

Boulder Housing Partners 2013 MTW Annual Report



SUBMITTED MARCH 31, 2014

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I. INTRODUCTION

OVERVIEW OF MTW GOALS AND OBJECTIVES

This 2013 Annual Report highlights the activities of Boulder Housing Partners (BHP) in its second year as a participant in the Moving to Work (MTW) demonstration program.

In its first year of MTW operations (2012), BHP and our customers experienced the significant potential of the demonstration program, through activities that included Rent Reform for the elderly and disabled households, rent simplification tools for all households, and elimination of the 40% cap and a simplified utility allowance schedule for Section 8 voucher households. BHP submitted its application to convert all public housing units to project-based vouchers through public housing disposition. In 2013, BHP also submitted its application to participate in the Rental Assistance Demonstration (RAD) Program to allow for conversion or disposition of the remaining 337 units of public housing. This conversion will allow BHP to place these units on a stable financial footing from which we will be able to renovate and rehabilitate the units to preserve them well into the future, while bringing in the services needed for our residents to be able to live, learn and earn their way to self-sufficiency.

In 2013, our activities numbered four, while the groundwork was laid for rent reform activities to be implemented in 2014, which required much analysis and refinement. The activities for 2013 included the following:

HQS Inspection schedule: This activity replaced an activity that was proposed and approved in 2012, yet never implemented. The Housing Quality Standards (HQS) Inspection is required as part of the annual recertification process. In 2012, BHP implemented a triennial recertification schedule for elderly and disabled households, and this activity allows for the inspection schedule to coincide with the recertification schedule. In 2014, we will move to a biennial recertification schedule for all work-abled families, and the inspection schedule will follow the same cycle.

Elimination of Utility Reimbursement Payments: Households in both the Public Housing and Section 8 Voucher programs receive a utility reimbursement payment (URP) in the situation where their rent based on income is lower than the utility allowance. We believe that no household should receive what appears to the general public as a payment to live on housing assistance. All households were granted a 12-month grace period in which to phase out any URP they were receiving.

SPAN Partnership: BHP created a local voucher program in partnership with Safehouse Progressive Alliance for Non-Violence (SPAN) to provide stable housing assistance through a section 8 voucher with case management services to assist eight households who are experiencing domestic violence. BHP provides the housing assistance while SPAN provides the case management services in this transitional program.

RHFF for Other Affordable Housing: BHP was granted approval to use Replacement Housing Factor Funds (RHFF) to create housing

outside the public housing and section 8 programs. In 2013, these funds were used to begin construction of 1175 Lee Hill, a 31-unit community that will house the chronically homeless while providing wrap around case management services through the Housing First model, which has a proven track record across the nation. BHP will use RHFF for other affordable housing, to be determined in the future.

OVERVIEW OF BHP'S LONG-TERM VISION FOR THE MTW PROGRAM

Boulder Housing Partners continues to use five MTW goals to frame our long-term thinking. In addition BHP has developed the following principles that have guided our MTW plan. With MTW flexibility, BHP plans to be able to:

- Use federal housing resources as compelling tools to create positive change for families,
- Manage converted public housing as a real estate asset and a vital part of our community's infrastructure,
- Encourage the community, and our prospective customers, to perceive public housing as a place to Live, Learn, and Earn,
- Accelerate the shift of staff focus from paper to people,
- Complete the transformation of a public agency from bureaucratic to entrepreneurial,
- Accelerate changes in outcomes for families from tepid to catalytic,
- Enhance our role in the industry from thinkers to doers, and
- Provide a more complete continuum of housing choices.

Our long-term goals and expectations are described below. The Moving to Work program has three statutory goals. BHP's program includes an additional two goals that better articulate our program, and are consistent with the statutory goals. Not every item listed below requires MTW flexibility. We include these items in order to tell a more complete story of what we are trying to achieve.

MTW Goal 1

Reduce cost and achieve greater cost effectiveness in federal expenditures

In Year 1 (2012) and 2 (2013), we:

1. Streamlined and simplified the rent calculation and re-certification process for elderly households and people with disabilities,
2. Simplified the process for income and asset verification for all households,
3. Changed from a 30% of income-with-adjustments-to-rent system, to a 26.5% of rent with no deductions for elderly households and people with disabilities,
4. Implemented a flat utility allowance,
5. Excluded income from assets with a value less than \$50,000 and disallowed participation for households with assets greater than \$50,000,
6. Created an MTW Resident Advisory Committee to assist us in longer-term thinking and program evaluation,
7. Structured our evaluation metrics and benchmarks,
8. Implemented an HQS inspection schedule that follows the recertification schedule, and
9. Completed our planning to implement a flat tiered rent program for families, including the design of a rent reform controlled study with a control group (implementation in year 3).

In years 3 – 10, we plan to:

1. Implement the revised rent system for family households and conduct the controlled study

Working in conjunction with HUD, we proposed a flat tiered rent structure that will reward increased income, remove penalties for reporting income and mirror the private market so that the transition from assisted housing to market rate housing is easier. At the same time, we will have a control group in order to better measure the outcomes of the revised rent structure.

2. Make standard documents more customer friendly

The focus will be the legal documents associated with the programs beginning with the lease and the HAP contract. Customers currently find the documents cumbersome and difficult to follow. The result is that they miss the key requirements and suffer the consequences.

3. Make the voucher program lease length more flexible

Many university towns, like Boulder, have a leasing season centered on the school year. This creates many situations in which a landlord is unwilling to sign a one-year lease.

4. Revise and simplify our portability policy

The industry has long discussed a variety of needed changes to the administration of portable vouchers. We would like to use MTW flexibility to experiment with a number of ideas that would make local administration more streamlined.

MTW Goal 2

Create incentives for families to work, seek work or prepare for work

In Year 1 (2012) and 2 (2013), we:

1. Streamlined and simplified the rent calculation and re-certification process for households with earned income,
2. Simplified the process for income and asset verification for all households, and
3. Completed our planning to implement a flat/tiered rent program for work abled families in 2014.

In years 3 – 10, we plan to:

1. Complete planning for our resident mobility program.

It was our goal to complete this planning in 2013, however, planning and implementing this plan requires disposition and conversion of the public housing units, which has not yet been completed. Under current project-based voucher regulations, households can leave their project-based apartment by requesting the next available voucher at the

end of one year of tenancy. This provision is at the heart of much debate as the nation considers legislation to convert public housing to project-based financing. BHP wants to use MTW flexibility to test whether families who are able to move with vouchers will achieve greater outcomes than those whose mobility is limited.

2. Expand the staffing of our Resident Services program so that every public housing is assigned a service coordinator and voucher households will begin to have access to the Resident Services Department.

BHP has a Resident Services program and a Resident Services Strategic Plan. Our strategic plan calls for an expansion of our service coordinator program so that every household in the program can have reasonable access to a coordinator. Boulder is a service-rich community. BHP's appropriate role is to be the vital link between abundant services and our families who need them. Many barriers cause our public housing and voucher families to be isolated from the services they need. In our 31-year history with service coordination, we know that service connection works. We will use MTW funding flexibility to expand our capacity, as well as free up more of our current staff time so they can focus on connecting our residents and participants to the services they need to become self-sufficient, or to age in place.

3. Create a service delivery center at each of our family housing sites.

With Public Housing conversion, BHP plans to create a community center at three communities and expand the center we currently have at another of our communities. We believe that service delivery close to home is a more highly leveraged and effective platform.

4. Expand the program that provides college tuition to BHP students participating in the 'I Have a Dream' program partnership.

The I Have A Dream (IHAD) program continues to affirm its intention to place a classroom of "Dreamers" at every public housing site that can accommodate their classroom programming needs. In other words, if we build it, they will come. We are strongly committed to doing everything we can to make this opportunity available for our kids.

5. Expand our Community Service and Section 3 programs to build social capital by greater involvement in the community.

BHP residents who have long been out of the workforce need to update their skills and experience and build networks in order to make re-entry more possible and successful. We propose to expand our community service and Section 3 programs as a pre-employment training program.

6. Create a system to reward households for progress towards self-sufficiency.

BHP will work with residents to create a system that rewards their progress towards self-sufficiency and their efforts to make their home and neighborhood a better place to live. We will work with residents to create this system. We will suggest that we model it after the Cornerstone Rental Equity program¹. This program matches many of the ideas we have about enhancing the benefits of renting a home and engaging residents in building equity.

7. Revise our Public Housing Family Self Sufficiency program to address a lower-skilled population.

BHP is home to many families that are not yet ready to meet the requirements associated with the Family Self Sufficiency program. We want to develop an FSS program that targets families much earlier in the self-sufficiency

¹ Cornerstone Renter Equity is a management system where residents have a stake in the property where they live by using their contributions to maintain and improve property values and rental income with compensating financial equity. Residents sign a contract with Cornerstone that enables them to earn up to \$10,000 in financial equity in ten years, provided they complete routine work assignments, attend management meetings, and fulfill lease commitments. Residents receive a monthly statement of their earnings, but they must stay in their homes for five years before their credits are vested and are eligible for cash payments. After becoming vested in the Renter Equity Fund, individuals may borrow up to 80% of the value of their credits for any reason.

continuum. Families who need to gain basic literacy and life management skills are currently under-served.

8. Expand our current work with the Bridges Out of Poverty program.

The Bridges Out of Poverty model examines the sources and impact of generational poverty on families, reveals the hidden rules and norms of social class, and supports families as they learn how they can change their behavior to embrace a mental model of prosperity. BHP wants to use MTW to test the part of the theory that housing solutions will be compromised unless we are addressing the intrinsic beliefs that people hold about being poor.

MTW Goal 3
Increase housing choices for low-income households

In Year 1 (2012) and 2 (2013), we:

1. Removed the cap on income spent on rent in the voucher program, and
2. Used MTW funding flexibility to create 31 newly constructed units of permanent supportive housing for chronically homeless individuals.

In years 3 – 10, we plan to:

1. **Design a process to test mobility for residents from a Multi-Family Property with a Section 8 Project-Based Contract using Section 8 Housing Choice Vouchers.**

Under current project-based voucher regulations, households can leave their project-based apartment by requesting the next available voucher at the end of one year of tenancy. This provision is at the heart of much debate as the nation considers legislation to convert public housing to project-based financing. BHP wants to use MTW flexibility to test whether families who are able to move with vouchers will achieve greater outcomes than those whose mobility is limited.

2. Increase the cap on project-basing vouchers to dedicate up to 60 vouchers for housing for individuals re-entering the community following homelessness or incarceration.

BHP has seen the need to provide a supported setting in which people can re-gain skills to live more successfully in the community.

3. Use resources leveraged from the conversion of public housing, along with MTW flexibility, to create at least 100 new affordable units renting to families at 40% of the area median income.

Another critical gap in the housing continuum is the lack of options for households ready to move off of federal housing subsidy. Using the flexibility provided to us under the MTW program we propose to increase our Boulder Affordable Rentals inventory by 24%.

4. Implement a damage claim for landlords participating in the voucher program.

A key component of our MTW plan is to make the voucher program more attractive to private landlords. As part of a recruitment tool, we propose to use HAP funds to create a fund for damage claims.

5. Create a Section 8 homeownership program in partnership with the city of Boulder and Thistle Community Housing.

Creation of a homeownership program may not require MTW flexibility, but doing so will round out the critical interventions that BHP can make in the housing ladder. We propose to partner with Thistle Community Housing because of their long track record of developing affordable homeownership opportunities. Thistle is Boulder's largest non-profit housing developer specializing in mixed-income homeownership opportunities and community land trust development.

MTW Goal 4

Pilot a rent policy that will encourage self-sufficiency, assure accurate reporting of income and ensure that customers are not overly rent burdened

In Year 1 (2012) and 2 (2013), we:

For elderly households and people with disabilities:

1. Adopted a simplified rent based on 26.5% of gross income,

2. Eliminated all deductions,
3. Excluded income from assets below \$50,000,
4. Began scheduling recertification so that they will occur every three years,
5. Eliminated third-party verifications except at admissions and for audited files,
6. Eliminated all interim increases, except for increases in unearned income, and
7. Limited to one the number of interim decreases.

For family households:

1. Excluded income from assets below \$50,000,
2. Eliminated third-party verifications except at admissions and for audited files,
3. Eliminated earned income disregard and interim recertification for increases in income, and
4. Planned for the implementation of the flat tiered rent system for the work-able households.

In years 3 – 10, we plan to:

1. Implement a flat/tiered rent system for work-abled households,
2. Implement the rent reform controlled study with the treatment and control groups to test the alternate rent strategies, and
3. Monitor and evaluate the new rent structures for all households.

MTW Goal 5
 Preserve, transform and revitalize our public housing

In Year 1 (2012) and 2 (2013), we:

1. Amended the process for project-based vouchers, and
2. Submitted the application for Public Housing Disposition.

In years 3 – 10, we plan to:

1. At a minimum, complete our planning for public housing conversion.

We are currently under the review process for both the Section 18 disposition process and approval for participation in the Rental Assistance Demonstration (RAD) Program. In 2014, we hope to have positive results and begin planning for public housing conversion, with implementation proposed to begin in 2015.

2. Use MTW flexibility to project base 337 units in former public housing developments converted into a 4% tax credit partnership.

We are currently in the review process under the 2011 rules of the Section 18 disposition process. If we are successful in securing approvals to dispose of public housing, we will begin phased implementation and renovation in MTW Year 3 (2015).

3. **Test three mobility options for families in the converted public housing properties: none, full and conditional.**

BHP wants to use MTW flexibility to test whether families who are able to move with vouchers will achieve greater outcomes than those whose mobility is limited.

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. HOUSING STOCK INFORMATION

See tables on following pages

B. LEASING INFORMATION

See tables on following pages

C. WAIT LIST INFORMATION

See tables on following pages

II.4.Report.HousingStock

A. MTW Report: Housing Stock Information

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of project
N/A	0	0	No new vouchers were projected based during 2013.

Anticipated Total Number of New Vouchers to be Project-Based *	Actual Total Number of New Vouchers that were Project-Based	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
0	0	89	87
		Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		89	87

* From the Plan

Other Changes to the Housing Stock that Occurred During the Fiscal Year

One public housing unit was taken off line due to being made uninhabitable during the flood in September 2013.

In December 2012, BHP opted out of a Mod Rehab Project-Based Contract. Eight tenant protection vouchers were awarded on December 1, 2012. As of December 1, 2013, these vouchers became part of the MTW Program.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

General Description of Actual Capital Fund Expenditures During the Plan Year

In 2013, BHP obligated the remainder of the 2011 CFP funds. We have spent a total of \$378,258 of the total 2011 award of \$396,168. During 2013, we spent the following: \$108,262 on activities associated with the Moving to Work Program including salaries and consulting; \$21,947 on administrative costs; \$9,567 on capital expenses; and \$79,696 on operations. For AMP 1 (CO016333333 Family Sites), a total of \$86,398 was spent on playground surface and equipment and general operations. For AMP 2 (CO016777777 Senior Sites), a total of \$47,865 was spent on general operations, community room furniture, laundry equipment, and roof ventilators.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End

Housing Program *	Total Units	Overview of the Program
Market Rate Housing	139	Market rate housing in two developments
Tax Credit	227	Tax credit units in six developments
Boulder Affordable Rentals	205	Locally funded, affordable units in ten developments
Project-Based Section 8 Contracts	116	Non-MTW HUD Funded in two developments
Total Other Housing Owned and/or Managed	687	

* **Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

If Other, please describe:

Description of "other" Housing Program

II.5.Report.Leasing

B. MTW Report: Leasing Information

Actual Number of Households Served at the End of the Fiscal Year

Housing Program:	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	330	329
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	588	564
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Actual Households Served	918	893

* Calculated by dividing the planned/actual number of unit months occupied/leased by 12.

** In instances when a Local, Non-Traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of Households served.

Housing Program:	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	330	329
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	588	564
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Annual Unit Months Occupied/Leased	918	893

BHP was under leased in its projections for vouchers based mainly on the very tight rental market, coupled with the flood that occurred in September, which caused the rental market to become even tighter for the lower-income families in the community.

*** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of households served.

**** Unit Months Occupied/Leased is the total number of months the housing PHA has occupied/leased units, according to unit category during the year.

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with the statutory objective of “assuring that at least 75 percent of the families assisted by the Agency are very low-income families” is being achieved by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency's fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	930	902	893	X	X	X	X	X
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	924	894	892	X	X	X	X	X
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	99%	99%	100%	X	X	X	X	X

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the PHA will provide information in the following formats:

Baseline for the Mix of Family Sizes Served

Family Size:	Occupied Number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	188	268	0	456	49%
2 Person	17	145	0	162	17%
3 Person	23	61	0	84	9%
4 Person	46	66	0	112	12%
5 Person	46	42	0	88	9%
6+ Person	10	18	0	28	3%
Totals	330	600	0	930	1

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized

Provide narrative with explanation

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained **	49%	17%	9%	12%	9%	3%	100
Number of Households Served by Family Size this Fiscal Year ***	376	155	103	99	114	47	894
Percentages of Households Served by Household Size this Fiscal Year ****	42%	17%	12%	11%	13%	5%	1
Percentage Change	-18%	-4%	23%	-12%	30%	68%	-4%

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages

The changes in family size are mainly in the Section 8 Housing Choice Voucher Program. Applicants for the Section 8 program are chosen through a lottery system, where there is no preference for any one type of family or size. Changes to the mix of families served were not directly due to any decisions made by BHP.

* “Non-MTW adjustments to the distribution of family sizes” are defined as factors that are outside the control of the PHA. Acceptable “non-MTW adjustments” include, but are not limited to, demographic changes in the community’s population. If the PHA includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

** The numbers in this row will be the same numbers in the chart above listed under the column “Baseline percentages of family sizes to be maintained.”

*** The methodology used to obtain these figures will be the same methodology used to determine the “Occupied number of Public Housing units by family size when PHA entered MTW” and “Utilized number of Section 8 Vouchers by family size when PHA entered MTW” in the table immediately above.

**** The “Percentages of families served by family size this fiscal year” will reflect adjustments to the mix of families served that are directly due to decisions the PHA has made. HUD expects that in the course of the demonstration, PHAs will make decisions that may alter the number of families served.

Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End

Housing Program	Description of Leasing Issues and Solutions
Federal MTW Housing Choice Voucher Program	The 2013 year was under leased from the beginning. Lottery had been depleted and opened in April. First vouchers were issued in July. Between a very tight rental market (vacancy rate was 1.4% in Q1), then the flood in September, it was very difficult for voucher holders to lease up.
Federal MTW Public Housing Units	There were no leasing issues for Public Housing in 2013.

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End

Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency

Households Duplicated Across Activities/Definitions	X
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ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	#VALUE!
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* The number provided here should match the outcome reported where metric SS #8 is used.

II.6.Report.Leasing

C. MTW Report: Wait List Information

Wait List Information at Fiscal Year End

Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Federal MTW Public Housing Units	Community-wide	761	Closed	Yes, open in April 2013
Federal MTW Housing Choice Voucher Program	Other - lottery system	0	Closed	Yes, open in April 2013

More can be added if needed.

* *Select Housing Program:* Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** *Select Wait List Types:* Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

Wait list and lottery are only open for a short period of time each year. In 2013, they were open in April.

If Local, Non-Traditional Program, please describe:

N/A

If Other Wait List Type, please describe:

For our Section 8 Housing Choice Voucher Program, we use a lottery system, instead of a wait list.

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

There were no changes made to the wait list or lottery system in 2013.

III. PROPOSED MTW ACTIVITIES

All proposed activities that are granted approval by HUD are reported on in Section IV as 'Approved Activities'.

IV. APPROVED MTW ACTIVITIES

IMPLEMENTED ACTIVITIES

ACTIVITY 2012-2

a. DESCRIPTION

Activity 2012-2 Rent simplifications for elderly and disabled households was approved and implemented in 2012. This activity focuses on four areas: 1) rent based on 26.5% of gross income; 2) triennial recertification; 3) income disregard and 4) a limit on interim decreases. Year two (2013) was the first year we realized true staff savings through the triennial recertification schedule.

b. OUTCOME OF HARDSHIP REQUESTS

As of December 31, 2012, 83 households (12%) had been granted a hardship under the rent reform activity. The hardship capped their rent increase at 7% provided all other variables (such as income, contract rent, utility allowance, etc.) remained the same. As of December 31, 2013, 57 households continue to receive a hardship. Twenty-four households lost the hardship:

- Six (25%) experienced an increase in income

- 6 (25%) experienced an increase in contract rent, or moved to a different unit
- 9 (38%) are no longer in the program
- 3 (12%) experienced an increase in their portion of the rent that was less than 7%, therefore the hardship ended

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Percent of rent burden	30% of adjusted gross income	26.5% of gross income 2013 result: 26.5%
Hours and cost of staff time and salary savings spent verifying medical deductions*	Average of 1 hour (in 2011, 232 households provided medical deductions)	2012 result: Zero hours with medical deductions (savings of \$6,032 = 232 x \$26) (2012)
Average rental income and HAP related to triennial recertification	Average TTP: \$235 Average HAP: \$536	Benchmark: no resulting change 2013 result: Average TTP: \$197 Average HAP: \$582
Number of households with employment activity	65 elderly households or persons with disabilities	Benchmark: Increase of 1% 2012: 40% increase (91 households) 2013: 66% increase (108 households)

Number of hours spent by residents/participants preparing paperwork for annual recertification*	12.5 hours	Benchmark: reduction of 50% 2012 Result: Reduction of 68% (4 hours)
Number of hours spent by staff processing 100% of recertifications every year, versus triennially	594 annuals processed in 2012, 3 hours average per recertification, or 1,782	2013: 173 annuals processed (27%). Savings of 1,263 hours.

*The benchmarks with an asterisk are metrics that were achieved in 2012. That information is no longer being collected.

d. BENCHMARK REVISIONS

Two of the benchmarks were achieved in 2012 and are no longer being reported on (staff savings spent verifying medical deductions and number of hours saved by residents and participants collecting information for recertification).

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2012-3

a. DESCRIPTION

Activity 2012-3 Rent Simplification for family households was approved and implemented in 2012. This activity aims to simplify the rent calculation for family households by

eliminating all interim increases, eliminate earned income disregard, and planning for a flat tiered rent system.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Increase proportion of working households	36% of families have earned income	Increase of 2% 2013 result: 38% (344 out of a total of 894)
Increase average income from employment	Average earned income \$16,400	Increase of 2% 2013 Result: \$19,144 Increase of 16%
Number of staff hours in recertification process related to income changes (both increases and decreases)	168 interim recertifications processed annually due to increases in income, or 252 staff hours (31 staff days)	Benchmark: Reduction of 60% 2012 results: 396 interims processed 2013 results: 179 interims processed
Number of paybacks due to unreported increases in income	3% of families in PH initiated a payback in last 12 months	Benchmark: less than 1% 2013 result: 1% (4 households)

d. BENCHMARK REVISIONS

The number of interims processed increased dramatically in 2012, but was not surprising based on the economy and the impact of this population. The total for 2013 decreased to be similar to the benchmark.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2012-4

a. DESCRIPTION

Activity 2012-4 Rent simplifications for all households was approved and implemented in 2012. The goal of this activity was to implement a series of changes to simplify the income and asset verification process for all families. This activity includes allowing households to provide asset and income documentation; exclude income from assets and allow for self-certification of assets that total \$50,000 or less; and limit asset totals to \$50,000 or less upon admissions to the public housing and Section 8 program.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Number of staff hours in recertification process related to asset verification*	64.5 staff hours (86 households x 45 minutes on average)	Reduction of 60% 2012 result: 88% reduction (10 households x 45 minutes = 7.5 staff hours)
Number of days prior to new rent taking effect that participant receives notification of final rent/HAP	30 days in advance	Benchmark: 60 days 2012 results: 43 days 2013 result: 30 days
Reduction in annual tenant rent for PH households due to elimination of asset income*	2011 annual rent due to income from assets: \$3,843	Benchmark: Decrease of \$2,640 2012 result: decrease of \$1,483
Number of households excluded from program due to total assets more than \$50,000	0 admissions in 2011 with assets over \$50,000	Benchmark: less than 2% 2012 result: 3% (4 households out of 135) 2013 result: 3% (4 households out of 149)

*The benchmarks with an asterisk are metrics that were achieved in 2012. That information is no longer being collected.

d. BENCHMARK REVISIONS

Two of the benchmarks were achieved in 2012 and are no longer being reported on (number of staff hours related to income and asset verification and reduction in annual tenant rent for PH households due to elimination of asset income).

The benchmark for number of days of advance notice did not increase from the baseline. This is due in part to staff reductions and the continued learning that staff undertook to understand the modified rent and hardship calculations.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2012-5

a. DESCRIPTION

Activity 2012-5 Elimination of the 40% of income cap in the voucher program was approved and implemented in 2012. The goal of this activity was to provide more rental choices to Section 8 voucher holders with their voucher by eliminating the 40% of income towards rent cap when they initially lease up. In 2013, six families rented a unit where their portion of the rent was more than 40% of their income. In three cases, they were reporting zero income.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Average number of days to lease up	29 days	Benchmark: 26 days 2012 result: 36 days 2013 result: 42 days
Percentage of participants who successfully lease up	71%	Benchmark: 75% 2012 result: 85% 2013 result: 62%
Number of calls to staff and questions during lease up	2011: issued 217 vouchers 2012: issued 69 vouchers	Benchmark: 10% reduction 2013: issued 149 vouchers
Percentage of gross rent burden	53% over 30%, 6% over 40%	2013 result: 17% between 30 and 30%; 4% over 40%
Number of new landlords participating	257	Benchmark: Increase of 1% 2013 result: 9% increase, 281 active landlords

d. BENCHMARK REVISIONS

The average number of days to lease up fluctuates greatly from year to year. In September 2013, Boulder experienced a flood which caused people to lose their homes, putting more pressure on an already tight rental market. Although vouchers were issued, leasing up was very difficult due to very low availability of units.

The number of new landlords participating in the program also fluctuates greatly, depending on market availability. When the rental market is very tight, we see a decrease in landlords willing to work with the Section 8 program because they can command a much higher rent that the voucher can afford.

The number of calls from participants also fluctuates greatly depending on the number of voucher we issue each year. Due to a variety of variables (attrition rate, lease up success rate, vacancy rate, budget authority, etc.), this benchmark is more a data point, than an actual target.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2012-6

a. DESCRIPTION

Activity 2012-6 Implement a flat utility allowance for the voucher program. This activity’s main objective was to increase voucher holder’s ease of understanding of the rent calculation and how utilities affect the maximum contract rent allowed. This activity was approved and implemented in 2012.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Number of hours in staff briefings to explain utility allowance calculation*	45 minutes average	Average 22 minutes
Average number of days to lease up	29 days	Benchmark: 27 days 2012 result: 36 days 2013 result: 42 days
Number of calls to staff and questions during lease up	2011: issued 217 vouchers 2012: issued 69 vouchers	Reduction 50% 2013: issued 149 vouchers
Number of new landlords participating	257	Benchmark: 3% increase 2013 result: 9% increase, 281 active landlords

*The benchmarks with an asterisk are metrics that were achieved in 2012. That information is no longer being collected.

d. BENCHMARK REVISIONS

One benchmark was achieved in 2012 and is no longer being reported on (number of staff hours to explain utility allowance calculation).

The average number of days to lease up fluctuates greatly from year to year. In September 2013, Boulder experienced

a flood which caused people to lose their homes, putting more pressure on an already tight rental market. Although vouchers were issued, leasing up was very difficult due to very low availability of units.

The number of new landlords participating in the program also fluctuates greatly, depending on market availability. When the rental market is very tight, we see a decrease in landlords willing to work with the Section 8 program because they can command a much higher rent that the voucher can afford.

The number of calls from participants also fluctuates greatly depending on the number of voucher we issue each year. Due to a variety of variables (attrition rate, lease up success rate, vacancy rate, budget authority, etc.), this benchmark is more a data point, than an actual target.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2013-1

a. DESCRIPTION

Activity 2013-1 Housing Quality Standards Inspection Schedule was written to replace Activity 2012-7. This activity aligns the HQS inspection with the recertification schedule. In 2013, for all households who are elderly or a person with disabilities, the inspection schedule now follows the recertification schedule which is conducted every three years. In 2014, when Activity 2014-1 is implemented, inspections for the work-abled family

households will line up with the recertification schedule. This activity was approved and implemented in 2013.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Cost of inspections by outside inspectors	\$29,500 annually	Benchmark: \$5,900 annually 2013 result: \$17,834 (40% decrease)
Number of units failing HQS inspections	20 in 2012	Benchmark: No increases 2013 result: 32
Number of participant complaints regarding unit HQS standards	9	Benchmark: No increases 2013 result: 6 complaints that resulted in inspections

d. BENCHMARK REVISIONS

Cost of inspections by outside contractors did not decrease as expected. With the reduction of one staff member in the Section 8 team and a decrease in admin fee revenue, inspections continued to be done by an outside contractor, as it was more cost effective for the organization. The decrease is a result of the inspection cycle mirroring the recertification cycle.

The number of units failing HQS inspections in 2013 increased from 2012. This was due in part to a change in contract inspectors.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2013-2

a. DESCRIPTION

Activity 2013-2 Eliminate Utility Reimbursement Payments was approved and implemented in 2013. The focus of this activity was to ensure that all public housing residents and Section 8 participants are contributing towards their rental payment (or at a minimum to ensure that residents and participants are not receiving payment to live on housing assistance). Households who received a utility reimbursement payment (URP) in April 2013 will continue to receive one through March 2014, unless there is a change in their circumstances that removes the URP. No new instances of URP were allowed after April 1, 2013.

b. OUTCOME OF HARDSHIP REQUESTS

All households who were receiving a URP on April 1, 2013 continued to receive an URP until their circumstances changed which disqualified them for an URP, or March 1, 2014, whichever came first. Households met with their Occupancy Specialist within the first three months of implementation. Reminders with information on utility use and grants were sent in October 2013 and January 2014.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Number of URP checks sent per month	42 as of January 1, 2013	Benchmark: Zero Result: 16 as of December 31, 2013
Number of families contributing towards rent	95% (769)	Benchmark: 100% (811) 2013 result: 98% (795)
Number of new participants receiving service coordination related to elimination of URP	0	Benchmark: 20% (10) 2013 Result: 36 families met with Occupancy Specialists, 21 provided services information

d. BENCHMARK REVISIONS

Due to activity start date of April 1, 2013 and the hardship period was a full 12 months, 16 households were still receiving URP at the end of 2013. By April 1, 2014, the benchmark of zero will be achieved.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2013-3

a. DESCRIPTION

Activity 2013-2 Local Voucher Program in Partnership with Safehouse Progressive Alliance for Nonviolence (SPAN) was approved and implemented in 2013. This activity focuses on

continuing BHP’s partnership with Safehouse Progressive Alliance for Nonviolence (SPAN). The activity, which provides eight families who are victims of domestic violence with housing assistance through BHP and case management services through SPAN, allows BHP to use vouchers for transitional housing.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Number/percent of families who successfully complete program within two years	Zero	4 (50%) by December 31, 2015

Three families entered the program in 2013. Results will not be achieved until 2015.

d. BENCHMARK REVISIONS

The benchmarks or metrics have not been revised for this activity.

e. DATA COLLECTION METHODOLOGY

There have been no changes to the data collection methodology.

ACTIVITY 2013-4

a. DESCRIPTION

Activity 2013-4 Use of Replacement Housing Factor Funds for other housing was approved and implemented in 2013. This activity allows BHP to use Replacement Housing Factor (RHF) Funds to build other affordable housing units. In 2013, BHP used RHF Funds at 1175 Lee Hill, a 31-unit community for chronically homeless using the Housing First model. Construction began in October 2013. The RHF Funds were used to support development of these units.

b. OUTCOME OF HARDSHIP REQUESTS

This was not a rent reform activity and no hardship was created.

c. BENCHMARK RESULTS

Metric	Baseline	Benchmark
Create more units of affordable housing	Zero	Produce 100 new units (dependent on PH disposition)
Create 31 Housing First units	Zero	Produce 31 new units (occupancy by December 31, 2014)

Public Housing Disposition was not approved in 2013; therefore no new units were created in 2013. Construction of the 31 Housing First Units began in October 2013, with completion and full occupancy expected by December 31, 2014.

d. **BENCHMARK REVISIONS**

The benchmarks or metrics have not been revised for this activity.

e. **DATA COLLECTION METHODOLOGY**

There have been no changes to the data collection methodology.

ACTIVITIES NOT YET IMPLEMENTED

ACTIVITY 2012-1

a. **YEAR HUD APPROVED ACTIVITY**

Activity 2012-1 – Allow BHP to commit project-based vouchers to converted units at public housing developments has not yet been implemented. This activity was approved by HUD in 2012.

b. **ACTIONS TOWARD IMPLEMENTATION**

In February 2012, BHP submitted a disposition application for 100% of our public housing units. The activity includes the flexibility to waive the 20% cap on project-based vouchers, define excepted units and create a local project-based voucher program for former public housing sites. In October 2013, BHP submitted an application under the Rental Assistance Demonstration (RAD) Program. As of February 20, 2014, BHP continues to work with HUD using current programs to dispose of all public housing units and convert them to project-based voucher communities using Section 18 or RAD. No additional vouchers were project

based in 2012 or 2013. The flexibility under this activity has not yet been applied.

Based on current information, 2014 will be a planning year for BHP. Once disposition is granted and RAD has been determined, BHP will complete the financing, begin planning the renovations, and schedule the work to begin in 2015, at which time the vouchers would also be project-based at the converted public housing sites.

ACTIVITIES ON HOLD

BHP does not have any activities that have been placed on hold.

CLOSED OUT ACTIVITIES

ACTIVITY 2012-7

MTW Activity 2012 – 7, Implement a Landlord Self-Certification System for HQS Inspections in the Voucher Program, was never implemented. When the activity was written, the objective was to reduce the frequency of inspections for those participants and landlords who were in compliance with HQS inspections and had been for the past year or more. When it came time to implement the activity, it became apparent that the responsibility of certifying to the standards would put a burden on the landlords, as well as the agency to ensure that landlords were completing the forms and returning them. The activity was re-written and approved in the 2013 MTW Annual Plan

under Activity 2013 – 1. The new activity will allow the inspection cycle to follow the recertification schedule.

a. YEAR APPROVED

2012

b. YEAR IMPLEMENTED (IF APPLICABLE)

This activity was never implemented.

c. YEAR ACTIVITY CLOSED

2012

d. FINAL OUTCOME AND LESSONS LEARNED

N/A

e. POTENTIAL BENEFITS OUTSIDE OF CURRENT MTW FLEXIBILITIES

N/A

f. YEARLY OUTCOMES

N/A

g. ADDITIONAL EXPLANATIONS OF OUTCOMES

N/A

V. SOURCES AND USES OF FUNDS

A. ACTUAL SOURCES AND USES OF MTW FUNDING FOR THE FISCAL YEAR

Tables on following pages

B. LOCAL ASSET MANAGEMENT PLAN

Tables on following pages

V.3.Report.Sources and Uses of MTW Funds

A. MTW Report: Sources and Uses of MTW Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year

ANALYSIS OF MTW FUNDS (Operating Capital, HCV)

In 2013, BHP had sources of \$7.8 Million in the MTW programs which consist of the Low Income Public Housing Program (LIPH), the Capital Fund Program and the Housing Choice Voucher Program (HCV). The net surplus of \$72,280 in MTW HCV Housing Assistance Payments was a result of early year under leasing while final sequestration budget was determined. Savings more than offset the reduction to budget of 2013 HAP funding. Capital Funds from replacement housing factors funding of \$379,423 was used to support development of 31 units of permanently supportive housing in accordance with MTW Activity 2013-4

SOURCES	Actual 2013 Results	Final 2013 Budget	Variance
Tenant Rental Income	1,309,152	1,299,484	9,668
PH Operating Subsidy	633,242	690,266	-57,024
Other Tenant Charges (laundry, work orders, late charges, etc.)	47,956	39,425	8,531
Other Income (interest, fraud recovery, solar rebates)	132,614	54,470	78,144
Interest Subsidy	43,227	46,584	-3,357
Capital Fund Program	598,895	322,559	276,336
Housing Choice Vouchers (600 baseline)			0
Housing Assistance Payments	4,716,118	4,896,000	-179,882
Administrative Funding	363,748	410,832	-47,084
Contribution From Reserves			
TOTAL	7,844,952	7,759,620	-85,332

USES	Actual 2013 Results	Final 2013 Budget	Variance
Salaries and Benefits	525,905	668,182	142,277
Maintenance Materials and Contracts	662,250	781,640	119,390
Utilities	378,082	343,550	-34,532
PILOT	103,697	103,055	-642
Management Fees Section 8	134,228	140,400	6,172
Property Mgmt., Bkkpg. Fee, Asset Mgmt. Fee + Office Supply Fee to COCC	319,836	306,526	-13,310
Housing Assistance Payments & FSS Expense	4,643,838	4,903,620	259,782
Interest Expense (EPC Bonds)	85,796	85,796	0
EPC Debt Principal	111,331	111,331	0
Other Administrative and General Expenses	258,493	256,579	-1,914
Resident Services	32,040	31,580	-460
Capital Expense	410,937	19,567	-391,370
Capital Asset Additions	0	0	0
TOTAL	7,666,434	7,751,827	85,393
Net Cash Flow (Deficit)	178,518	7,793	170,725

Describe the Activities that Used Only MTW Single Fund Flexibility

Replacement Housing Factor Funds were used to begin development of 31 Housing First units at 1175 Lee Hill, a tax credit development. An additional \$107,000 was used for general MTW activities including salaries, consultants, and legal expense.

V.4.Report.Local Asset Management Plan

B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?

Yes

Has the PHA implemented a local asset management plan (LAMP)?

or

No

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

or

No

In the body of the Report, PHAs should provide a narrative updating the progress of implementing and operating the Local Asset Management Plan during the fiscal year.

VI. ADMINISTRATIVE

A. HUD REVIEWS, AUDITS OR PHYSICAL INSPECTIONS THAT REQUIRE AGENCY ACTION

Due to budgetary constraints, BHP was not one of the MTW sites visited by the MTW HUD Office in 2013. No HUD reviews, audits or physical inspections have been conducted.

B. RESULTS OF LATEST AGENCY-DIRECTED EVALUATIONS

Our evaluation centers largely around the rent reform/controlled study that we will be conducting once we have a rent reform for work-able families in place. This is projected for 2014.

C. CERTIFICATION THAT AGENCY HAS MET THE THREE STATUTORY REQUIREMENTS

Boulder Housing Partners hereby certifies that the three statutory requirements of: 1) assuring that at least 75 percent of the families assisted by the Agency are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and 3) maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration have been met.

Please refer to Section II General Housing Authority Information for details.