

TOPEKA HOUSING AUTHORITY



2022 ANNUAL REPORT

April 2023

This Annual Report is submitted to the Clerk of the City of Topeka by the Board of Commissioners of the Topeka Housing Authority (THA) pursuant to the requirements of K.S.A. 17-2363 of the Municipal Housing Law of the State of Kansas.

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The Commissioners' Message

To: Mayor Padilla
Members of the City Council
Stephen Wade, City Manager

From: Robert Banks, Chair
THA Board of Commissioners

Date: April 25, 2023

Re: Annual Report for 2022

From the Board Chair for Topeka Housing Authority

The attached Annual Report summarizes Topeka Housing Authority (THA) activities and accomplishments in 2022.

Although funding for 2022 was level compared to 2021, the funding picture for the Topeka Housing Authority and other housing authorities across the nation is unclear at this time due to many factors related to the economy, inflation, and the administration.

In my message accompanying last year's Annual Report I also noted that our board was committed to addressing the challenges facing THA in 2022 successfully, and that we fully expected to do so. Simply put, we did and will continue to do so.

Going forward, we expect that the number of Topeka households that need affordable housing assistance will grow while resources available to meet this growing demand for affordable housing will shrink. Our board assumes that the business model that THA has used for the past 20 years will not carry THA through the next 20 years. We are hard at work identifying new, cutting-edge ways to provide affordable housing assistance to Topeka residents.

On behalf of my colleagues on the THA Board of Commissioners, we thank you for the opportunity to serve in this capacity.

Robert Banks
Board of Commissioners, Chair
Topeka Housing Authority

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From the President and CEO of the Topeka Housing Authority

The Topeka Housing Authority was able to provide safe, decent, affordable housing for approximately 1,500 Topeka families in 2022. We sleep over 3,500 individuals between Public Housing and the Housing Choice Voucher Program on a nightly basis. Although this is a reduced number compared to pre-pandemic times, back we continue to continue to increase the number of families served and should be back to full capacity in 2023. We have updated policies and procedures as well as invested in software to better serve our Applicants, Residents and Participants. There has been a great deal of hard work on the part of both THA's Board and staff and we look forward to being back to serving the maximum number of families we can serve by the end of 2023

There is much thinking and effort ahead of us, but we continue to work with our valued partners, the United Way of Kaw Valley, Topeka Public Schools USD 501 and Washburn University and the Greater Topeka Partnership to transform THA's Pine Ridge Manor into an innovative model that allows access to many support services not typical in a low-income neighborhood. Where pre-school aged

children receive the support and assistance they need to start kindergarten ready to learn. Where parents are taught how to be parents and to be their child's first teacher. And neighbors are listened to and encouraged to gather for events and rely on one another in a safe environment. The Pine Ridge Family Health Center completed its fifth year in operations, with special thanks to Washburn University. This Nurse Practitioner led Primary and Urgent Care Center is the only Primary Care Center owned and operated by a public housing authority in the country and allows access to high quality health care to our residents directly in their neighborhood. In 2022 our partnership with Greater Topeka Partnership (GTP) continued to offer entrepreneurial programs to our Residents at the THA Empowerment Center where our Residents can work towards self-sufficiency by owning and operating their own business. We continue our partnership with the Topeka and Shawnee County Library at the Deer Creek community center through the Deer Creek Training Center to better serve our families, along with our amazing East Topeka Community Police Office. We cannot do what we do without our men and women in blue. We owe them a huge debt of gratitude and we are proud of our continued partnership with our amazing Topeka Police Department. The need for quality affordable housing continues to be a top priority in Topeka and we appreciate so many great organizations, including the City of Topeka, for partnering with THA to meet the need. We look forward to another great year in 2023!

Trey George
President and CEO
Topeka Housing Authority

INTRODUCTION

This Annual Report is submitted to the Clerk of the City of Topeka by the Board of Commissioners of the Topeka Housing Authority (THA) pursuant to the requirements of K.S.A. 17-2363, the Municipal Housing Law of the State of Kansas.

The Report has six parts: Overall Performance, Financial Management, Household Demographics and Community Indicators, New Programs and Initiatives, THA's Future, and Recommendations for Legislation or other action.

Enrollment and performance statistics for calendar years 2019 – 2022 are derived from THA's Public Housing and Section 8 housing management information system.

A. OVERALL PERFORMANCE

1. Families Housed	2019	2020	2021	2022
THA Public Housing	695	699	656	629
Section 8 Rental Assistance	1,130	970	884	936
Housing Choice Voucher	994	845	726	733
Veterans Assisted Housing	116	105	110	103
Mainstream (Adults w Disabilities)	20	20	20	21
Emergency Housing Vouchers (EHV)				79
Total – THA Housing & Section 8	1,825	1,669	1,540	1,565

2. Related Activities (Inputs)	2019	2020	2021	2022
THA Housing				
Applications Received	1,109	591	786	1,701
Move-Ins	252	191	124	154
Move-Outs	257	178	147	158
Vacancy Rate	5.3%	4.35%	7.5%	12.6%
Section 8 Rental Assistance				
Applications Received	1,105	67	170	131
New Vouchers Issued	175	59	405	203
Section 8 Vouchers Used	96%	72%	62%	62%

3. Performance Analysis

In 2022, our issuance of Section 8 vouchers was less than issued in 2021 however funding remained consistent. The main reason for this was due to COVID as well as a transition to a new software platform that will help us better serve the families we assist going forward. We do lose a fair amount from natural attrition (each month some families leave the program voluntarily and some leave as a consequence of violating program rules). Staff is working diligently to ensure we are providing housing assistance to as many families as funding allows.

In 2021, we received 125 Emergency Housing Vouchers (EHV). This was a unique funding opportunity from HUD that truly created new vouchers for THA. THA originally was issued 29 EHV's but indicated to HUD we would take more if another housing authority declined their EHV's. To our great surprise we received an additional 96 for the total of 125 EHV's. These EHV's are issued to families that are referred to THA through the City of Topeka's Continuum of Care Coordinator from partnering agencies working to reduce homelessness in Topeka. Funding for the EHV's will continue through 2030 at which point we will absorb the EHV families into our Housing Choice Voucher program.

In addition to the EHV program, THA partnered with Valeo who was allocated new Tenant Based Rental Assistance vouchers from Kansas Housing Resources Corporation. THA administers the program for Valeo who refers their clients to THA. We look forward to continuing this program and partnership with Valeo to help house individuals suffering from persistent mental health challenges.

THA Housing vacancy rates have stayed fairly consistent over the past four years, largely the result of streamlining the processes of admission, eligibility verification and vacant unit turnaround – with a goal of housing more families, more quickly, at the point in time when they are ready and able to move.

B. FINANCIAL MANAGEMENT

THA owns and rents 744 Public Housing units to low income families. These households pay 30% of their adjusted income for rent and utilities, and the U.S. Department of Housing and Urban Development (HUD) provides THA a subsidy that partially reimburses THA for the cost of making these affordable rental units available. THA also uses funds provided by HUD to reduce the housing costs for 1,130 households that rent units from private sector landlords. Currently THA houses 4% of all Topekans and 21% of Topekans with an annual household income below \$20,000.

In 2022 Housing Authorities nationwide received 92% of the formula amount for Public Housing subsidies, 100% of the formula amount for Capital Improvements, and 86% of the administrative funding required to operate the Section 8 Program. Beyond this, HUD systematically drained Public Housing and Section 8 Program reserves from Public Housing Authorities nationwide by short funding Housing Authorities in the amount of the reserves they had on hand. The funding levels for 2023 have not been published as of the writing of this report. We anticipate funding to remain the same as 2022. The capital fund grant has been consistently the highest amount received over the last three years and we anticipate the same for 2023. This has allowed THA to address many larger capital needs that have been deferred due to inadequate funding. We are encouraged by the support from the Federal Government and hope to see it continue.

THA has not received full formula funding for Public Housing and the Section 8 Program since 2002. Despite more than a decade of underfunding, THA has been able to balance revenues and expenditures because THA programs are operated more efficiently than those of Housing Authorities in other communities. THA will have to continue to find ways to do more with less and one key strategy to do so is to collaborate with other housing entities, forge public/private partnerships and create new revenue streams to diversify the funding streams available to THA.

C. HOUSEHOLD DEMOGRAPHICS AND COMMUNITY INDICATORS

1. Household Income

THA Housing and the Section 8 Program provide safe, affordable housing to Topeka households with annual incomes significantly below the city-wide average for Topeka. The typical resident of THA Housing is trying to manage on a household annual income of less than 30% of the Topeka average. Economic security for Section 8 households is not significantly better, with an average annual income that falls below one-fourth of Topeka's annual average. For these families, the availability of affordable housing is a lifesaver.

Average Annual Household Income	THA Housing	Section 8	Topeka, KS 2022** Median Family Income
All households	\$14,392	\$15,542	\$50,870

***U. S. Census Bureau, Quick Facts, 5-Year Estimates. The PRCS is part of the Census Bureau's ACS.*

2. Race and Ethnicity

The table below shows the race and ethnicity of households served by THA Housing and the Section 8 Program compared to residents in Topeka whose incomes are at least 100% of the Federal poverty level. The most common racial or ethnic group living below the poverty line in Topeka, KS is white, followed by Hispanic and black. For each count or estimate listed, demographic information for the head of household is the basis for racial and ethnic classification of the household.

According to 2021, 5-year income estimates from the U.S. Bureau of the Census, 61% of Topeka households, with incomes at least 100% of the Federal poverty level, have a white person listed as head of household, while households with a black or African American head of household comprise 11% of the households (<https://data.census.gov/table?q=poverty+in+Topeka+kansas>). Based on these city-level estimates, THA and Section 8 enrollment indicates a similar percentage for white head of household (61% & 59% respectively). In contrast, households reporting a black person as head of household account for 35% of THA Housing leases and 36% of Section 8 participants, a rate significantly higher than the percentage of black households (11%) in the Topeka population used for this comparison.

Householders self-identified as Hispanic (of any race) make up 12% of Topeka households in this income category and a comparative 14% and 11%, respectively, of households served by THA Housing and the Section 8 Program.

Race	THA Housing Tenants by Race	Section 8 Participants by Race	Topeka Residents Living Below the Poverty Line**
White	56%	55%	37%
Black/African American	34%	38%	11%
American Indian	1%	2%	1%
All Other	9%	5%	51%
Ethnicity			
Hispanic of Any Race	14%	11%	12%

***Poverty by race and ethnicity; <https://datausa.io/profile/geo/topeka-ks/>*

Slightly less than 14% (13.9%) of the population for whom poverty status is determined in Topeka, KS (16.9k out of 122k people) live below the poverty line, a number that is higher than the national average of 12.8%. The largest demographic living in poverty are Females 18 - 24, followed by Females 25 - 34 and then Females 55 - 64. The most common racial or ethnic group living below the poverty line in Topeka, KS is White, followed by Hispanic and Black. The table below shows the gender breakdown of households served by THA Housing and the Section 8 Program compared to Topeka residents living in poverty.

Gender	THA Housing Tenants by Gender	Section 8 Participants by Gender	Topeka Residents Living Below the Poverty Line**
Female	57%	59%	58%
Male	43%	41%	42%

**Poverty by age and gender; <https://datausa.io/profile/geo/topeka-ks/>

3. Household Characteristics

Household composition for both THA Housing and the Section 8 Program are likely different than common stereotypes about persons living in federally assisted housing. Single person households are the most prevalent living arrangement for both programs – three out of five THA Housing tenants and half of all Section 8 households. For THA Housing, the higher rate of single person occupancy is influenced by the high ratio of studio and one-bedroom units in THA's inventory. Families with children take up the second position, occupying one-third of THA Housing units and just over two out of five families housed through the Section 8 Program. Together these two household configurations account for more than nine out of ten families housed by both programs.

Among households with children, large families are rare. Looking at just families with children from birth through age 17, the average for THA Housing is 2 children and for Section 8 at 2 children per household.

The elderly – defined here as persons at least 62 years of age, the eligibility threshold for receiving early Social Security retirement benefits – make up one out of five persons (224 of 1091) living in THA Housing and 21% of persons in the Section 8 Program (298 of 1392). Overwhelmingly these seniors are widows, widowers, divorced or never-married persons in single person households. Only one in five is a member of a household composed of two or more persons.

Persons with work-related disabilities account for a sizeable portion of the low-income population in the community, as reflected in enrollment statistics for heads of household enrolled in housing programs served by the Topeka Housing Authority. Working age (age 18-61) householders affected by one or more disabilities make up more than one third of THA Housing leaseholders and account for more than two out of five heads of household served by the Section 8 Program.

These household characteristics are indicative of Topeka Housing Authority's focus: Providing decent, affordable housing to very low-income families and individuals, with a priority on serving working families, the elderly and persons with disabilities.

Household Characteristics	THA Housing	Section 8
Average Household Size (Persons)	2	2
Single Person Households <i>(as a percent of all households)</i>	60%	61%
Households of Two or More Persons	40%	39%
Households with Children <i>(as a percent of all head of households)</i>	34%	27%
Average Number of Children <i>(in households with children)</i>	2	2
Persons Age 62 and Older <i>(as a percent of all persons)</i>	21%	25%
Head of Household (age 18-61) with One or More Work-Related Disabilities <i>(as a percent of all heads of household)</i>	29%	43%

D. NEW PROGRAMS AND INITIATIVES

1. Pine Ridge Partnership

THA has been working very diligently on an endeavor, now well known as the Pine Ridge Partnership. The Pine Ridge Partnership is a nationally recognized collaboration between THA, United Way of Greater Topeka, Topeka Public Schools USD 501, Washburn University and countless other volunteers and donors.

The Pine Ridge Partnership is a truly innovative and dynamic approach that has proven that with intentional dedication and the targeting of resources you can transform a neighborhood into a community. We have used the Pine Ridge Partnership as an incubator to test the results and we have found a model that works. The next step is reaching every household and every person in those households to improve their lives with a focus on health and wellbeing, financial stability and breaking the generational poverty by targeting the youth to ensure a healthy and productive adulthood.

Parents as Teachers (PAT), Pine Ridge Prep Preschools (PRP), and the United Way Young Leaders Society Born Learning Trail (BLT) and the Pine Ridge Family Health Center (PRFHC) and the THA Empowerment Center, collectively are known as the Pine Ridge Partnership. The Partnership is located in the middle of the community in repurposed buildings that used to be rental units and an underused community center. The Partnership provides housing, education and resources to the entire neighborhood that otherwise would not have access.

PAT serves families with children age 0-3 to ensure a good start to a healthy life. PRP serves families with kids ages 3-5. It is an Early Learning Community Preschool where 51 kids attend school every day. BLT is an educational walking trail that has various stops along the trail that are intended to stimulate educational conversations between parents and youth. The initial design was just the trail, however the final design turned into an entire park that has become a hub in the community for gatherings, birthday parties, and the playground for the preschools. PRFHC is a nurse practitioner led urgent and primary care center. PRFHC is the only Primary Care Center in the country owned and operated by a Public Housing Authority and, since inception in 2017, now has over 6,300 unique patients. PRFHC is also a dedicated training site for Washburn University School of Nursing students. THA Empowerment Center is a partnership with THA Families and the GTP. GTP Staff works with THA Families that have expressed an interest in starting their own business. In the first year 4 businesses were established, a bakery, a handyman service, mobile kids' entertainment service and a day care. THA Empowerment Center allows the families to operate their business out of the location for up to two years without having to pay rent for their business location as it would be a violation of their lease to operate the business out of their home.

2. Portfolio Renovation

THA has an aging housing stock that dates back as far as 1959 with the exception of Echo Ridge and a small portion of Tennessee Town. Over the last few years, THA has explored numerous different funding possibilities to start the process of renovating the entire THA public housing portfolio. This will be a lengthy process, but one that is much needed and will benefit not only the families served by THA but also the entire City of Topeka. THA has had success working with Federal Home Loan Bank of Topeka (FHLB) through their Affordable Housing Program (AHP) Grants. In 2020 THA applied for the AHP Grant and was awarded \$1,000,000 to help preserve the oldest and largest THA Development, Pine Ridge. THA used the AHP funds to replace all 202 homes roofs, under decking, facia's, eves, gutters, downspouts, windows in 30 homes as well as adding forced air ventilation into every home's bathroom. This not only prolongs the life of the homes at Pine Ridge but also makes them healthier, less expensive by saving on utility expense, and more comfortable for the families that live there. THA has again been allocated an AHP grant from FHLB in the amount of \$750,000 for 2022 that will allow THA to again preserve another THA property, Deer Creek. THA will replace all roofs, gutters, downspouts, facia's, eves, windows and siding. THA will use a portion of our Capital Fund to add to the AHP grant to make all of these upgrades possible.

E. THA, INC.

THA, Inc. is the qualified 501 (c)(3) non-profit development partner of the Topeka Housing Authority. Part of THA, Inc.'s mission is to "complement the work and activities of the Topeka Housing Authority". THA, Inc. does this by looking for new and different ways to increase the number of affordable housing units available for the Topeka community. This is accomplished by acquiring affordable housing developments, exploring the viability of building new affordable housing developments and completing mixed finance packages utilizing numerous sources of development funds such as Low Income Housing Tax Credits (LIHTC). In 2021 THA, Inc. completed an acquisition rehab of the Pioneer Curtis Homes property in North Topeka, now called Curtis Homes. The renovation helps to preserve an excellent affordable housing development. THA, Inc. also completed the historic renovation as well as new construction of homes at Casson Homes, located at 6th and Topeka Blvd. This created 41 brand new affordable housing homes in Topeka as well as renovated a vacant historic building in a prominent location. Currently THA, Inc. has a 130 LIHTC homes between four developments in Topeka. THA, Inc also has 7 affordable single-family homes. THA, Inc. has applied for LIHTC's to build another new development, Johnston Village. The LIHTC process is highly competitive and successful allocation of LIHTC's are not guaranteed.

F. THE FUTURE

Unquestionably, over the next decade finding the resources needed to provide affordable housing to Topeka residents will be a challenge as the need for affordable housing grows, operating costs rise, and HUD support shrinks. To continue to be successful, THA will need to find different and better ways to provide affordable housing.

G. RECOMMENDATIONS

This annual report is submitted in compliance with provisions of the Kansas Municipal Housing Law, specifically K.S.A. 17-2363, which calls for each municipal housing authority to annually submit a report on its activities for the preceding year and "make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of this act."

The Topeka Housing Authority makes no recommendations with reference to additional legislation or other action necessary to carry out the purposes of the Kansas Municipal Housing Act.