eligible veterans and to tenants in project-based MRVP apartments when landlords choose to opt out of the MRVP program.

In February 2014, HRA was notified that it received a score of 100% on the HUD Section 8 Management Assessment Program (SEMAP) for FY 2013. This is a remarkable accomplishment that entitles the agency to receive the highest level of administrative payments possible for the Section 8 program.

HRA collaborates with Greenfield Housing Authority in offering a family self sufficiency (FSS) program for Section 8 voucher holders. Holders of Section 8 vouchers are required to pay 30 percent of their income in rent. In general, when income rises, program participants are required to pay more rent.

The FSS program allows participants to save increased earnings to achieve specific goals, such as earning a higher education degree, starting a small business, or purchasing a home. In FY 2014, 38 of HRA's Section 8 voucher holders were enrolled in the FSS program, with 21 participants contributing to escrows on a monthly basis. It is also very important to note that five families graduated from the FSS program in FY 2014. The FSS program has a Director of FSS and Homeownership who spends one day per week at HRA. HRA's homeownership program has 11 families who own their own home and continue to use their Housing Choice Vouchers to assist with the mortgage payments.

### **Community Development**

The HRA Community Development Department provides application preparation, program implementation and administrative services to Franklin County towns in connection with Community Development Block Grants (CDBG). CDBG is a federal funding source designed to benefit people with low and moderate income. Cities and large municipalities receive CDBG funds on an entitlement basis directly from the U.S. Department of Housing and Urban Development. Smaller communities may submit competitive applications to the Commonwealth. Eligible activities for CDBG funds include public infrastructure improvements, housing rehabilitation, social services, architectural/engineering design, architectural barrier removal, and planning projects.

In FY 2014, HRA administered the following Community Development Block Grants:

- FY 2012 regional grant to the Town of Erving, including the towns of Colrain, Deerfield, and Gill, for housing rehabilitation loans and delivery of Meals on Wheels.
- FY 2012 grant to the Town of Montague for housing rehabilitation loans, improvements to Unity Park, delivery of Meals on Wheels, and an early childhood literacy program.
- FY 2013 regional grant to the Town of Bernardston, including the towns of Conway, Shutesbury, and Sunderland, for housing rehabilitation loans and delivery of Meals on Wheels.
- FY 2013 grant to the Town of Montague for housing rehabilitation loans, an early childhood literacy program, a study to document slum and blight conditions in Millers Falls, and a planning study for a new senior center.
- FY 2013 grant to the Town of Ashfield for reconstructing a retaining wall badly damaged during Hurricane Irene.
- FY 2014 regional grant to the Town of Heath, including the towns of Ashfield, Charlemont, and Hawley, for housing rehabilitation loans and supplemental fuel assistance.
- HRA will also provide housing rehabilitation loan program services to the towns of Buckland, Shelburne, and Colrain as a subcontractor on a grant awarded to these communities.

In FY 2014, HRA administered CDBG-funded housing rehabilitation loan programs benefitting 25 households in eight Franklin County towns. Income-eligible participants in these programs can borrow up to \$35,000 at zero interest to make health and safety improvements to their homes, including but not limited to repair or replacement of septic systems, wells, heating systems, plumbing and roofing and abatement of lead paint. Fifty percent of each loan is forgiven gradually over a 15-year period as long as the property owner remains in the home. The remainder is due and payable upon sale or transfer of the property.

In FY 2014, CDBG-funded housing rehabilitation programs loaned approximately \$663,500 to help Franklin County households comply with current building and sanitary codes. The average loan was \$26,540. All the work is done by local contractors selected by private property owners.

<b>CDBG-funded Housing Rehabilitation Projects, FY 2014</b>		
<b>Town</b>	<b># units committed in FY 14</b>	<b>Funds committed in FY 14</b>
Bernardston	8	\$150,753
Colrain	2	\$90,102
Conway	3	\$93,075
Deerfield	3	\$85,085
Erving	0	\$4713*
Gill	0	\$5,958*
Montague	5	\$115,330
Shutesbury	4	\$118,480
<b>Total</b>	<b>25</b>	<b>\$663,496</b>

\* indicates additional funds committed to projects in progress in prior fiscal year

HRA also administers a housing rehabilitation revolving loan program for many communities in Franklin County. This program receives the proceeds of previous CDBG loans when the loans are repaid. These funds are then made available for the same purpose to income-eligible households in the same town. HRA updated its agreements with towns for administration of this program in FY 2013. The following towns are currently participating in the program with new agreements: Ashfield, Bernardston, Buckland, Charlemont, Colrain, Conway, Deerfield, Erving, Gill, Heath, Leverett, Leyden, Monroe, Montague, New Salem, Northfield, Orange, Shutesbury, Sunderland, Warwick, Wendell and Whately. Fifteen homeowners in nine towns took advantage of this program in 2013.

<b>Housing Rehabilitation Revolving Loan Fund Projects, FY 2014</b>		
<b>Town</b>	<b># units committed</b>	<b>Funds committed</b>
Buckland	1	\$11,439
Charlemont	2	\$39,375
Colrain	3	\$18,640
Erving	2	\$68,000
Heath	1	\$21,875
Leverett	1	\$4,671
Montague	2	\$60,308
Wendell	3	\$15,540
<b>Total</b>	<b>15</b>	<b>\$239,848</b>

HRA is working with the Town of Leverett to use its Community Preservation Act funding to assist households with low and moderate income with homeownership in town.

HRA is assisting the towns of Greenfield, Montague, and Orange to identify and address distressed properties with funding from the Massachusetts Attorney General's office. The housing authority has been working closely with municipal staff to develop an inventory of troubled properties in each community, and has communicated with lenders to request plans for bringing the units up to code and

restoring occupancy. Results to date have been encouraging, with 200 properties added to the inventory, and a third of cases resolved.

<b>Town</b>	<b>Distressed properties identified</b>	<b>Cases resolved</b>
Greenfield	97	20
Montague	40	19
Orange	63	27
<b>Total</b>	<b>200</b>	<b>66</b>

With funding from the Institute for Cooperative Economics and the Community Foundation of Western Massachusetts, HRA staff have been assisting the Pioneer Cooperative of Franklin County with developing a plan to address longstanding financial challenges. PCFC is a scattered site limited equity housing cooperative with 26 affordable units in Greenfield and Montague. Work on this project included assistance with refinancing, a basic capital needs assessment, a member survey and recommendations on leadership, property management, and financial management.

The Community Development department administers several other small programs, including Get the Lead Out, Moderate Home Rehab for Disabled Homeowners, and municipal septic loans.

**Housing Development, in partnership with Rural Development, Inc.**

HRA works to develop affordable housing in Franklin County in partnership with its nonprofit affiliate, Rural Development, Inc. HRA’s Executive Director serves as the unpaid Executive Director of RDI. RDI pays HRA for other personnel and administrative services.

***Orange Teen Housing***

RDI has signed an agreement with a newly-formed single purpose non-profit corporation, Orange Teen Housing, Inc., to acquire and develop a property in Orange to provide ten units of housing for homeless teens and young adults. Construction is projected to begin in fall 2014. HRA will manage the property, and Franklin County DIAL/SELF, Inc. will provide resident support and programming.

***Our House***

RDI is providing development consulting services to Domus, a non-profit agency based in Westfield, on a project that will provide 10 units of supportive housing with a live-in manager for youth enrolled in Westfield High School. HRA staff prepared a successful application for a new state funding program that combines development financing and rental subsidies with funding for supportive services.

**Administration and Finance**

HRA commissions an independent annual audit. HRA’s audited financial statements include revenue and expenses that are passed through the agency to other parties, such as the revenue that the agency receives from the federal government for the Section 8 Housing Choice Voucher Program, which is paid to landlords on behalf of voucher holders. Capital assets and depreciation are also included in the audited statements. ***Because HRA has an October 1 fiscal year, the most recent audited financial statements are for the FY 13 fiscal year, which ended September 30, 2013, so the figures reported below are from the previous fiscal year.*** The FY 2013 HRA audit reported no findings or deficiencies. Copies of HRA’s audited financial statements are available upon request.

For FY 2013, the agency's net position totaled \$4,433,348, a decrease of \$292,803 from the previous year. The reduction includes a decrease in capital assets of \$228,779 (representing building improvements of \$47,311 less depreciation of \$276,110), a decrease in restricted net position of \$44,288 (representing restricted reserves used for Section 8 rent payments), and a decrease in unrestricted net position of \$19,736.

Revenues for FY 2013 totaled \$7,852,735, which was \$195,165 more than in FY 2012, an increase of three percent. FY 2013 expenses totaled \$8,145,538, which was \$256,668 more than in FY 12, an increase of three percent. Administrative salaries increased by \$62,978 in FY 13. There were no across-the-board increases in compensation or cost of living adjustments in FY 2013, representing the fourth consecutive year of a general wage freeze. Maintenance staff received compensation increases as a result of a required increase in state prevailing wages. Compensation was increased for three other positions as a result of changes in responsibilities.

In November 2013 the HRA Board of Commissioners approved a FY 2014 annual operating budget showing anticipated total revenue of \$3,122,922 and total expenses of \$3,285,450, with an overall deficit of \$162,528 to be funded through use of \$169,622 from reserves. Budgeted use of reserves exceeded the projected deficit due to the fact that surpluses in some programs could not be used to fund revenue shortfalls in others. While operating results are not available for FY 2014, internal financials through August 30, 2014 suggest that the operating deficit will be significantly less than the deficit in the approved budget.

HRA changed the way it accounts for indirect expenses in FY 13 by implementing a central office cost center. All indirect salaries, benefits, and other overhead are now allocated to the cost center, and all programs, grants, and properties pay management fees into the cost center. This system has helped the agency to allocate overhead to programs and properties on a more rational basis.

Many thanks are due to HRA's hard-working staff. The agency has approximately 30 full time equivalent employees, most of whom live in Franklin County. Our employees are deeply dedicated to achieving the mission of the housing authority and do a great job of assisting clients with limited resources.

### **Board of Commissioners**

HRA has an 11-member Board of Commissioners. All commissioners reside in Franklin County. Nine members are appointed by the Franklin Regional Council of Governments for five year terms; none of these appointees may be from the same community. Two commissioners are appointed by the Governor and serve until they are replaced. The Board of Commissioners meets once a month, generally on the first Monday of the month at 6:00 p.m. at Greenfield Savings Bank in Turners Falls. All meetings are open to the public and are posted on HRA's Public Notice blog, [www.fcrhra.blogspot.com](http://www.fcrhra.blogspot.com).

### **Board of Commissioners**

Jessica Atwood, Greenfield (Vice-Chair, Governor's appointee)

Jane Banks, Greenfield

Leslie Brown, Erving (Treasurer)

Sharon Cottrell, Montague (Chair)

Sara Cummings, Deerfield

Sonya Hamdan, Charlemont  
Linda Hoer, Leverett  
Bruce Parkin, Shutesbury  
Jo-Anne Sherburne, Colrain  
Jonathan Tuttle, Shutesbury (Governor's appointee)

\*The Housing Authority expresses its gratitude to Commissioner Caryl Connor, who left the Board in 2013.

**Staff**

MJ Adams, Director of Community Development  
\*Christopher Austin, Staff Accountant  
Joanie Bernstein, Assistant Executive Director  
Nathaniel Best, Housing Rehabilitation Specialist  
Tana Bloom, Housing Placement and Stabilization Worker  
Lynn Cournoyer, Community Development Administrative Assistant  
Melanie Croteau, Housing Management Assistant  
\*Linda Davenport, Director of Leased Housing  
Charity Day, Housing Consumer Education Center Director  
Anitra Ford, Housing Counselor  
Mark Fortier, Maintenance Mechanic/Laborer Working Foreman  
\*Hilary Graves, Leased Housing Representative  
Tammy Greene, Leased Housing Administrative Assistant  
Patricia Holloway, Receptionist  
Bruce Hunter, Infrastructure Coordinator  
Wayne Jackman, Maintenance Mechanic/Laborer  
Erik Jernstrom, Maintenance Mechanic/Laborer  
Eric Kershaw, Accounting Clerk  
Lawrence Knowlton, IT Specialist  
\*Robert Lauwers, Leased Housing Representative  
Matthew Leger-Small, Administrative Coordinator  
Debra Little, Community Development Program Manager  
Brian McHugh, Construction Coordinator  
Tracy Miner, Director of Asset Management  
\*Derian Mary Olmo, Housing Placement and Stabilization Worker  
Enrique Pacheco, Affordable Housing Property Manager  
Pamela Parmakian, Director of Leased Housing  
Katelyn Reardon, Leased Housing Representative  
\*John Redeker, Staff Accountant  
Todd Seavey, Maintenance Mechanic/Laborer  
Robin Sherman, Executive Director  
Jonathan Wasilewski, Leased Housing Inspector  
Autumn West, HCEC Assistant  
Amanda White, Leased Housing Representative  
Kerry Wyman, Senior Staff Accountant

\*Employee left HRA in FY 2014