HOUSING AUTHORITY OF CHAMPAIGN COUNTY

YEAR 4 ANNUAL REPORT

January 1 – December 31, 2015

Table of Contents

INTRODUCTION

On October 17, 2010, the Housing Authority of Champaign County executed a Moving to Work Agreement (MTW) with the U.S. Department of Housing and Urban Development (HUD).

Moving to Work (MTW) is a demonstration program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently; help residents find employment and become self-sufficient; and increase housing choices for low-income families. MTW gives PHAs exemptions from many existing public housing and voucher rules and more flexibility with how they use their Federal funds. MTW PHAs are expected to use the opportunities presented by MTW to inform HUD about ways to better address local community needs.

Created by Congress in 1996, less than 1% of PHA's are currently designated as Moving to Work agencies. However, recognizing the innovation of the MTW Program, Congress adopted an expansion of the demonstration as part of the 2016 Consolidated Appropriations Act (the Act). Signed by President Obama in December 2015, the Appropriations Act authorizes HUD to expand the MTW demonstration by an additional 100 public housing authorities (PHA) over seven years. Agencies to be selected as part of the MTW expansion must be high performers, meet certain site selection requirements and represent geographic diversity across the country.

This report discusses the activities designed and implemented through the MTW flexibilities over the past four years: January 2011 through December 2015 and discusses specific outcomes for the 2014 calendar year.

All data contained in this plan is based on data reported in HUD systems (Voucher Management System, VMS; and the Public Housing Information Center, PIC) as of December 31, 2015 unless otherwise noted.

Overview of HACC's Goals and Objectives

The Housing Authority of Champaign County has three goals that drive its Moving to Work Program and related activities.

Goal 1
Operational Efficiency through Innovation

Streamline business processes and implement advanced technological solutions that will result in operational cost efficiencies and enable reallocation of resources to local initiatives and strategies.

Objectives:

a. Reduce current workloads of staff by simplifying routine transactional processes.
b. Implement additional technology to ease administrative burden and reduce paperwork for standard operations.
c. Utilize cost savings to support new initiatives designed under this plan.

MTW Activities:
2011-1 Local Investment Policies
2011-2 Triennial Re-certifications
2013-1 Rightsizing Vouchers
2014-1 Local Inspection Standards

Progress - HACC has successfully implemented three activities related to this goal: Local Investment Policies, Triennial Recertifications and Rightsizing Vouchers. Local Inspections Standards has been delayed and not implemented.

The cumulative cost savings from operational efficiencies resulting from the fully implemented activities is in excess of $200,000. These funds have been re-invested in case management services to assist HACC clients in their achievement of self-sufficiency goals and in development activities to expand the affordable housing portfolio and provide additional housing choice for residents of Champaign County.

Goal 2
Self-Sufficiency

Provide alternate incentives designed to motivate families to actively seek financial independence and transition from dependency on housing subsidy. Carefully measure success of each incentive to identify and replicate the greatest motivators.

Objectives:

a. Engage families in self-improvement activities designed to meet their individual needs and goals.
b. Adopt policies that mandate personal accountability and financial responsibility.
c. Assess results and adjust incentives to provide continued motivation.

MTW Activities:
2011-3 Local Self-Sufficiency Program
2011-4 Tiered Flat Rents
2015-1 Emergency Family Shelter

Progress – The Local Self-Sufficiency Program and Tiered Flat Rents have been fully implemented using a phase-in approach and 79% of all households are in compliance with education and employment requirements. The greatest result of these activities has been the overall increase in household income of the families served by HACC. In 2010 the average household income was $9,451; as of December 31, 2015, the average household income was $17,163, representing an increase of 40%

These activities were designed to mandate personal accountability and financial responsibility and have resulted in significant progress towards accomplishment of this goal.

The Emergency Family Shelter Program was not implemented during 2015 due to weather delays which impacted construction completion of the shelter facility.

Goal 3
Expand Housing Opportunities through Repositioned Assets

Maximize HACC's economic viability and sustainability through repositioning the current real estate portfolio and development of new affordable housing opportunities to meet the broad spectrum of low and moderate income residents of Champaign County.

Objectives:

a. Increase the number of "hard" units with HACC ownership that provide direct subsidy to the lowest income tenants.
b. Create opportunities for additional development of "hard" units through public and private partnerships.
c. Maximize income and extend viability of existing designated public housing sites through conversion to alternate subsidy.
d. Develop homeownership opportunities relevant to today's real estate market.

MTW Activities:

2011-5	Modified Definition of Elderly
2011-6	Local Homeownership Program
2011-7	Local Project Based Voucher Program
2012-1	Local Payment Standards
2012-2	Acquisition without Prior HUD Approval*)*
2012-3	Affordable Housing Development

Progress - Three of the above activities: Local Project Based Voucher Program, Acquisition without Prior HUD Approval; and, Affordable Housing Development resulted in 388 new housing units being added to the affordable housing portfolio in Champaign County. As of December 31, construction completion and lease up of all units was underway.

The Modified Definition of Elderly activity continued to expand housing options for individuals age 55 to 61; the Local Homeownership Program in partnership with Habitat for Humanity provided additional households with new homes in 2015; and Local Payment Standards provided families with the ability to move to areas of opportunity.

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

Project Based Vouchers

Information in the charts and narrative below provide a summary of the activity related to the Local Project Based Voucher Program that was accomplished or delayed in 2015.

Table 1 - Project Based Vouchers 2015

Property Name	Anticipated Number of New Vouchers to be Project-Based	Actual Number of New Vouchers that were Project-Based	Description of Project
Providence at Sycamore and Thornberry	**227**	**227**	New Construction mixed finance community with a total of 252 units to be located on two sites: the former Dorsey Public Housing site and a newly acquired site.
Urban Park Place	**15**	**15**	24 unit mixed finance project to be acquired and rehabilitated; 15 units will designated as permanent supportive housing for homeless families.

Variance in Project Based Vouchers - The anticipated total new vouchers to have been project-based in 2015 was 227 representing the units at Providence at Sycamore Hills and Thornberry. A HAP contract for these units was executed in December 2015. However, as of December 31, 2015 only 2 buildings with 19 units had been occupied. The chart below reflects the variance of the PBV units anticipated to be leased and the actual units leased.

Table 2- PBV Variances

<table>
<tr><th rowspan="2">Anticipated Total New Vouchers to be Project-Based</th><th rowspan="2">Actual Total New Vouchers that were Project-Based</th><th>Anticipated Total Project-Based Vouchers Committed at the End of the Fiscal Year</th><th>Anticipated Total Project-Based Vouchers Leased Up at the End of the Fiscal Year</th></tr>
<tr><td>315</td><td>315</td></tr>
<tr><td rowspan="2">227</td><td rowspan="2">227</td><th>Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year</th><th>Actual Total Number of Project-Based Vouchers Leased Up at the End of the Fiscal Year</th></tr>
<tr><td>315</td><td>107</td></tr>
</table>

Picture 1- Providence at Sycamore Hills Units Completing Construction

Providence at Sycamore Hills is the redevelopment of the former Dorsey public housing site and consists of 92 townhome units. All units at Sycamore Hills have project based vouchers to assure affordability to the previous public housing residents who have first right of return. As of December 2015 construction was 70% complete.

Occupancy permits were received on two building containing 19 units and residents were excited to move into their new units before the 2015 Holiday Season.

Picture 2 Providence at Thornberry Leasing Office

Providence at Thornberry is the development of a newly acquired site in a middle income neighborhood in Champaign designed to provide an opportunity area for low income residents of Champaign County.

This site includes 134 project based vouchers and 26 market rate units. As of December 2015, the Management Center and various amenities were complete to allow for pre-leasing of units.

Picture 3 Interior of Providence at Thornberry Leasing Office

An extremely wet spring and summer coupled with an extremely cold Illinois winter, delayed construction. As a result, it was February 2016 before the first buildings received occupancy permits and were leased to tenants. As of the date of this report, Providence at Thornberry has 70 units leased representing a 42% occupancy rate. The balance of the units are schedule for completion by May 31, 2016.

Urban Park Place is a twenty four unit existing apartment complex located in the City of Champaign. HACC acquired the property from the Illinois Housing Development Authority (IHDA). HACC received HUD approval for a mixed finance proposal and the project was scheduled to close in April 2012. When conducting an inspection prior to closing, the Authority found extensive mold damage and as a result, the acquisition of the property was delayed.

In February 2013 HACC was successful in securing a $1.3 million Permanent Supportive Housing grant from the Illinois Housing Development Authority's Build Illinois Bond Program to complete the rehabilitation of Urban Park Place. However, environmental issues, extreme winter weather conditions and ongoing staff changes at IHDA continued to delay a closing for this project.

Picture 4 Urban Park Place Nearing Construction Completion

The project finally closed in January 2015 and construction commenced in mid-February. This property will be operated in collaboration with the Champaign County Continuum of Care for Homelessness and Champaign County United Way to provide emergency shelter units for families with children. Nine units will be utilized for the Emergency Family Shelter: 1 for an office for case management services and the remaining 8 units as shelter for families with children. The remaining 15 units will have Project Based Vouchers. The families in the shelter will have first preference for the PBV units provided they continue to participate in case management services. Within 12 months upon recommendation of the case manager, the families in the PBV units will be provided a tenant based voucher to enable use of the on-site units for additional shelter families.

Traditional Public Housing Portfolio

On March 31, 2015, HACC received approval of a portfolio wide conversion of all traditional Public Housing communities to Project Based Vouchers under the Rental Assistance Demonstration (RAD) Program. The corresponding Commitments to Enter into a Housing Assistance Payments (CHAP) contracts were received in April 2015.

Conversion transactions were not completed for any of the properties in 2015. However, the RAD Physical Condition Reports as well as the Financing Plans were submitted to the RAD desk in December 2015. As of the date of this report, it is expected that five of the properties will close the conversion transaction in 2016.

The chart below reflects the properties and units in HACC's traditional Public Housing portfolio. As of December 31, 2015 no changes had occurred with this portfolio.

Table 3 Public Housing Portfolio 2015

PUBLIC HOUSING COMMUNITIES AS OF DECEMBER 31, 2015									
Project	Name	Type	Total Units	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
IL06-01	Skelton Place	Elderly/Disabled	**84**	14	68	2	0	0	0
IL06-02	Steer Place	Elderly	**108**	0	107	1	0	0	0
IL06-03	Washington Sq.	Elderly	**104**	0	103	1	0	0	0
IL06-04	Youman Place	Elderly	**20**	0	20	0	0	0	0
IL06-05	Hayes Homes	Elderly/Disabled	**6**	0	6	0	0	0	0
IL06-06	Columbia Place	Elderly/Disabled	**16**	0	16	0	0	0	0
IL06-07	Scattered Sites	Family	**16**	0	0	0	0	0	16
TOTAL PUBLIC HOUSING UNITS			**354**	**14**	**320**	**4**	**0**	**0**	**16**
SUMMARY OF PUBLIC HOUSING UNIT TYPES									
Total Family Units			**16**	0	0	0	0	0	16
Total Elderly/Disabled Mixed Units			**106**	14	90	2	0	0	0
Total Elderly Only Units			**232**	0	230	2	0	0	0
TOTAL ALL UNITS			**354**	**14**	**320**	**4**	**0**	**0**	**16**

Major Capital Expenditures

The chart below highlights major capital improvements at the Public Housing properties during 2015.

Table 4 2015 Major Capital Improvements

MAJOR CAPITAL EXPENDITURES		
PROPERTY	WORK COMPLETED	COSTS
Steer Place	Boiler Replacement	$209,931
Washington Square	Roof Replacement	$174,700
TOTAL MAJOR CAPITAL EXPENDITURES 2015		**$384,631**

Other Housing Owned/Managed by HACC

In addition to the housing stock described above, HACC owns Oakwood Trace Apartments located in the City of Champaign.

Table 5 Other HACC Owned Housing

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	11	Oakwood Trace is a 50 unit LIHTC property owned by an HACC affiliate located in the City of Champaign; 11 of the units are market rate and not reflected elsewhere in this report.
Total Other Housing Owned and/or Managed	**11**	

Statutory Objectives

The Moving to Work Agreement includes two statutory objectives regarding households served under the MTW Program:

1. At least 75% of the families assisted by HACC must be very low income (<50% of AMI). HUD verifies this information based on the information submitted throughout the fiscal year to the Public Housing Information Center (PIC) utilizing current resident data at the end of the calendar year.
2. HACC must maintain a comparable mix of families (by family size) as would have been served had HACC not been participating in the MTW Program.

The information reported in the chart below provides an analysis of the baseline households served by HACC upon execution of the MTW Agreement in 2011.

Table 6 Baseline Households Served - Family Size

BASELINE HOUSEHOLDS SERVED - OCTOBER 2011					
Family Size:	**Occupied Public Housing Units When HACC Entered MTW**	**Vouchers Utilized When HACC Entered MTW**	**Non-MTW Adjustments to Distribution**	**Baseline Number of Households to be Maintained**	**Baseline Percentages of Family Sizes to be Maintained**
1 Person	327	263	0	590	35%
2 Person	39	232	0	271	16%
3 Person	15	292	0	307	18%
4 Person	23	229	0	252	15%
5 Person	14	145	0	159	9%
6+ Person	12	83	0	95	6%
Totals	430	1244	0	1674	100%

The chart below provides the breakdown of the 1680 total households served in 2015 and a comparative analysis of the percent of each family size served in 2015.

Table 7 2015 Households Served - Family Size

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline % of Household Sizes to be Maintained	35.2%	16.2%	18.3%	15.1%	9.5%	5.7%	100.0%
Number of Households Served by Family Size this Year	616	276	298	256	139	95	1680
Percentages of Households Served by Household Size this Fiscal Year	36.7%	16.4%	17.7%	15.2%	8.3%	5.7%	100.0%
Percentage Change	4.2%	1.4%	-3.1%	0.9%	-12.9%	-0.8%	0.0

Variations in Families Served – Changes in households with 1, 2, 3, 4 and 6 or more members have remained relatively constant with minimal variation since 2011. However, there was a decrease in households with 5 members. In analyzing these variances, HACC found no particular cause; it simply appears to be the result of normal program turnover and new admissions based on waiting list priority.

Transition to Self-Sufficiency

The chart below lists the households that have successfully transitioned to self-sufficiency during the 2015 calendar year.

Table 8- HHs Transitioned to Self-Sufficiency

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End		
Activity Name/#	Number of Households Transitioned	Agency Definition of Self Sufficiency
2011-3 Local Self-Sufficiency Program	69	"demonstrated behavior that exhibits personal accountability and financial responsibility demonstrated through consistent (20 hours per week for more than 12 months) employment appropriate to the maximum skill level achievable by the individual".
Households Duplicated Across Activities/Definitions	0	
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	69	

Wait List Information

The chart below summarizes the wait list activity that occurred during 2014.

Table 9- Wait List Information 2015

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	Site-Based	153	Partially Open	Yes
Federal MTW Housing Choice Voucher Tenant Based Program	Community Wide	927	Closed	Yes
Local MTW Housing Choice Voucher Project Based Program	Site-Based	513	Partially Open	Yes

Leasing Issues – The Public Housing Scattered Site units are all five bedroom single family homes. Occupants in all but one of the 16 units are over-housed. We have found that there simply is no longer a need for five bedroom units in the market place. As discussed above, under the RAD conversion, it is the intent of HACC to demolish these units and replace them with more appropriate size units for the market place.

III. REQUIRED ELEMENTS FOR PROPOSED ACTIVITIES

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

IV. APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

MTW ACTIVITIES IMPLEMENTED

Summary – The chart below summarizes the implemented and ongoing activities continued from prior years that are actively utilizing the MTW flexibility from HACC's MTW Agreement.

Table 10- HUD Approved MTW Activities

ACTIVITY NUMBER	ACTIVITY NAME	DATE IMPLEMENTED
2011-1	Local Investment Policies	March 2011
2011-2	Biennial Recertifications	March 2011
2011-3	Local Self-Sufficiency Program	November 2012
2011-4	Tiered Flat Rents	January 2012
2011-5	Modified Definition of Elderly	March 2011
2011-6	Local Homeownership Program	July 2014
2011-7	Local Project Based Voucher Program	October 2010
2012-1	Local Payment Standards	July 2014
2012-2	Acquisition without Prior HUD Approval	January 2012
2012-3	Affordable Housing Development	October 2012
2013-1	Rightsizing Vouchers	June 2013

Activity 2011-1 Local Investment Policies

Description - This activity was approved and implemented in Year 1 (2011). HACC adopted investment policies consistent with Illinois Public Funds Investment Act (30ILCS235) to the extent such policies are in compliance with applicable OMB circulars and other federal laws. HACC invested in securities authorized under state law that allowed the flexibility to invest productively, efficiently and securely.

Outcome – The HUD standard metrics table below summarizes the outcome of this activity.

Table 11- Outcomes Local Investment Policies

ACTIVITY 2011-1 LOCAL INVESTMENT POLICIES				
CE #4: Increase in Resources Leveraged				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Amount of funds leveraged in dollars (increase).	Amount leveraged prior to implementation of the activity (in dollars).	Expected amount leveraged after implementation of the activity (in dollars).	Actual amount leveraged after implementation of the activity (in dollars).	**NO**
	$46,500	**$15,000 Annually**	**$8,983**	

To compare the actual outcome of this activity, the average funds during 2015 must be adjusted to the equivalent of the average annual funds invested for the baseline period. The 2015 funds are the equivalent to 80% of the baseline funds invested. The chart below illustrates the 2015 investment earnings adjusted for the average amount of funds invested.

Table 12- Local Investment Policies Adjusted Earnings

LOCAL INVESTMENT POLICIES - ADJUSTED EARNINGS 2015		
TIME PERIOD	AVERAGE FUNDS INVESTED	INVESTMENT EARNINGS
Baseline Investment Results (2010)	$3,184,915	$46,500
Investment Results 2015	**$2,542,522**	**$7,486**
Increased Investment in Earnings	($642,393)	($39,014)
2015 Funds Invested Adjusted to Equivalent of Baseline Funds		80%
2015 Earnings Adjusted to 2010 Equivalent		$8,983.20
Adjusted Increase (Decrease) in Earnings		**($37,516.80)**

Impact – The 2015 results of earnings was significantly less than in previous years. HACC funds are invested in a JP Morgan's Treasury and Agency Fund. This fund invests mainly in U.S. Treasury and agency obligations including fixed income, mortgage related and inflation linked securities with a primary focus on tax exempt bonds and securities. The bond market experienced significant losses in 2015.

To determine if this activity continues to meet the statutory objective, we analyzed the cumulative increased earnings since inception of the activity. The chart below reflects a cumulative increased earning over the four years of the activity of $15,114.

Table 13 Cumulative Average Earnings

LOCAL INVESTMENT POLICIES - AVERAGE ANNUAL EARNINGS	
Adjusted Increased Earnings 2012	$2,370
Adjusted Increased Earnings 2013	$18,746
Adjusted Increased Earnings 2014	$31,515
Adjusted Increased Earnings 2015	($37,517)
Cumulative Increased Earnings	**$15,114**

Benchmarks, Metrics and Data Collection – Since the cumulative earnings has met the expected benchmark, we do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity in 2016 but may consider changes in future years..

Activity 2011-2 Biennial Re-certifications

Description – This activity was approved and implemented in Year 1 (2011). HACC conducts biennial re-certifications for households with fixed incomes in both the Public Housing and Housing Choice Voucher programs.

In 2015, HACC revised this activity from biennial re-certifications to triennial re-certifications for the applicable households. However, implementation of triennial will occur over a three year period so the outcomes measured here are for biennial recertifications. All other components of the activity will remain the same.

Outcomes – The HUD standard metrics table below summarizes the outcomes of this activity.

Table 14- Outcomes Biennial Re-Certifications

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars - inflated for 2015 staff rates).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	**NO**
	$151,133	**$122,301**	**$133,501**	
CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	**NO**
	6,720	**5,438**	**5,936**	
CE #5: Increase in Agency Rental Revenue THIS ACTIVITY HAS NO IMPACT ON RENTAL REVENUE				

Supporting detail of the outcomes above is illustrated in the chart below.

BIENNIAL RECERTIFICATIONS	**ALL PROGRAMS**	
	BASELINE 2011	**2015**
Total Annual Recertifications	1,674	1,680
Average Hours Per Annual Recertification	4	4
Total Staff Hours Per Recertification	6,696	6,720
Baseline Adjustment for Increase in HH's Serviced	6,720	6
Recertifications Not Required in 2015	0	196
Reduction in Hours due to Biennial Recertifications	0	784
Actual Hours for Recertifications 2015	6,720	5,936
2015 Staff Time Savings	**784**	
Average Cost Per Hour	$22.49	
Total Cost for Recertifications	$151,132.80	$133,500.64
2015 Cost Savings	**$17,632.16**	

Table 15- Biennial Re-Certifications Cost Savings

The outcomes were slightly below the benchmark this year but were significantly above benchmark in previous years. This is attributed to the fact that the number of biennial recertifications varies from year to year.

Impact – Since the 2015 outcomes were less than the benchmark, we analyzed the cumulative savings resulting from this activity. The chart below reflects the savings since implementation of this activity in 2012.

BIENNIAL RECERTICATIONS CUMULATIVE SAVINGS	
Annual Savings 2012	$13,724
Annual Savings 2013	$24,570
Annual Savings 2014	$37,167
Annual Savings 2015	$17,632
CUMULATIVE SAVINGS	**$93,093**

The cumulative impact has been significant in time and dollars saved as the result of the reduction in performing annual re-certifications. Without the MTW authorization to change rent policies, this savings would not have been possible. These savings help compensate for the loss of revenue resulting from continued decreases in funding levels and have been redirected to the cost of case management to support the Local Self-Sufficiency Program.

Rent Reform Initiative – This activity represents a rent reform initiative. Residents were informed of the opportunity to request a hardship but no requests were received as a result of this activity.

Benchmarks, Metrics and Data Collection - The cumulative benefit has surpassed the benchmark; thus, we do not anticipate any changes in the benchmark, metrics or data collection methods for this activity.

Activity 2011-3 Local Self-Sufficiency Program

Description – This activity was approved in the Year 1 (2011) Plan but was not implemented until January 1, 2013. Community leadership, stakeholders and residents expressed great concern that compliance with employment requirements would be difficult to meet based on current economic conditions, limitation of available jobs and limitation of transportation. In response to these concerns, HACC developed a new strategy to enable individuals' ample time to prepare for employment.

HACC defines self-sufficiency as ***"demonstrated behavior that exhibits personal accountability and financial responsibility demonstrated through consistent (more than 12 months) employment appropriate to the maximum skill level achievable by the individual".***

Participation in a self-sufficiency program is a condition of eligibility for new admissions and a condition of continued occupancy for existing residents and participants. All abled bodied individuals ages 18 through 54 are required to actively pursue activities to achieve economic self-sufficiency.

Households in which all members ages 18 through 54 have been employed 20 hours or more per week for a minimum of 12 months are compliant with the Mandatory LSS Program. All elderly and disabled individuals are exempt from the Mandatory LSS Program and all corresponding employment requirements.

Outcome - The HUD standard metrics table below summarizes the outcomes of this activity.

Table 16- Outcomes Local Self-Sufficiency Program

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy after implementation of the activity (in dollars).	Actual average earned income of households affected by this policy after implementation (in dollars).	**YES**
	$9,451	**$10,500**	**$17,163**	
SS #2: Increase in Household Savings THIS ACTIVITY HAS NO IMPACT ON HOUSEHOLD SAVINGS				
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
	Head(s) of households prior to implementation	Expected head(s) of households after implementation	Actual head(s) of households after implementation.	**NO**
(1) Employed Full- Time	64	100	78	
(2) Employed Part- Time	164	500	234	
(3) Enrolled in Education	0	25	70	
(4) Enrolled in Training	0	49	1	
(5) Unemployed	585	200	240	
(6) Exempt	861	800	1057	
HH Served Per Year	**1674**	**1674**	**1680**	
	Percentage prior to implementation	Expected Percentage after implementation	Actual percentage after implementation	**NO**
(1) Employed Full- Time	4%	6%	5%	
(2) Employed Part- Time	10%	30%	14%	
(3) Enrolled in Education	0%	1%	4%	
(4) Enrolled in Training	0%	3%	0%	
(5) Unemployed	35%	12%	14%	
(6) Other	51%	48%	63%	
HHServed Per Year	**100%**	**100%**	**100%**	

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation (number)	Expected number of households receiving TANF after implementation (number).	Actual households receiving TANF after implementation of the activity (number).	**NO**
	120	**20**	**25**	

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self sufficiency (increase).	Households receiving self sufficiency services prior to implementation (number).	Expected number of households receiving self sufficiency services after implementation (number).	Actual number of households receiving self sufficiency services after implementation (number).	**YES**
	0	**648**	**1611**	

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	**NO**
	$545	**$450**	**$550**	

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	**YES**
	$696,000	**$696,000**	**$746,694**	

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self sufficiency (increase).	Households transitioned to self sufficiency prior to implementation of the activity (number).	Expected households transitioned to self sufficiency after implementation of the activity (number).	Actual households transitioned to self sufficiency after implementation of the activity (number).	**NO**
	0	**600**	**69**	

The chart below provides a summary of all household and individual activity related to the Local Self-Sufficiency Program.

During 2015, HACC served 1,680 households in all programs. There were a total of 779 households that were exempt from the LSS Program and 69 households had alreah transitioned to self-sufficiency.

The remaining 832 households receiving housing assistance were required to participate in the LSS Program. Of these households, 79% (661) were compliant with the LSS requirements, an increase of 27% from 2014. Of the compliant households, 71 were enrolled in educational or training programs; 590 were employed a minimum of 20 hours per week.

Table 17- Summary of LSS Household Status

TOTAL HOUSEHOLDS SERVED 2015	**1680**
TRANSITIONED TO SELF-SUFFICIENCY	69
EXEMPT	779
ACTIVE LSS HOUSEHOLDS	**832**
COMPLIANT	**661**
Education	71
Employed	590
NON-COMPLIANT	**171**
Unemployed/Underemployed	109
Receiving TANF	25
Pending Exemption/Hardship/Termination	37

Rent Reform Initiative – This activity represents a rent reform initiative. Residents were informed of the opportunity to request a hardship but no requests were received as a result of this activity.

Benchmarks, Metrics and Data Collection - The greatest outcome from the LSS activity is the increase in household income. The chart below highlights the increase in household income from all income sources and earned income of all households and LSS compliant households. As noted, the overall household income has increased 46% for LSS compliant households. We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity.

Table 18 Household Income

LSS HOUSEHOLD INCOME	2015 INCOME	2010 INCOME	% OF INCREASE
Average Household Income - All Sources	$13,972	$9,451	32%
Average Household Earned Income	$17,163	$10,280	40%
Average Household Income - LSS Compliant	$19,058	$10,280	46%

Activity 2011- 4 Tiered Flat Rents

Description – This activity was approved in Year 1 (2011) but was not implemented until January 1, 2012. A tiered flat rent schedule is utilized based on income ranges in increments of 5% of the Area Median Income (AMI). The applicable flat rent for an assisted household is the corresponding rent for the range in which the gross annual income of the household falls. The flat rent is the amount that the tenant will pay towards rent. Utility allowances are eliminated.

Flat rents are reviewed annually and the flat rent schedule is adjusted effective January 1st of each year as applicable. The flat rent is based on the mid-point of all households within the applicable income range: 30% of the total annual income for the household at mid-point results in the flat rent for that range.

The flat rent schedule is based on the gross annual income of the household with no further deductions or allowances. Gross annual income is calculated pursuant to the HUD regulatory requirements. However, employment income for dependents is included in total household income if they are not also pursuing a training certification or educational degree. Current income exclusions as defined by HUD continue to apply.

Households with gross annual income less than 5% of the Area Median Income (AMI) pay a minimum rent based on bedroom size of the assisted housing unit.

To ensure affordability for participants of the Housing Choice Voucher Program, the tenant rent is capped at the flat rent amount. Units, for which the reasonable rent requires the participant to pay more than the established flat rent for their income level, are not approved by HACC.

Outcome - The HUD standard metrics table below summarizes the outcomes of this activity.

Table 19- Outcomes Tiered Flat Rents

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	**YES**
	$73,407	**$37,308**	**$36,839**	
CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	**YES**
	3,264	**1,674**	**1,638**	
CE #3: Decrease in Error Rate of Task Execution THERE IS NO DATA AVAILABLE FOR THIS METRIC				
SS #1: Increase in Household Income - THIS ACTIVITY HAS NO IMPACT ON THIS METRIC				
SS #3: Increase in Positive Outcomes in Employment Status THIS ACTIVITY HAS NO IMPACT ON THIS METRIC				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8/ 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	**NO**
	$545	**$450**	**$550**	
SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	**YES**
	$696,000	**$696,000**	**$746,694**	
SS #8: Households Transitioned to Self Sufficiency THIS ACTIVITY HAS NO IMPACT ON THIS METRIC				

Supporting detail of the outcomes above is illustrated in the chart below. The flat tiered rent activity eliminates the HUD allowed deductions and utility allowances, resulting in a simplified rent calculation process and reducing staff time to complete a rent calculation.

Table 20- Tiered Flat Rents Cost Savings

TIERED FLAT RENTS	ALL PROGRAMS	
	BASELINE 2011	2015
Total Annual Rent Calculations	1,674	1,680
Average Percent of Interims Per Year	30%	30%
Estimated Interim Rent Calculations	502	504
Total Rent Calculations Per Year	2,176	2,184
Average Hours Per Calculation	1.5	0.75
Total Staff Hours Per Rent Calculation	3,264	1,638
2015 Staff Time Savings	**1,626**	
Average Cost Per Hour	$22.49	
Total Cost for Rent Calculation	$73,407	$36,839
2015 Cost Savings	**$36,568.74**	

Impact – This activity reduces staff time and corresponding staff costs as illustrated above. Other outcomes are difficult to measure as the result of this activity as they overlap with other activities.

Rent Reform Initiative – This activity represents a rent reform initiative. Residents were informed of the opportunity to request a hardship but no requests were received as a result of this activity.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity.

Activity 2011-5 Modified Definition of Elderly

Description - This activity was approved and implemented in Year 1 (2011). HACC adopted a modified definition of elderly to include households in which all household members were age 55 or older.

Outcomes – The HUD standard metrics table below summarizes the outcomes of this activity. This activity does not measure “hard units” of housing preserved; it measures the number of units occupied by individuals under the modified definition of elderly.

Table 21- Outcomes Modified Definition of Elderly

HC #4: Displacement Prevention				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). Elderly Households	Households losing assistance/moving prior to implementation of the activity (number).	Expected households losing assistance/moving after implementation of the activity (number)	Actual households losing assistance/moving after implementation of the activity (number).	YES
	0	0	0	
HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number).	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	YES
	0	20 Annually	44	

Impact – Preservation of housing units is defined in this activity as the number of able bodied individuals age 55 to 61 that were housed in available senior housing that would not have been available without the MTW authorization. The impact of this activity is the expansion of housing choice for a select group of individuals for which HACC previously had limited housing options. It also enables current over-housed assisted families to “age-in” to certain properties sooner, thus making available more units to families.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity

Activity 2011-6 Local Homeownership Program

Description - HACC has partnered with Habitat for Humanity and through a Memorandum of Agreement, Habitat administers the local homeownership program.

The goal of the MTW Local Homeownership program is to expand on HACC’s Mandatory Self-sufficiency Program and to assure that other existing affordable homeownership opportunities and services in Champaign County are not duplicated.

HACC targets existing residents of HACC programs that complete the MTW Mandatory Local Self-Sufficiency Program through compliance with employment requirements. All families must meet the eligibility criteria set forth in Habitat’s Partner Family Selection Process including income limits; asset limits; housing expense to income and total debt to income ratios; and other applicable credit requirements.

Habitat provides all homeownership services program consistent with HACC's MTW goals of self-sufficiency including pre and post home purchase counseling; financial literary, credit repair and counseling; sweat equity by the home buyer; and, home mortgages at 0% interest, amortized at 25 years. To provide additional resources for Habitat to serve HACC resident referrals, HACC purchases the equity in the homes built.

HACC provides a second mortgage at the time of construction completion and closing of permanent financing for the difference between the appraised value of the home and the maximum mortgage that can be supported by the purchaser. The second mortgage is limited to a maximum of $40,000 per home and is forgivable at the rate of 10% per year over a 10 year period.

Outcomes – The HUD standard metrics tables below summarize the outcomes of this activity.

Table 22 - Outcomes Local Homeownership

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation (number).	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	**NO**
	0	**4 Annually**	**3**	
HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households that purchased a home as a result of the activity (increase).	Number of households that purchased a home prior to implementation (number).	Expected number of households that purchased a home after implementation (number).	Actual number of households that purchased a home after implementation (number).	**NO**
	0	**4 Annually**	**3**	
HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation (number).	Expected number of households receiving these services after implementation (number).	Actual number of households receiving these services after implementation (number).	**NO**
	0	**4 Annually**	**3**	

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity.

Activity 2011-7 Local Project Based Voucher Program

Definition – This activity was approved and implemented in Year 1 (2011). HACC established a local Project Based Voucher Program to assist in repositioning its real estate portfolio and to expand the availability of new high quality affordable housing units for voucher families. Key components of the Local PBV Program include optional longer term HAP contracts; administration by the applicable management company for the site, of all program activities including wait list management, leasing and re-certification transactions ; and limitation of voucher conversion to tenant based subsidy.

Outcomes – The HUD standard metrics table below summarizes the outcomes of this activity.

Table 23- Outcomes Local PBV Program

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	Cost of task prior to implementation (in dollars).	Expected cost of task after implementation (in dollars).	Actual cost of task after implementation (in dollars).	**YES**
	$9,941	**$0**	**$0**	
CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation (in hours).	Expected amount of total staff time dedicated to the task after implementation (in hours).	Actual amount of total staff time dedicated to the task after implementation (in hours).	**YES**
	444	**0**	**0**	
CE #3: Decrease in Error Rate of Task Execution THERE IS NO DATA AVAILABLE FOR THIS METRIC				
HC #3: Decrease in Wait List Time				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation (in months).	Expected average applicant time on wait list after implementation in months).	Actual average applicant time on wait list after implementation (in months).	**YES**
	36	**30**	**5.5**	

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation (number).	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	**YES**
	0	**315**	**388**	

The table below summarizes the individual projects in which HACC has provided Project Based Vouchers since the implementation of this activity. Details of these projects can be found in Section II.

Table 24- Summary of PBV Units

PROJECT BASED HOUSING CHOICE VOUCHERS			
Name of Property	**Total Units**	**PBV Units**	**HAP CONTRACT DATE**
PBV HAP CONTRACTS EXECUTED SINCE IMPLEMENTATION			
Douglass Square	50	13	October-11
Oakwood Trace	50	39	June-12
Hamilton on the Park	36	36	September-13
Providence	252	227	December-15
TOTAL	**388**	**315**	
PBV AHAP'S / COMMITMENTSEXECUTED			
Urban Park Place	24	15	AHAP - 4/2015
The Manor at Prairie Crossing	18	18	Commitment - 12/2015
TOTAL PBV UNITS	**42**	**33**	

HACC's MTW Local Project Based Voucher Program transfers all administrative functions for the operation of the vouchers to the professional Property Management Company that manages the corresponding site. The chart below provides the details of the estimated staff time and cost savings associated with this activity.

Table 25 PBV Cost Savings

PROJECT BASED VOUCHERS COST SAVINGS	
Total PBVs Leased in 201	107
Average Staff Hours Per Unit	12
Total Estimated Staff Hours	1284
Average Cost Per Hour	$22.49
Total Staff Cost PBV Administration	**$28,877.16**

Impact – The impact of this activity is the quality of housing in which vouchers are utilized. In the tenant based program, the majority of the vouchers are utilized in older, lower quality housing units located in highly impacted neighborhoods. HACC has targeted new construction or substantial rehabilitation for placement of PBV units in neighborhoods of opportunity with higher income levels.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity.

Activity 2012-1 Local Payment Standards

Description – This activity was approved in HACC's Year 2 (2012) Plan. HACC procured a third party marketing firm to conduct the market analysis necessary to identify the primary real estate sub-markets (PRESMs)within Champaign County and recommend payment standards for the Housing Choice Voucher Program that are reflective of the actual rents in each of the identified sub-markets. HACC established boundaries for each sub-market to include a Village, Town or Township in the more rural areas of the County and census tracts in the urban areas of the County.

The Local Payment Standard schedules were effective for all existing HAP contracts as follows:

1. If the Local Payment Standard for the PRESM in which the unit is located is higher than the HUD FMR payment standard, the Local Payment Standard is utilized at the next recertification after July 1, 2014.

2. If the Local Payment Standard for the PRESM in which the unit is located is less than the HUD FMR payment standard, the Local Payment Standard is utilized at the second recertification after July 1 2014.

3. The Local Payment Standard applies to an interim recertification only after an annual or triennial recertification has occurred in which the Local Payment Standard has been utilized.

Outcome – The HUD standard metrics table that will be utilized to measure outcomes for this activity is shown below. However, due to a phased-in implementation process, outlined above, there was insufficient applicability of this activity to determine valid outcomes for 2015.

Table 26 Local Payment Standards

CE #1: Agency Cost Savings THIS ACTIVITY HAS NO COST SAVINGS				
CE #2: Staff Time Savings THIS ACTIVITY HAS NO STAFF TIME SAVINGS				
HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation (number).	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation (number).	**TBD**
	0	**250**	**TBD**	

This activity is not anticipated to have any staff time or cost savings. In fact, it is expected that this activity will slightly increase staff time and the per unit HAP costs for tenant based vouchers.

The justification for development and implementation of this activity is the overall condition of units in which participants utilize tenant based vouchers. In analysis of the properties, HACC found that 80% of all tenant based vouchers are used in properties rated in the real estate market as C grade or lower. These are marginal properties that meet minimal Housing Quality Standards. This activity is intended to provide an opportunity for tenant based voucher participants to secure higher quality properties in lower impact neighborhoods.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmark, metrics or data collection methods for this activity.

Activity 2012 - 2 Acquisition without Prior HUD Approval

Description - This activity was approved and implemented in the Year 2 (2012). To facilitate development activities, HACC acquires sites without prior HUD approval and certifies that the HUD site selection requirements have been met.

Outcomes – The HUD standard metrics table below summarizes the outcomes of this activity.

Table 27 Acquisition w/o Prior HUD Approval

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation (number).	Expected housing units of this type after implementation (number).	Actual housing units of this type after implementation (number).	**NO**
	0	**350**	**287**	
HC #3: Decrease in Wait List Time				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation (in months).	Expected average applicant time on wait list after implementation (in months).	Actual average applicant time on wait list after implementation (in months).	**YES**
	36	**30**	**5.5**	
HC #4: Displacement Prevention				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). I	Households losing assistance/moving prior to implementation (number).	Expected households losing assistance/moving after implementation (number).	Actual households losing assistance/moving after implementation (number).	**YES**
	93	**0**	**0**	

The following sites have been acquired under this activity in support of additional development as described previously in this report.

Table 28 Acquisitions in 2015

NEW ACQUISITIONS IN 2015			
Acquisition	**Location**	**Amount**	**Purpose**
Land	Mahomet	$250,000	18 Elderly Units
Land	Fisher	$80,000	12 Elderly Units
Structure/Land	Urbana	$51,000	Remove Blight

The structure acquired in the City of Urbana was a dilapidated house located at the entrance of Hamilton on the Park, the redevelopment of the former Dunbar public housing community.

The chart below identifies the units that have been produced as the result of acquisitions to date for households below 80% of Area Median Income.

Table 29 Units Produced Below 80% AMI

HOUSING UNITS RESTRICTED TO 80% AMI		
Name of Property	Total Units	Units <80% AMI
Hamilton on the Park	36	36
Urban Park Place	24	24
Providence Sycamore/Thornberry	252	227
TOTAL	**312**	**287**

Impact – The impact of this activity has been more expeditious acquisition, resulting in the ability to competitively negotiate prices as owners do not have to wait unreasonable amount of time to complete the sale. Acquisition of these sites has also increased the supply of high quality affordable housing available to the residents of Champaign County.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity.

Activity 2012 – 3 Affordable Housing Development

Description - To facilitate development activities, HACC utlizes its authorization under the Second Amendment to the Amended and Restated Moving to Work Agreement (Amendment to Attachment D) to use Replacement Housing Factor Funds for Development. HACC will also utilize Section 8 and Section 9 reserve funds to further the development of new affordable housing units.

Outcomes – The HUD standard metrics tables below summarizes the outcomes of this activity.

Table 30 Affordable Housing Development

CE #4: Increase in Resources Leveraged				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Amount of funds leveraged in dollars (increase).	Amount leveraged prior to implementation (in dollars).	Expected amount leveraged after implementation (in dollars).	Actual amount leveraged after implementation (in dollars).	**YES**
	$0	**$42,266,471**	**$42,832,918**	

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number).	Expected housing units of this type after implementation of the activity (number).	Actual housing units of this type after implementation of the activity (number).	**NO**
	0	**350**	**303**	

HC #2: Units of Housing Preserved THIS ACTIVITY HAS NO HOUSING PRESERVATION

HC #3: Decrease in Wait List Time				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation of the activity (in months).	Expected average applicant time on wait list after implementation of the activity (in months).	Actual average applicant time on wait list after implementation of the activity (in months).	**YES**
	36	**30**	**13.6**	

HC #4: Displacement Prevention				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	Households losing assistance/moving prior to implementation (number).	Expected households losing assistance/moving after implementation (number).	Actual households losing assistance/moving after implementation (number).	**YES**
	93	**0**	**0**	

The following funds have been paid and/or obligated to date under this activity.

Table 31 Cumulative Funds to Support Development

PROJECT	Total Units	RHF and/or Section 8/9 Funds
Hamilton on the Park	36	$725,000
Urban Park Place	24	$650,000
Providence	252	$4,750,000
TOTAL	**312**	**$6,125,000**

Impact – The impact of this activity has been additional units developed and the ability to leverage private capital for development of new affordable housing options. The chart below provides details of private investment that has been leveraged using this MTW activity.

Table 32 Leverage of Private Capital

LEVERAGED CAPITAL						
DEVELOPMENT PROJECT	Private Capital	HACC Funding	Total Cost	Units	Total Cost Per Unit	HACC Cost Per Unit
Hamilton on the Park	$6,657,400	$725,000	$7,382,400	36	$205,067	$20,139
Urban Park Place	$1,304,343	$712,000	$2,016,343	24	$84,014	$29,667
Providence	$34,871,175	$4,750,000	$39,621,175	252	$157,227	$18,849
TOTAL	**$42,832,918**	**$6,187,000**	**$49,019,918**	**312**	**$157,115**	**$19,830**
Leverage	**$6.92**	**Private funds for every $1.00 of HACC funds**				

The MTW authorization will make it possible to produce over 300 new units of affordable housing for the low income residents of Champaign County. Without this authorization, the maximum number of units built is estimated at approximately 12 based only on RHF funds which would be the sole available funding source for development.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmark, metrics or data collection methods for this activity.

Activity 2013 – 1 Rightsizing Vouchers

Description – Housing Choice Voucher Program participants may only lease a unit equal to or smaller than the size of the voucher issued. A Request for Tenancy Approval will be considered only if the unit selected by the family contains an equal or lesser number of bedrooms than those listed on the voucher issued.

Outcome – The HUD standard metrics table below shows the outcomes of this activity in 2015.

Table 33 Rightsizing Vouchers

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	Cost of task prior to implementation (in dollars).	Expected cost of task after implementation (in dollars).	Actual cost of task after implementation (in dollars).	**TBD**
	$2,347,632	**$2,248,992**	**$1,997,430**	
CE #3: Decrease in Error Rate of Task Execution THERE IS NO DATA AVAILABLE FOR THIS METRIC				

The table below provides the detail of the costs after implementation of rightsizing vouchers. The average HAP cost variance per bedroom is $145.00. There were a total of 411 “over-housed” families on the voucher program prior to implementation of this activity resulting in a total savings of $715,140.

RIGHTSIZING VOUCHERS	
Average PS Difference Per BR	$145
Total Vouchers Over Sized	411
Estimated Annual Savings	**$715,140**
Average HAP Per HH	$550
Total Vouchers Over Sized	411
Total Annual Cost	$2,712,600
Total Cost After Rightsizing	**$1,997,460**

Impact – The impact of this activity is the savings in Housing Assistance Payments which results in funds available to provide additional services to HACC families.

Benchmarks, Metrics and Data Collection - We do not anticipate any changes in the benchmarks, metrics or data collection methods for this activity. However, this was a one-time activity and will be closed in 2016.

ACTIVITIES NOT YET IMPLEMENTED

The following activity has not been implemented:

Activity 2015-1: Emergency Family Shelter Program

Description - HACC has partnered with the Continuum and United Way to develop and implement an Emergency Family Shelter Program at Urban Park Place. The Emergency Shelter Program will provide temporary shelter and intensive case management services for families with dependent children. Families will be eligible to stay in the shelter for a temporary period of 30 days with extensions up to 45 days. Families must agree to participate in case management services to remain in the shelter.

Under a three way Memorandum of Agreement, the Champaign County Continuum of Care will be responsible for administration and oversight of all program policies and procedures for the eight shelter units including furnishings, housekeeping and preparing units for re-occupancy. United Way will fund intensive case management services and select and manage the contract with the corresponding service agency. HACC will provide property management and building maintenance services for all units in the property.

HACC will provide 15 MTW Project Based Vouchers for the Permanent Supportive Housing units and an operating subsidy to support the 8 Emergency Shelter Units. The operating subsidy will be equal to the actual per unit operating costs.

Update on Status of Activity – Implementation of the Emergency Family Shelter Program was delayed due to delays in completion of construction at Urban Park Place. The construction delays were related to extreme weather. Construction completion is now scheduled for April 2016.

ACTIVITIES ON HOLD OR CLOSED

The following activity is on hold.

Activity 2014-1: Local Inspection Standards

Description – Initially HACC had proposed adoption of HUD's Uniform Physical Condition Standards (UPCS) for tenant based voucher units in the Housing Choice Voucher Program. In addition, HACC proposed implementation of a rating system for each property that would determine the frequency of inspections.

HACC subsequently eliminated the property rating system and proposed using local municipal building codes for tenant based voucher units in the Housing Choice Voucher Program.

Update on Status of Activity - This activity was placed on hold. Staff changes resulted in the need to contract for inspection services in 2015. HACC was unable to secure outside inspectors that were sufficiently versed in local building codes; thus, to assure proper inspections were conducted, HQS standards were utilized in 2015. HACC will re-evaluate this activity and make a determination whether to implement or close this activity in 2016

V. SOURCES AND USES

As of the date of this report, the MTW Block Grant unaudited 2015 sources and uses has been submitted in the prescribed Financial Data System (FDS) format. The audit has been scheduled and will be submitted within the required timeframes.

The chart below reflects the actual sources and uses of funds for 2015.

A. SOURCES AND USES OF MTW FUNDS

Sources		
FDS Line Item	**FDS Line Item Name**	**Dollar Amount**
70500 (70300+70400)	Total Tenant Revenue	754,695
70600	HUD PHA Operating Grants	10,487,505
71100+72000	Interest Income	11,316
71200+71300+71310+71400+71500	Other Income	34,071
70000	**Total Revenue**	**$11,287,587**
Uses		
91000 (91100+91200+91400+91500+91600 +91700+91800+91900)	Total Operating - Administrative	1,201,804
91300+91310+92000	Management Fee Expense	613,657
92500 (92100+92200+92300+92400)	Total Tenant Services	3,411
93000 (93100+93600+93200+93300+93400 +93800)	Total Utilities	334,353
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	586,526
96100 (96110+96120+96130+96140)	Total insurance Premiums	124,957
96000 (96200+96210+96300+96400+96500 +96600+96800)	Total Other General Expenses	377,900
97300+97350	Housing Assistance Payments + HAP Portability-In	8,471,031
97400	Depreciation Expense	749,066
90000	**Total Expenses**	**$12,462,705**
	Surplus/Deficit	**($1,175,118)**

Describe the Activities that Used Only MTW Single Fund Flexibility
The activities that utilized only MTW Single Fund Flexibility were Acquisition without HUD Approval and Non-Traditional Use of Funds. The details of these activities are provided Section IV of this report and the corresponding projects completed or in progress under these activities are described in Section II of this report.

B. Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?	**Yes**		No
Has the PHA implemented a local asset management plan (LAMP)?	Yes	or	**No**
Has the PHA provided a LAMP in the appendix?	Yes	or	**No**

C. Commitment of Unspent Funds

Account	Planned Expenditure	Obligated Funds
	1416 W. Eads St. Acquisition	51,000
	The Manor at Prairie Crossing (Mahomet)	1,603,920
Total Obligated or Committed Funds:		$ 1,654,920

VI. ADMINISTRATIVE

HUD REVIEWS, AUDITS OR INSPECTION ISSUES

There are no HUD reviews, audits or inspection issues which require HACC to take any action.

MOVING TO WORK
CERTIFICATION OF COMPLIANCE WITH STATUTORY REQUIREMENTS

The Housing Authority of Champaign County hereby certifies that it has met the three statutory requirements under the Moving To Work Demonstration Program:

1. At least 75% of the families assisted by HACC are very low income families;
2. HACC has continued to assist substantially the same total number of eligible low income families as would have been served had the amounts of funding under the MTW Block Grant funding flexibility not been combined; and,
3. HACC has maintained a comparable mix of families served as would have been served had the MTW Block Grant funding not been used under the demonstration.

Executed this 26th day of April, 2016.

HOUSING AUTHORITY OF CHAMPAIGN COUNTY, ILLINOIS

By: Edward Bland

Title: Executive Director

Signature: ______________________

Evaluation of the
Moving to Work Program
in Champaign County

Annual Report

to the

Housing Authority of Champaign County

Paul E. McNamara, Associate Professor and Principal Investigator

Cathy Strick, Visiting Research Coordinator

Han Bum Lee, Program Evaluation Associate

Department of Agricultural and Consumer Economics

Executive Summary

In October, 2010, the U.S. Department of Housing and Urban Development (HUD) designated the Housing Authority of Champaign County (HACC) a Moving to Work (MTW) demonstration agency. MTW demonstration agencies are designated 'high performing', allowing them autonomy in providing housing assistance to low-income individuals and families through unique, locally tailored initiatives, and, with a goal of improving self-sufficiency, while considering HUD's three statutory goals: 1) Reduce costs and achieve greater cost effectiveness in federal expenditures; 2) Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and 3) Increase housing choices for low-income families. Overall, the MTW program intends to transition families into self-sufficiency while retaining access to a quality living environment.

In May, 2011, the HACC contracted with the Department of Agricultural and Consumer Economics at the University of Illinois at Urbana-Champaign to conduct a longitudinal program evaluation of its housing authority, concentrating on the goal of family self-sufficiency. In late 2011 we began our evaluation and, to-date, have collected four years of longitudinal data. We have witnessed program changes over these four years and submit our key findings and recommendations below.

Key Findings

Qualitative Results

Our preliminary analysis of third qualitative interviews, following the same housing participant over time, and conducted early 2016, highlight participants' perspectives about success in reaching self-sufficiency. These housing participants, whose demographics also reflect most key informants, are minority, single mothers with traumatic and vulnerable backgrounds who now exhibit similar characteristics: stable housing, stable family structure, increased education, increased employment and income, high maternal self-esteem, increased financial knowledge and engagement with financial institutions, social support networks that provide social leverage and reduced barriers such as having childcare and transportation,. They display motivation, discipline and focus. They are emotionally mature and spiritually invested. Psychologically, they possess high self-efficacy, an internal locus of control and are resilient. While this evidence is positive, it nevertheless presents a challenge to successful housing participants in transitioning to independent housing.

Quantitative Results

We explore how the MTW Self-Sufficiency programs affect program participants' labor market outcomes compared to those of recipients in conventional public housing programs, using six waves (2009-2014) of restricted-use administrative data (HUD-50058 Family Report) for HACC MTW PHA and two non-MTW PHAs.

Figure1: Implementation Timetable of the MTW Self-Sufficiency Programs

- We found no statistical effects of the initial announcement for the MTW Self-Sufficiency plans on participants' economic activities.
- We found a statistically significant program effect on participants' economic activities since the actual effective year of the MTW Self-Sufficiency programs.
    - Increased 7.3 percentage-points in case head's probability of working in the labor force participation at the second year of program implementation.
    - Increased head's annual earned income by 5.0 percent (0.8 points in logarithm terms) at the second year of program implementation.
    - Increased 5.8 percentage-points in employment ratio of the eligible family members at the second year of the program implementation.
    - Increased households' annual earned income by 3.3 percent (0.5 points in logarithm terms) at the second year of program implementation.
    - Decreased receipt of TANF by 4.1 and 4.6 percentage-points at the first and second year of program implementation, respectively.
- Recipients that placed in the first and second quantiles of the adjusted annual total income were more responsive to the MTW Self-Sufficiency programs.
- Long-term recipients and public housing residents, as well as recipients with receipt of TANF, were less likely to drop out of public housing programs.
- Recipients' economic activities were strongly associated with their corresponding previous economic activity experience.
- Public housing residents tended to have a lower level of employment status and annual earned income compared to housing voucher holders.

Local Self-Sufficiency Case Management

In an effort to evaluate not only the progress of housing participants over time, but also to describe the nature of the LSS Program and the case management provided in the LSS Program, in June we interviewed the HACC LSS case managers. We found these case managers to be highly specialized in education and experience to provide quality services to subsidized housing participants. These LSS case managers have responsibility to serve large caseloads of over 300 head of households each, and, any dependent listed as sharing their housing assistance. As the mandatory work and education requirements are implemented over time, caseload burdens increase.

In addition, since HACC implements mandatory LSS program requirements in phases, an area of growing concern is the situation where, by the fourth recertification, "one adult member must be employed 20 hours per week; **and,** all other adult members must be employed 20 hours per week **or** enrolled on a full time basis as defined by the institution in a training or educational program that offers a certificate of degree."

Both case managers articulated situations where adult children do not comply with LSS requirements, refusing to seek employment or education, placing the compliant head of household in jeopardy of losing housing assistance.

In a community that has sustained increased gun violence over the last year, this can be a difficult decision for a head of household in fear of losing their adult child to the streets.

Finally, HACC is challenged with housing participants with undiagnosed mental illness who are ill equipped to succeed in the Mandatory LSS program. For these particular situations, HACC is developing a hardship waiver based on their assessment documentation and documentation from community mental health providers.

Recommendations

Our interviews with the HACC Local Self-Sufficiency (LSS) case managers were insightful in helping us understand more fully the nature of the LSS program and the case management provided. However, paramount in our conversations were their extremely large caseloads of over 300 head of households, not including their service to dependent family members. In their *Evaluation of the Family Self-Sufficiency Program: Prospective Study* (2011), prepared for the U.S. Department of Housing and Urban Development, researchers (Silva, Wijewardena, Wood, and Kaul, 2011) reported the average caseload for a Family Self-Sufficiency (FSS) case manager in their study was 89 (p. 8), with some case managers reporting caseloads over 100, and case managers from large housing authorities reporting caseloads of 140 to 150. Therefore, we recommend adding a staff member to the LSS team.

While LSS case managers provide many services, there are some services, or, programs not currently provided that all HACC housing participants might benefit from, particularly education about financial literacy and homeownership, including escrow accounts. As housing participants progress through the sixth recertification, and eight year term limit, perhaps an on-site workshop geared toward gaining basic financial knowledge, for example, learning how to manage money, reduce debt, and establish credit may be useful. Many housing authorities with FSS programs provide this program. As well, housing participants may benefit from understanding about homeownership and the steps to attain homeownership. For those housing participants who are consistently employed, and especially full-time, an escrow account to save toward a home down payment would be a beneficial incentive and might increase motivation to work and save. In this same matter, our recent qualitative interviews highlight housing participants who are on the verge of becoming self-sufficient and financially independent, and who are seeking education and guidance about successfully transitioning from housing assistance.

Also, while the HACC LSS case managers provide concrete resources and culturally-sensitive encouragement to mostly unemployed and underemployed housing participants and non-compliant family members, housing participants may be more receptive to working through the program with someone who has been there, a mentor, allowing housing participants to connect on a deeper level. Perhaps one way to field test such a program would be to invite a panel of successful housing participants to speak candidly to other housing participants about their journey, informing about challenges they have faced and how they have been successful in reaching self-sufficiency.

Based upon our quantitative findings we will work within the next year to review successful strategies with documented evidence to identify possible ways to improve the FSS programming as a component of the HACC MTW program. We recommend closer collaboration and support from the HACC to the University of Illinois staff team to increase the response rate to the social survey.

Introduction

This is the fifth progress report of the Housing Authority of Champaign County (HACC) Moving to Work (MTW) evaluation by the University of Illinois at Urbana Champaign for the period January 1 – December 31, 2015, our fourth year of data collection.

Social Survey Data Collection

During Baseline, Year 1, 307 HACC program participants and 162 non-MTW comparison group participants completed our quantitative Housing & Self-Sufficiency Social Survey, totaling 469 surveys.

In Year 2, 215 HACC program participants and 112 non-MTW comparison group participants who completed a survey during Baseline Year 1, completed a survey, totaling 327 surveys. In addition, 142 HACC program and waitlist participants and 14 non-MTW comparison group participants completed a survey, totaling 483 surveys completed in Year 2.

In Year 3, 179 HACC program participants and 93 non-MTW comparison group participants who completed a survey during Baseline Year 1, and Year 2, completed a survey, totaling 272 surveys. In addition, 149 HACC program and waitlist participants and 30 non-MTW comparison group participants completed a survey, totaling 451 surveys completed in Year 3.

In Year 4, 173 HACC program and waitlist participants and 22 non-MTW comparison group participants who completed a survey during Year 1, Year 2, or Year 3 completed a survey, totaling 202 surveys. Additionally, 215 HACC and 70 non-MTW comparison group completed a survey for the first time, totaling 480 surveys completed in Year 4.
Year 4 survey recruitment includes a new process which began in April, 2015 with both HACC and the non-MTW comparison housing authority asking housing participants to complete a survey as part of their annual recertification for housing assistance. The intent in changing the process was to address the low participation, and high attrition, rates of housing participants in the evaluation thus far, with the hopes of increasing survey participation so that statistically significant differences might be realized in analyzing social survey data.

Key Informant Interview Data Collection

During Baseline, Year 1, we conducted our qualitative Key Informant Interview with 25 HACC, and 24 non-MTW comparison group participants. During Year 2 we conducted an additional 16 qualitative Key Informant Interviews with HACC waitlist participants, for a total of 65 qualitative Key Informant Interviews conducted. During Year 3 we re-interviewed 12 Key Informants from HACC and 13 Key Informants from a non-MTW comparison group.
During this past Year 4, we re-interviewed three of the original 16 HACC waitlist participants.

Early in Year 5, but noted in these results, we conducted third interviews with a few HACC housing participants and analyzed these data for a preliminary view of changes in self-sufficiency over time, from the housing participant's perspective.

Evaluation Overview

The overall purpose of this evaluation is to measure the impact on households participating in the Housing Authority of Champaign County Moving to Work program, over time, especially in terms of their family self-sufficiency measured by variables such as income, employment, hours worked, attainment of educational and job skills goals, and other variables related to family self-sufficiency. The evaluation is designed to quantitatively measure these potential impacts as well as identify factors that might be related to non-attainment of the program's self-sufficiency goals. Such factors include difficulties with access to child care, limited job opportunities, and personal-level factors such as undiagnosed mental health issues or other barriers participants may face.

To measure the program impact on participants we utilize four sources of information:

First, we have conducted baseline qualitative interviews using an in-depth key informant interviewing approach with 25 HACC MTW participants, 24 non-MTW program participants, and 16 HACC waitlist participants. During the third year of data collection we conducted follow-up interviews with 12 HACC MTW participants and 13 non-MTW program participants. Early in year five, we conducted third follow-up interviews with two HACC program participants. We utilize non-MTW program participants as controls and a comparison group for the qualitative interviews and for the social survey. The key informant interviews provide information on the program participants' perspectives on topics such as self-sufficiency, work, stress, housing and neighborhood issues, education and job skills, and overall quality of life and family issues. We hypothesize that over time it may be possible to observe a change in some participants' attitudes and practices related to self-sufficiency as a result of the MTW Program.

A second information source is the quantitative social survey we have fielded with HACC MTW participants and waitlist participants, and with non-MTW program participants. The social survey has a variety of question domains ranging from education, housing choices, neighborhood issues, and employment history and current work situation, to family structure and social supports. There are also questions about food security, health care access, and mental health status among other domains. This detailed data, which are being collected over time, allow us to create multivariate regression models to assess the program's impact, and these models can be constructed to control for confounding variables, and they can have non-treated (non-MTW participants) controls, and they can address the issue of unobserved factors which could affect the impact of the program on participants.

A third source of data is administrative data available from HACC and the U.S. Department of Housing and Urban Development (HUD). This data also allows the creation of econometric program evaluation analyses that allow for non-treated controls, confounding variables, and for unobserved variables which could affect the program's performance at the individual level. Further, we are investigating the possibility of creating linked models using the social survey and the administrative data.

A fourth source of data is HACC 'Mandatory Self-Sufficiency and Employment/Education Requirements Implementation Plan', or, 'Treatment Plan' data. We received initial Plan data and then HACC began its computer system migration. As of this writing, we are waiting for the complete migration to receive Plan data. In the meantime, we are able to view the data on-line. Once we have the data this will be a baseline analysis from which to make future comparisons with regard to adherence and successful completion of Plans and how this relates to education and employment outcomes.

Key Informant Interviews

During this past year, we began preliminary data analysis of the non-MTW comparison group Key Informant Interviews conducted during baseline data collection, focusing on self-sufficiency, and considering factors related to housing, landlords, employment, education, health, family structure, child care, neighbors, social support, financial goals, financial situation, financial institution engagement, food security, and, generally how people talk about self-sufficiency.

Through our preliminary analysis, we learned the main reasons why families chose to live in the comparison group city – families were born and raised in this city; they value extended family who also live in this city; they have friendship social networks in this city, and for them, this city has a better cost of living compared to some larger cities. We continue our data analysis so that we can provide HACC a comprehensive qualitative comparison between their MTW housing authority and a comparable, non-MTW housing authority.

We were also able to conduct a third interview with a few HACC participants and our preliminary analysis of these interviews indicates success in reaching self-sufficiency. Particularly, these housing participants have increased and reached educational goals, maintained or increased employment and income, maintained stability in housing and family structure, exhibit high maternal self-esteem, increased financial knowledge and engagement with financial institutions, reduced barriers such as having childcare and transportation, display positive mental health and emotions, and have social support networks that are stable and provide social leverage. However, becoming financially independent presents new challenges. Participants are no longer eligible for food stamp or childcare assistance. And, participants will need assistance transitioning off housing once they reach their maximum allowable income level. These housing participants have been proactive in reducing debt, increasing credit scores, obtaining approval for a home loan from a local bank and applying for homeownership through a non-profit agency in this community. We presented two case study success stories at the 2016 MTW Conference. Full case study descriptions will be provide as a supplement to this report.

Quantitative Analysis

Introduction

Over the past several decades, we have witnessed a growing social debate about work disincentives inherent in public housing programs. Proponents have argued that housing assistance will improve beneficiaries' economic self-sufficiency by securing residence, thereby stabilizing families and encouraging an investment in education or job training programs for a successive transition to work.

On the other hand, the standard static economic theory predicts a reduction in labor supply through both income and substitution effects (Shroder, 2002; Olsen, Tyler, King, & Carrillo, 2005; Susin, 2005; Calson, Haveman, Kaplan, & Wolfe, 2012; Jacob & Ludwig, 2012) – housing assistance allows a recipient to consume goods and services independent of work.

As well, a reduction in housing benefits by a proportional increment of earnings might also lead to less effort to achieving economic self-sufficiency. Concerns about work disincentives have drawn attention to the discussion of the effectiveness and possibility of development of the traditional public housing programs, and the U.S. Department of Housing Urban Development (HUD) has initiated the Moving to Work (MTW) demonstration, legislated by Section 204 of the Omnibus Consolidated Recessions and Appropriations Act of 1996. The MTW demonstration allows flexibilities and waivers to a public housing agency to design and test locally innovated strategies to improve recipients' economic self-sufficiency, as well as other national goals of enhancing cost-effectiveness in federal expenditure and expanding affordable housing options (Abravanel et al., 2004).

As of 2010, the HACC has joined the MTW demonstration, and HACC's MTW Self-Sufficiency program plans were initially approved on March 2011, and the initial assessment was scheduled at the first annual re-certification as of July 2011. HACC imposes work requirements and time-limits on the receipt of subsidy to all able-bodied, working-aged (18-54) individuals under the self-sufficiency statutory objective.[1] Also, HACC enforces participation in its mandatory Family Self-Sufficiency (FSS) program for non-compliant households, and if a household maintains a continuous state of non-compliance until the next re-certification, then a penalty or sanction is imposed to the household to compel compliance or to limit its housing benefits, often resulting in loss of subsidy. However, the actual effective date for the MTW Self-Sufficiency programs has taken effect since January 2013.

In this report, we explore how the MTW Self-Sufficiency programs affect participating households' labor market outcomes compared to those of recipients in conventional public housing programs.[2] Also, the gap between initial announcement for the MTW Self-Sufficiency plans and the actual effective year of implementation, as well as the fundamental question of interest in understanding who might be more successful in achieving economic self-sufficiency, lead the following research questions:

(1) Did the MTW Self-Sufficiency programs improve labor market outcomes of program eligible households?
(2) Did the initial announcement for HACC's MTW Self-Sufficiency plans affect labor market outcomes of program eligible households prior to the actual year of program implementation?
(3) Who was more successful in transitioning to work?

[1] Also, family members, aged 5 through 18, are required to be enrolled and attend school.
[2] We define that HACC MTW Self-Sufficiency programs incorporate any activities and policies initiated under the self-sufficiency statutory goals. Work requirements, time-limits, and mandatory FSS, as well as other activities with direct/indirect effects on participants' economic activities. This indicates that our empirical estimates represent average program effects of all self-sufficiency related activities and policies. See HACC annual MTW plans for more details about implemented MTW Self-Sufficiency programs.

Findings

Figure 1: Implementation Timetable of the MTW Self-Sufficiency Programs

- We found no statistical effects of the initial announcement for the MTW Self-Sufficiency plans on participants' economic activities.
- We found a statistically significant program effect on participants' economic activities since the actual effective year of the MTW Self-Sufficiency programs.
    - Increased 7.3 percentage-points in case head's probability of working in the labor force participation at the second year of program implementation.
    - Increased head's annual earned income by 5.0 percent (or 0.8 point in logarithm term) at the second year of program implementation.
    - Increased 5.8 percentage-points in employment ratio of the eligible family members at the second year of the program implementation.
    - Increased households' annual earned income by 3.3 percent (or 0.5 point in logarithm term) at the second year of program implementation.
    - Decreased receipt of TANF by 4.1 and 4.6 percentage-points at the first and second year of program implementation, respectively.
- Recipients that placed in the first and second quantiles of the adjusted annual total income were more responsive to the MTW Self-Sufficiency programs.
- Long-term recipients and public housing residents, as well as recipients with receipt of TANF, were less likely to drop out of public housing programs.
- Recipients' economic activities were strongly associated with their corresponding previous economic activity experience.
- Public housing residents tended to have a lower level of employment status and annual earned income compared to housing voucher holders.

Data

In estimating the empirical models for the effect of HACC's MTW Self-Sufficiency programs on participating households' labor market outcomes, we exploit the panel data available in the six waves (2009-2014) of restricted-use administrative data, HUD-50058 Family Report. This data set includes rich information on economic activity variables (all family member's employment status and types of income), demographic characteristics (age, gender, race, disability status, family size, and children), subsidy status, and residential information. The main sampling frame for the data used in this study consisted of all households with able-bodied and working-aged (18-54) family members that are identical to eligibility for the HACC MTW Self-Sufficiency programs.

We constructed the total baseline study sample of 1,987 eligible households that received HUD's housing assistance both in 2009 and 2010 for HACC MTW PHA and non-MTW PHAs. Having prior year information allows us to use the lag variables capturing 'state dependence' effects – recipients' employment and economic opportunities may depend on their previous employment experience – which would increase the precision of program effect estimates.

We observed levels of attrition that includes ‘End of Participation’ (E.O.P.) and ‘Portability-Out’ (P.O.) households, and observations with missing income-related variables (Table 1). The unbalanced sample does not include new entrants but track all of those who were observed at baseline year. At the baseline year of 2010, 942 households in the treatment group and 1,045 households in non-MTW PAHs met eligibility for the HACC MTW Self-Sufficiency program. In 2011, we observed 21% attrition from the baseline sample (13% in HACC; and 29% in non-MTW PHAs), and attrition rates declined over time in both HACC MTW and non-MTW PHAs. In 2014, we observed 984 households (50% of the baseline sample) of which 500 households (53%) in HACC and 484 households (46%) in non-MTW PHAs.

Table 1**:** Attrition Rate –
Household with a Non-Disabled and Working-Aged Family Member Only

	All PHA Households	HACC MTW Households	Non-MTW Households
2009-2010	1,987	942	1,045
2011			
End of Participation	193	40	153
Portability-Out	21	16	5
Missing Information*	222	69	153
Total Non-Attrition Households	1,551	817	734
2012			
End of Participation	164	43	121
Portability-Out	34	32	2
Missing Information*	298	142	156
Total Non-Attrition Households	1,277	669	608
2013			
End of Participation	148	43	105
Portability-Out	17	15	2
Missing Information*	227	113	114
Total Non-Attrition Households	1,183	640	543
2014			
End of Participation	157	80	77
Portability-Out	22	19	3
Missing Information*	247	154	93
Total Non-Attrition Households	984	500	484

Notes: * denotes observations with missing income-related variables. Specifically, for a particular event, only relevant variables were recorded, and it often did not include income-related variables at the time of data (HUD 50058 record) collection. ‘Annual HQS Inspection Only’, ‘FSS/WtW Addendum Only’, ‘Issuance of Voucher’, and ‘Expiration of Voucher’, and ‘Flat Rent Annual Update’ are some examples of the events.

Baseline Balancing Test

Table 2 describes definition of variables. We conducted baseline balancing test which compares the difference in the set of variables including economic activity, demographic characteristics, interaction terms between economic activity variables and demographics, the lag of variables, and neighborhood characteristics, measured for all households at the baseline year, between the MTW and non-MTW PHA households (Table 3).

If a control group is well established, none of the coefficients would statistically differ from zero. The results show that HACC had older head of households, less Black head of households, higher head's annual earned income, but lower household's annual earned income than those in control groups. We also found statistical differences in 'Hsld, Years in program', 'Hsld, Adjusted income one year prior', and 'Pct. Poverty' at 1 percent level of significance; 'Hsld, Employment ratio', 'Hsld, Public housing resident one year prior' and 'Pct. Black' at 5 or 10 percent level of significance.

Based on probit regression results, we conducted a Propensity Score Matching (PSM) to create a statistical sample of control groups that share approximately similar likelihood of being assigned to the treatment condition based on the observed variables (Table 4). Specifically, the PSM results include the mean value of the observed variables in the treatment and control groups and the balance test (*t*-test) after the match. We also report several test-statistics to compare the level of bias before and after match. Specifically, the pseudo R-square is very low, indicating the estimated model only explains about 1 percent variation of the treatment condition, and the likelihood ratio (LR) test leads us to accept the hypothesis of joint significance of the included regressors after the match. Furthermore, the mean and median standardized bias decrease significantly after the match. The results show that the matching procedure is successful in balancing the treatment and control groups except only 'Head, Age' variable is statistically different from zero at 10 percent level of significance.

Table 2: Description of Variable

	Description
Demographics	
Head, Age	Head's age
Head, Female	1 if head is female; 0 for other
Head, Black	1 if head is Black; 0 for other
Hsld, Number of eligible adult member	Number of non-disabled and working-aged (18-54) family members
Hsld, Number of children	Number of children under the age of 18
Hsld, Young child	1 if a household has a young child under the age of 6; 0 for other
Hsld, Disabled child	1 if a household has a disabled child (≤ 18); 0 for other
Hsld, Moved	1 if a household made a Census Tract level move in a year; 0 for other
Hsld, Public housing resident	1 if a household lives in public housing; 0 for other
Hsld, Years in program	Number of years in public housing programs
Economic Activity	
Head, Employment	1 if a head has a job; 0 for other
Head, Earned income	Head's annual earned income (expressed in 2014 dollars)
Hsld, Employment ratio	Proportion of employed eligible adult members among all eligible adult members
Hsld, Earned income	Household's annual earned income (expressed in 2014 dollars)
Hsld, Adjusted income*	Household's adjusted annual income (expressed in 2014 dollars)
Hsld, Receipt of TANF	1 if a household receives Temporary Assistance for Needy Family (TANF) assistance; 0 for other
Neighborhood Characteristics	
Pct. Black	Percent of Black people in a Census Tract
Pct. Poverty	Percent of people in poverty in a Census Tract

Notes: * adjusted annual income is measured by subtracting deductions based on allowable family expenses and demographics from annual gross income.

Table 3: Baseline Balance Test:
Logistic Regression Results

	Dependent Variable: Treatment Dummy (Std. Err.)
Head, Age	0.0279***
	(0.0090)
Head, Female	-0.1697
	(0.3086)
Head, Black	-0.5727***
	(0.1690)
Hsld, Number of eligible adult member	0.3746
	(0.2630)
Hsld, Number of children	-0.0837
	(0.1239)
Hsld, Young child	-0.1158
	(0.2412)
Hsld, Disabled child	-0.3032
	(0.6182)
Hsld, Moved	0.1324
	(0.1516)
Hsld, Public housing resident	-0.6145
	(0.5901)
Hsld, Years in program	0.0512***
	(0.0131)
Head, Employment	-0.9872
	(1.5620)
Head, Earned income [a]	0.3531**
	(0.1385)
Hsld, Employment ratio	-0.0403*
	(0.5740)
Hsld, Earned income [a]	-0.0984
	(0.0519)
Hsld, Adjusted income [a]	-0.0787***
	(0.0203)
Hsld, Receipt of TANF	0.0582
	(0.2591)
Hsld, Number of eligible adult member one year prior	0.0369
	(0.2285)
Hsld, Number of children one year prior	0.1536
	(0.1244)
Hsld, Young child one year prior	-0.0297
	(0.2469)
Hsld, Disabled child one year prior	-0.2318
	(0.6201)
Hsld, Public housing resident one year prior	-0.9825*
	(0.5801)
Head, Employment one year prior	-1.9367
	(1.5543)
Head, Earned income one year prior [a]	0.1537
	(0.1342)
Hsld, Employment ratio one year prior	-0.0818
	(0.5976)
Hsld, Earned income one year prior [a]	-0.0069
	(0.0527)

Hsld, Adjusted income one year prior [a]	-0.0669***
	(0.0201)
Hsld, Receipt of TANF one year prior	0.2050
	(0.2645)
Pct. Black	0.8015**
	(0.3187)
Pct. Poverty	-1.4428***
	(0.4484)
Constant	0.2719
	(0.5860)
Obs.	1,987
Pseudo R-squared	0.1609
Log-likelihood	-1153.3733

Notes: *a* denotes variable measured in natural logarithms. All income variables are expressed in 2014 dollars. The estimates obtained with the logistic regression of all dependent variables (economic activity variables) and other covariates on treatment dummy (1 for MTW; 0 for other). Standard errors are reported in parenthesis. * denotes significance at 10 percent, ** at 5 percent, and *** at 1 percent level. Due to the lack of space, interactions between employment status (2010 and the prior year) and demographic characteristics are not reported in the table. The full results are available upon request.

Table 4: Baseline Balance Test:
Propensity Score Matching Results

	Mean		Difference: Control - Treated	
	Treated	Control	*t*-statistic	*p*-value
Head, Age	36.9790	37.9180	-1.93	0.054*
Head, Female	0.9363	0.9417	-0.48	0.633
Head, Black	0.6078	0.6452	-1.64	0.102
Hsld, Number of eligible adult member	1.1966	1.1825	0.68	0.499
Hsld, Number of children	2.0682	2.0010	0.94	0.349
Hsld, Young child	0.4413	0.4112	1.29	0.197
Hsld, Disabled child	0.0179	0.0186	-0.11	0.912
Hsld, Moved	0.1464	0.1290	1.06	0.287
Hsld, Public housing resident	0.1006	0.1161	-1.06	0.290
Hsld, Years in program	5.9721	5.9040	0.29	0.774
Head, Employment	0.4927	0.4684	1.03	0.303
Head, Earned income [a]	4.6098	4.3810	1.03	0.303
Hsld, Employment ratio	0.4596	0.4413	0.82	0.414
Hsld, Earned income [a]	4.8889	4.6392	1.12	0.263
Hsld, Adjusted income [a]	7.5165	7.2940	1.33	0.185
Hsld, Receipt of TANF	0.0525	0.0463	0.61	0.543
Hsld, Number of eligible adult member one year prior	1.1285	1.1192	0.42	0.673
Hsld, Number of children one year prior	2.1363	2.0784	0.83	0.406
Hsld, Young child one year prior	0.4860	0.4536	1.38	0.169
Hsld, Disabled child one year prior	0.0179	0.0184	-0.08	0.936
Hsld, Public housing resident one year prior	0.1039	0.1199	-1.07	0.285
Head, Employment one year prior	0.5017	0.4859	0.67	0.504
Head, Earned income one year prior [a]	4.6760	4.5376	0.62	0.532
Hsld, Employment ratio one year prior	0.4691	0.4484	0.91	0.360
Hsld, Earned income one year prior [a]	4.8978	4.7143	0.83	0.408
Hsld, Adjusted income one year prior [a]	7.2297	7.126	0.59	0.554
Hsld, Receipt of TANF one year prior	0.0492	0.0524	-0.31	0.754
Pct. Black	0.3021	0.2919	1.09	0.274
Pct. Poverty	0.2908	0.2919	-0.17	0.867

Test statistics		
Obs.	U	1,987
	M	1,939
Pseudo R-squared	U	0.160
	M	0.010
Log-likelihood Chi-squared (p-value)	U	439.98 (< 0.001)
	M	24.94 (0.999)
Mean Bias	U	13.2
	M	3.4
Median Bias	U	10.3
	M	3.6

Notes: *a* denotes variable measured in natural logarithms. All income variables were expressed in 2014 dollars. A propensity score was estimated by 'psmatch2' command in STATA 14, using a logistic model and imposing the common support condition and 5% level trim options. We also used a 'biweight' kernel function with a caliper level of 0.25 of standard deviation of the calculated propensity scores. 'U' indicates unmatched, and 'M' means matched with the PSM. * denotes significance at 10 percent, ** at 5 percent, and *** at 1 percent level. Due to the lack of space, interactions between employment status (2010 and the prior year) and demographic characteristics were not reported in the table. The full results are available upon request.

Attrition

We conducted probit models for attrition/non-attrition at each year of the panel, from 2011 to 2015, using the full sample of the subsidized households that were observed at the baseline year (Table 5). The dependent variables for these probits equal 1 if a household was observed in the year of administrative data, and 0 otherwise. 'Attrition' includes end of participation (E.O.P.) and portability-out (P.O.) households, and observations with missing economic variables; and 'E.O.P. or P.O.' includes E.O.P. and P.O. households only. We estimate attrition probit regressions at each year, t = 2011,…, 2014, conditional on a set of characteristics including economic activity variables, demographics, the lag of variables, interaction terms between economic activity variables and demographics, and neighborhood characteristics, measured for all households at the baseline year. This relies on 'selection of observables' and implies that attrition can be treated as ignorable, conditional on the included regressors (Fitzgerald et al., 1998; Wooldridge, 2002).

Remarkably, we observed that, except for attrition rates in 2014, HACC had less E.O.P. or P.O. attrition over time than those in non-MTW PHAs. The results also provide consistent statistical evidence that long-term recipients and public housing residents, as well as households with a receipt of TANF, were less likely to leave the subsidy program. Furthermore, we found some statistical correlations in economic activity, demographics, and neighborhood characteristics, but there was less evidence of statistically significant income-related attrition effects over time.

To allow for attrition we adopt an inverse probability weight (IPW) estimator and apply it to the unbalanced pooled regression models. The attrition probits are estimated at each year of the panel, from 2011 to 2014, using the full sample of the subsidized households that are observed at the baseline year. The inverse of the fitted probabilities from these probit models, $1/\hat{p}_{it}$, were used to weight observations for the unbalanced pooled regressions.

Figure 2-4 show trends (each dot representing the mean of the variable in that year) in selected economic activity variables of interest with adjustment to group differences and attrition over time. We observed that head's employment status in HACC slightly declined from 2010 to 2011, and showed a steady upward tendency since 2011, and it particularly showed a significant increase in head's employment between 2013 and 2014. On the other hand, head's employment status in non-MTW PHA households tended to increase until 2012 and then stayed steady. We observed similar trends in employment ratio and annual earned income; however, the subsidized households with receipt of TANF in HACC showed a notable decrease since 2011, while it kept increasing for non-MTW PHA households.

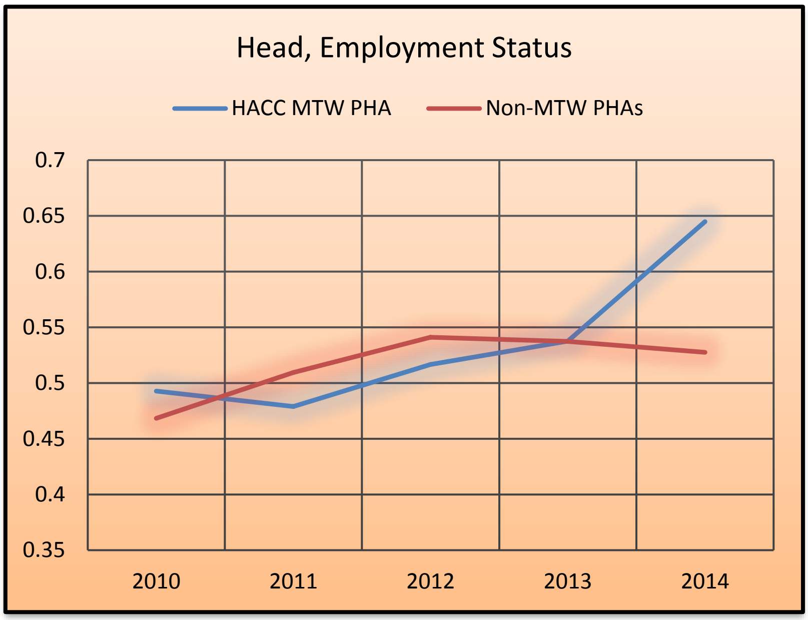
Table 5: Probit Models for Attrition/ Non-Attrition Observations
by Attrition Type and Year

	2011		2012		2013		2014	
	Attrition	E.O.P. or P.O. [b]	Attrition	E.O.P. or P.O. [b]	Attrition	E.O.P. or P.O. [b]	Attrition	E.O.P. or P.O. [b]
Treatment Indicator								
HACC	-0.9075***	-0.6171***	-0.2896***	-0.3112***	-0.5160***	-0.3460***	-0.1988***	0.1499
	(0.0847)	(0.1026)	(0.0730)	(0.1014)	(0.0715)	(0.1095)	(0.0695)	(0.1054)
Economic Activity Variable								
Head, Employment	-2.4985*	-1.1108	-1.4629	-1.6315	-1.6097	-1.5552	-1.0258	-1.0690
	(1.4445)	(1.7695)	(1.1722)	(1.5935)	(1.1295)	(1.7444)	(1.0784)	(1.8866)
Head, Earned income [a]	0.2646**	0.1592	0.1588	0.1033	0.1531	0.1656	0.1364	0.1753
	(0.1251)	(0.1511)	(0.1042)	(0.1416)	(0.0988)	(0.1477)	(0.0947)	(0.1440)
Hsld, Employment ratio	0.4409	0.6546	-0.1299	-0.5291	0.0643	0.9781*	-0.3551	-0.1915
	(0.4754)	(0.6597)	(0.4029)	(0.4966)	(0.3946)	(0.5810)	(0.3840)	(0.6995)
Hsld, Earned income [a]	0.0188	-0.0227	0.0085	0.0082	0.0038	-0.0202	0.0335	-0.0186
	(0.0427)	(0.0609)	(0.0370)	(0.0469)	(0.0360)	(0.0532)	(0.0354)	(0.0559)
Hsld, Adjusted income [a]	-0.0323*	-0.0371	0.0262*	0.0335*	0.0140	0.0269	-0.0017	-0.0394*
	(0.0185)	(0.0238)	(0.0149)	(0.0197)	(0.0150)	(0.0217)	(0.0139)	(0.0203)
Hsld, Receipt of TANF	0.1290	0.4134*	-0.1475	-1.1385***	-0.4912**	-0.3981	-0.5077***	-0.5348*
	(0.2028)	(0.2324)	(0.1903)	(0.3326)	(0.1926)	(0.3172)	(0.1817)	(0.2836)
Lag of Economic Activity Variable								
Head, Employment one year prior	-2.5500*	-2.1297	-0.5632	-1.1268	-1.3273	-0.7741	-0.7524	-0.3382
	(1.3365)	(1.5609)	(1.1337)	(1.6164)	(1.0856)	(1.8102)	(1.0503)	(1.9496)
Head, Earned income one year prior [a]	0.0726	0.0654	-0.1275	-0.0452	0.0111	0.0581	-0.0786	-0.0340
	(0.1108)	(0.1324)	(0.0983)	(0.1499)	(0.0942)	(0.1523)	(0.0900)	(0.1462)
Hsld, Employment ratio one year prior	0.1208	-0.4324	0.2702	1.7163***	0.5356	0.0134	-0.0255	-0.1846
	(0.4538)	(0.5184)	(0.4223)	(0.6617)	(0.4063)	(0.6133)	(0.3926)	(0.6589)
Hsld, Earned income one year prior [a]	0.0461	0.0929*	0.0524	-0.0956*	0.0195	-0.0209	0.0838**	0.0811
	(0.0421)	(0.0510)	(0.0354)	(0.0578)	(0.0373)	(0.0726)	(0.0336)	(0.0552)
Hsld, Adjusted income one year prior [a]	0.0078	0.0238	0.0203	0.0171	0.0105	0.0179	0.0165	0.0227
	(0.0192)	(0.0223)	(0.0150)	(0.0212)	(0.0146)	(0.0229)	(0.0138)	(0.0203)
Hsld, Receipt of TANF one year prior	0.2036	0.0260	0.0825	0.4522	0.1953	-0.1281	0.1847	0.3758
	(0.2193)	(0.2387)	(0.2071)	(0.2821)	(0.1896)	(0.3421)	(0.1852)	(0.3241)
Demographics								
Head, Age	-0.0160**	-0.0198**	-0.0017	-0.0058	-0.0077	0.0018	-0.0062	-0.0043
	(0.0076)	(0.0085)	(0.0062)	(0.0087)	(0.0065)	(0.0080)	(0.0063)	(0.0082)
Head, Female	0.0275	0.1624	-0.1139	-0.3738	-0.1878	-0.2569	-0.3202	-0.2583
	(0.2307)	(0.2566)	(0.2089)	(0.2669)	(0.2013)	(0.3447)	(0.1962)	(0.3236)

Head, Black	0.0177	-0.0346	-0.0585	0.1194	0.0442	0.0415	-0.0161	-0.0415
	(0.1624)	(0.1962)	(0.1226)	(0.1726)	(0.1209)	(0.1702)	(0.1136)	(0.1680)
Hsld, Number of eligible adult member	0.3763	0.4793*	-0.1391	-0.1522	-0.0713	-0.1764	0.0203	0.1878
	(0.2243)	(0.2712)	(0.1995)	(0.3011)	(0.1886)	(0.2889)	(0.1830)	(0.2930)
Hsld, Number of children	-0.1232*	-0.1790	-0.0839	0.1061	-0.0673	-0.1488	0.0217	0.2111
	(0.1079)	(0.1389)	(0.0899)	(0.1319)	(0.0878)	(0.1302)	(0.0846)	(0.1536)
Hsld, Young child	0.1424	0.2389	0.1067	-0.1935	0.1899	0.2287	0.1035	-0.0282
	(0.2120)	(0.2727)	(0.1771)	(0.2193)	(0.1766)	(0.2384)	(0.1680)	(0.2691)
Hsld, Disabled child	-0.2129	0.2806	-0.3479	-0.2634	-0.1417	0.3093	-0.0452	0.8340
	(0.3836)	(0.3430)	(0.4256)	(0.3833)	(0.4094)	(0.5319)	(0.4589)	(0.7206)
Hsld, Moved	-0.0591	-0.2060	-0.2385**	-0.1665	-0.0004	0.2215	-0.0325	-0.3538**
	(0.1411)	(0.1562)	(0.1120)	(0.1586)	(0.1103)	(0.1464)	(0.1051)	(0.1760)
Hsld, Public housing resident	0.0398	-0.1171	0.1831	0.4654	0.7458	1.6602**	0.3245	-0.0350
	(0.5057)	(0.6176)	(0.3743)	(0.2939)	(0.5167)	(0.6767)	(0.3785)	(0.6202)
Hsld, Years in program	0.0014	-0.0087	-0.0247***	-0.0225**	-0.0279***	-0.0483***	-0.0265***	-0.0277**
	(0.0105)	(0.0163)	(0.0094)	(0.0113)	(0.0089)	(0.0142)	(0.0086)	(0.0125)
Lag of Demographics								
Hsld, Number of eligible adult member	-0.3919**	-0.6268**	-0.3406**	0.0852	-0.1075	-0.0049	-0.3132	-0.1523
	(0.1995)	(0.2716)	(0.1640)	(0.2039)	(0.1530)	(0.2575)	(0.1488)	(0.3268)
Hsld, Number of children	0.1313	0.0995	0.1063	-0.1321	0.0495	0.1749	0.0463	-0.0953
	(0.1101)	(0.1536)	(0.0915)	(0.1344)	(0.0886)	(0.1337)	(0.0845)	(0.1524)
Hsld, Young child	-0.3872*	-0.6494**	-0.2908*	0.0441	-0.3727**	-0.2465	-0.5264***	-0.1655
	(0.2204)	(0.2853)	(0.1754)	(0.2222)	(0.1781)	(0.2551)	(0.1670)	(0.2666)
Hsld, Disabled child	0.3608	0.3263	0.5409	0.2965	0.1252	-1.0017	0.3488	-0.8875
	(0.3913)	(0.3371)	(0.4671)	(0.4048)	(0.4224)	(0.7187)	(0.4376)	(0.8412)
Hsld, Public housing resident	0.3158	0.7593	0.2481	-0.7577***	-0.8414	-1.4661**	-0.3347	-0.0631
	(0.4997)	(0.6117)	(0.3699)	(0.2891)	(0.5162)	(0.6831)	(0.3733)	(0.6074)
Neighborhood Characteristics								
Pct. Black	0.0402	0.2010	-0.0442	0.2336	0.3832*	0.4558	0.1190	0.0159
	(0.2678)	(0.3126)	(0.2275)	(0.2987)	(0.2186)	(0.3571)	(0.2084)	(0.3017)
Pct. Poverty	0.4131	-0.3131	-0.5629*	0.2450	-0.5124*	-1.0776**	-0.4030	-0.1229
	(0.3684)	(0.4092)	(0.3164)	(0.4182)	(0.3107)	(0.4872)	(0.3002)	(0.4532)
Test Statistics								
Obs.	1,939	1,762	1,939	1,470	1,939	1,348	1,939	1,159
Pseudo R-squared	0.1409	0.1426	0.0573	0.0774	0.0604	0.0878	0.0424	0.0603
Log-likelihood	-759.4188	-475.9414	-1036.7018	-498.0355	-1115.7185	-395.8028	-1186.8397	-418.9600

Notes: *a* denotes variable measured in natural logarithms. All income variables are expressed in 2014 dollars. The estimates obtained with the logistic regression of all dependent variables (economic activity variables) and other covariates on treatment dummy (1 for MTW; 0 for other). *b* denotes end-of-participation (E.O.P.) and portability-out (P.O.) households. The sample of E.O.P. and P.O. regression excludes observations with missing information (see Table 2). Attrition probit regressions consist of the estimates, obtained with a probit model of attrition dummy (1 for attrition; 0 for other) on treatment dummy (1 for MTW; 0 for other), dependent variables (economic activity variables), and other covariates (demographics and neighborhood quality variables) in the baseline year, as well as lag of such variables. Robust standard errors are reported in parenthesis. * denotes significance at 10 percent, ** at 5 percent, and *** at 1 percent level. Due to the lack of space, interactions between employment status (2010 and the prior year) and demographic characteristics are not reported in the table. The full results are available upon request.

Figure 2: Trend in Employment Status, 2010-2014



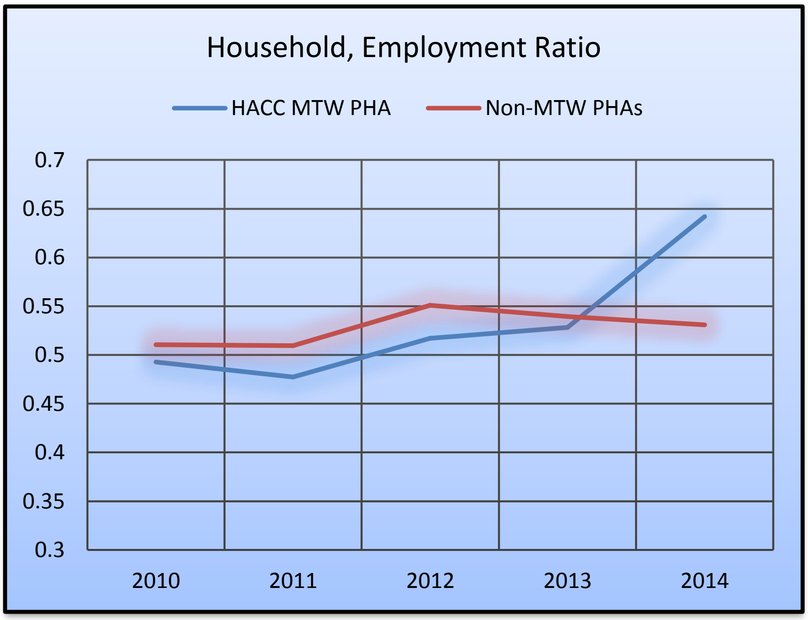
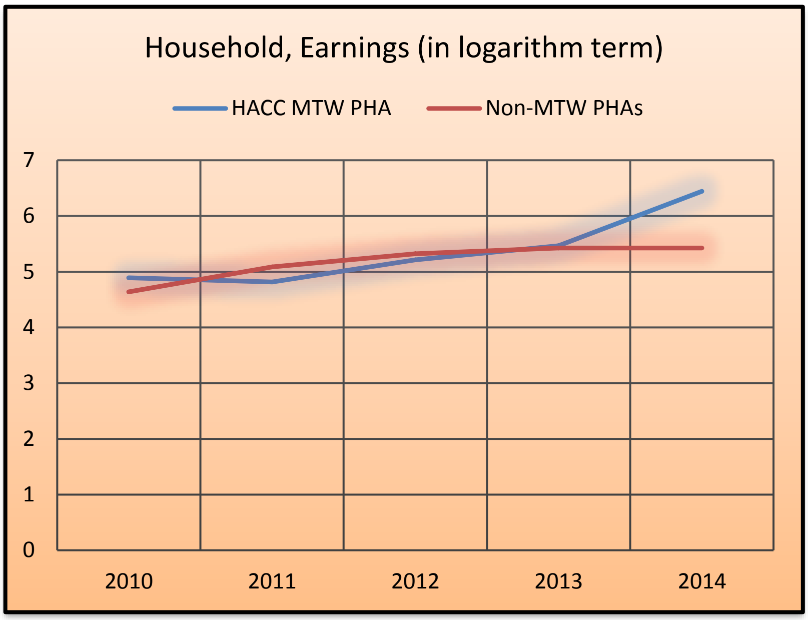


Figure 3: Trend in Annual Earned Income, 2010-2014



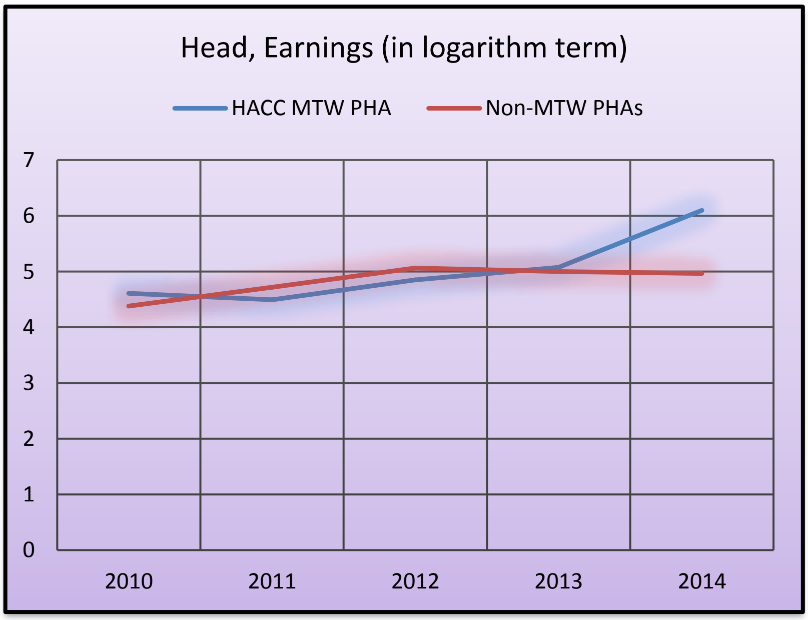
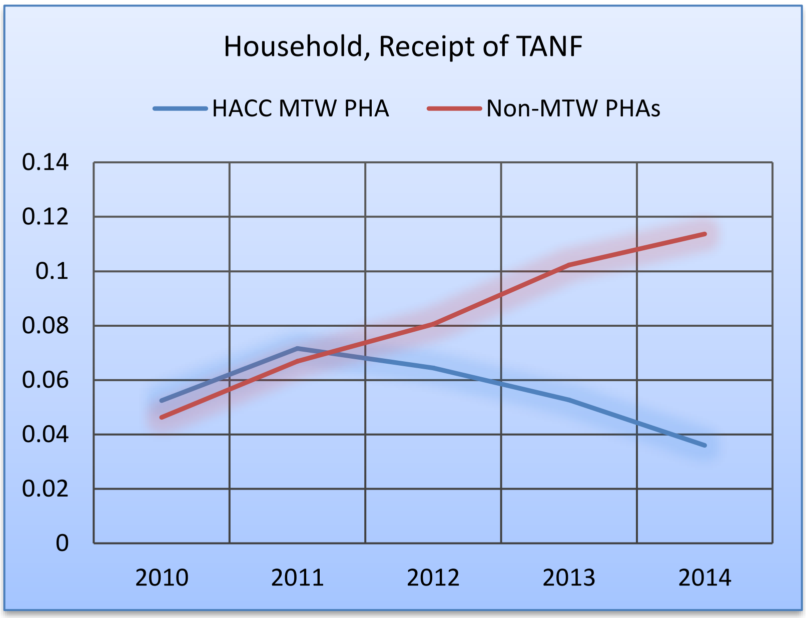


Figure 4: Trend in Receipt of TANF, (proportion of households receiving TANF) 2010-2014



Empirical Strategy

We employ panel econometric models to understand the dynamics of the outcomes of interest and its benefits controlling for unobservable individual effects. In this report, we present regression results obtained from unbalanced pooled regression as the basic comparison model; and dynamic random effects probit/linear models allowing unobserved effects to be correlated with means of time-varying regressors (Mundlak, 1978; Chamberlain, 1984; Wooldridge, 2002). Also, we take account of initial condition problems by modelling distribution of the unobserved effect conditional on the initial value and other exogenous covariates (Wooldridge, 2002).

Results

Table 6 presents estimates for the effect of HACC MTW Self-Sufficiency programs on case head's employment status. Since the programs incorporate activities and policies (*i.e.* work requirements, time-limits, sanctions, and mandatory FSS, as well as other activities with direct/indirect effects on participants' economic activities), initiated under the self-sufficiency statutory goals, our estimates provide the average program effects estimated by unbalanced pooled probit regressions (Column 1 and Column 3) and dynamic nonlinear random effect probit model with Wooldridge specification of correlated effects and initial conditions (Column 2 and Column 4).

We find no statistical effect of the initial announcement for HACC's MTW Self-Sufficiency plans on head's employment status at the first and second year of the MTW demonstration; however, the results show statistical evidence of the significant increase in head's employment at the second year of the actual implementation of the MTW Self-Sufficiency programs across different empirical specifications. Our findings also suggest that the estimated coefficients on the lagged head's employment status and their initial employment conditions prior to the MTW demonstration are relatively large and highly statistically significant indicating that recipients' current employment status are strongly associated with their previous employment experience. Furthermore, we find that head of households in public housing are less likely to be employed compared to housing voucher holders. Table 7 reports the average partial effects estimating head's likelihood of being employed based on regression estimates in Column 4 of Table 6. We only report the average partial effects for those variables that are statistically significant (or approach significance) at conventional levels.

The results show that the MTW Self-Sufficiency programs lead to a significant increase in head's probability of working in the labor force participation by 7.3 percentage-points, and prior year's employment experience increases the current year's employment by 18.9 percentage-points; however, public housing residents tended to have a lower level of employment status (17.8 percentage-points). The results also indicate that number of eligible members increases head's probability of working (1.4 percentage-points), but number of children (1.3 percentage-points a child) and having a disabled child (8.0 percentage-points) decrease head's probability of working in the labor force. Table 7 also presents disaggregate program effects by income quantiles, and it shows that recipients, placed in the first and second quantiles of the adjusted annual total income, were more responsive to the MTW Self-Sufficiency programs.

Table 6: Results for Dynamic Random Effects Probit Model - Head, Employment Status

	(1)	(2)	(3)	(4)
	Pooled Model, Unbalanced Sample	Pooled Model, Random Effects, Unbalanced Sample	Pooled Model, Unbalanced Sample, Adjustment Weight	Pooled Model, Random Effects, Unbalanced Sample, Adjustment Weight
HACC	-0.0401	-0.0406	0.0048	0.0279
	(0.0541)	(0.0624)	(0.0626)	(0.0872)
HACC x MTW One year post	-0.0908	-0.1059	-0.1482	-0.2126
	(0.0934)	(0.1141)	(0.0962)	(0.1422)
HACC x MTW Two years post	-0.1128	-0.1563	-0.1289	-0.2416
	(0.1102)	(0.1340)	(0.1111)	(0.1642)
HACC x MTW Three years post	-0.0308	-0.0704	-0.0844	-0.2228
	(0.1193)	(0.1461)	(0.1191)	(0.1780)
HACC x MTW Four years post	0.4273***	0.4876***	0.3649***	0.4249**
	(0.1286)	(0.1559)	(0.1286)	(0.1895)
Head, Employment (*t* – 1)	0.9222***	1.0203***	0.8888***	1.1031***
	(0.0875)	(0.1069)	(0.0907)	(0.1312)
Head, Employment (*t* = 2009)	0.0868	0.0952	0.2197***	0.3152***
	(0.0702)	(0.0866)	(0.0689)	(0.1032)
Head, Employment (*t* = 2010)	1.6342***	2.0878***	1.3935***	2.3373***
	(0.0546)	(0.0802)	(0.0592)	(0.1094)
Head, Age	0.0307	0.0344	0.0534	0.0911
	(0.0419)	(0.0523)	(0.0559)	(0.0790)
Head, Female	0.2095**	0.2168*	0.1835*	0.2096
	(0.0953)	(0.1140)	(0.1037)	(0.1552)
Head, Black	0.0026	-0.0124	0.0079	-0.0460
	(0.0523)	(0.0619)	(0.0556)	(0.0810)
Hsld, Number of eligible adult member	0.0489	0.0693	0.0465	0.0830
	(0.0642)	(0.0762)	(0.0653)	(0.0894)
Hsld, Number of children	-0.0604	-0.0700	-0.0746	-0.0790
	(0.0524)	(0.0600)	(0.0553)	(0.0697)
Hsld, Young child	0.0062	-0.0023	-0.0254	-0.0457
	(0.0805)	(0.0959)	(0.0864)	(0.1155)
Hsld, Disabled child	-0.3818*	-0.4826*	-0.2957	-0.4634
	(0.2216)	(0.2626)	(0.1916)	(0.2957)

Hsld, Move	-0.1206	-0.1211	-0.1843	-0.2339
	(0.1007)	(0.1253)	(0.1129)	(0.1694)
Hsld, Public housing resident	-0.7063***	-0.8121**	-0.8526***	-1.0393**
	(0.2576)	(0.3196)	(0.2877)	(0.4349)
Hsld, Years in program	0.0126	0.0026	0.0168	-0.0267
	(0.0352)	(0.0432)	(0.0430)	(0.0634)
Pct. Black	-0.4416	-0.0124	-0.4478	-0.4630
	(0.3164)	(0.0619)	(0.3286)	(0.4292)
Pct. Poverty	0.8405*	0.9377*	0.8008	1.1454*
	(0.4830)	(0.5604)	(0.4981)	(0.6528)
Head, Age ^{m}	-0.0465	-0.0537	-0.0712	-0.1180
	(0.0419)	(0.0522)	(0.0559)	(0.0789)
Hsld, Number of eligible adult member ^{m}	0.1077	0.1287	0.1288	0.1961*
	(0.0792)	(0.0934)	(0.0863)	(0.1179)
Hsld, Number of children ^{m}	0.0816	0.0930	0.1069*	0.1199
	(0.0559)	(0.0641)	(0.0589)	(0.0755)
Hsld, Young child ^{m}	-0.1198	-0.1504	-0.1085	-0.1866
	(0.1024)	(0.1211)	(0.1114)	(0.1528)
Hsld, Disabled child ^{m}	0.2935	0.3816	0.1636	0.2602
	(0.2521)	(0.2937)	(0.2517)	(0.3626)
Hsld, Move ^{m}	0.3323**	0.3079*	0.3847**	0.3698
	(0.1555)	(0.1783)	(0.1813)	(0.2369)
Hsld, Public housing resident ^{m}	0.5998**	0.6702**	0.7232***	0.8123*
	(0.2678)	(0.3316)	(0.3000)	(0.4523)
Hsld, Years in program ^{m}	-0.0067	0.0034	-0.0100	0.0356
	(0.0351)	(0.0432)	(0.0432)	(0.0634)
Pct. Black ^{m}	0.2757	0.2793	0.2965*	0.2709
	(0.3540)	(0.4123)	(0.3725)	(0.4967)
Pct. Poverty ^{m}	-1.0789**	-1.2033*	-0.9979	-1.3613*
	(0.5301)	(0.6162)	(0.5577)	(0.7382)
Cons	-1.1362***	-1.3079***	-1.0514***	-1.4541***
	(0.1873)	(0.2239)	(0.2120)	(0.3025)
Test Statistics				
Sigma_η		0.6939		1.1590
τ		0.3250		0.5732
Log-likelihood	-2936.8016	-2828.1188	-4182.3036	-3618.4054
Obs.	6,456	6,456	6,456	6,456

Notes: *m* denotes the mean of time-varying variables for all observed time-periods. Robust standard errors clustered at household-level are reported in parenthesis. * denotes significance at 10 percent, ** at 5 percent, and *** at 1 percent level.

Table 7: Average Partial Effects: Estimated Probability of Head of Household Being Employed

	APE: 2010-2014	1st Adjusted Income Quantile	2nd Adjusted Income Quantile	3rd Adjusted Income Quantile	4th Adjusted Income Quantile
HACC x MTW Four years post	0.0729	0.0744	0.0736	0.0713	0.0718
Head, Employment (t – 1)	0.1892	0.1931	0.1910	0.1851	0.1864
Hsld, Number of eligible adult member	0.0142	0.0145	0.0144	0.0139	0.0140
Hsld, Number of children	-0.0136	-0.0138	-0.0137	-0.0133	-0.0134
Hsld, Disabled child	-0.0795	-0.0811	-0.0802	-0.0778	-0.0783
Hsld, Public housing resident	-0.1783	-0.1819	-0.1800	-0.1744	-0.1756

Table 8 reports estimates for the effect of the MTW Self-Sufficiency programs on household's receipt of TANF, and Table 9 presents the average partial effects based on regression estimates in Column 4 of Table 8. The results show statistical evidence of a decrease in household's receipt of TANF by 4.1 and 4.6 percentage-points (see Table 9) at the first and second year of the actual program implementation, respectively, across different empirical specifications. Also, prior year's receipt of TANF increases the current year's receipt of TANF by 3.5 percentage-points; and having a more child increases the likelihood of receiving TANF by 1.8 percentage-points. We also find that recipients, placed in the first and second quantiles of the adjusted annual total income, were more responsive to the MTW Self-Sufficiency programs.

Additionally, we find no statistical effects of the initial announcement for the MTW Self-Sufficiency plans on employment ratio of the eligible family members, head earnings, and households' earnings. However, we find that the program increases head's annual earnings by 0.8 points in logarithm term (or 5.0 percent) at the second year of program implementation. Also, the program increases 5.8 percentage-points in employment ratio of the eligible family members, and households' annual earnings by 0.5 points in logarithm term (or 3.3 percent) at the second year of program implementation. We find a large and statistical highly significant 'state dependence' effects on economic activity variables of interest, indicating that recipients' current economic activities were strongly associated with their corresponding previous economic activity experience, and residents in public housing tended to have a lower level of annual earned income compared to housing voucher holders.

Table 8: Results for Dynamic Random Effects Probit Model - Household, Receipt of TANF

	(1)	(2)	(3)	(4)
	Pooled Model, Unbalanced Sample	Pooled Model, Random Effects, Unbalanced Sample	Pooled Model, Unbalanced Sample, Adjustment Weight	Pooled Model, Random Effects, Unbalanced Sample, Adjustment Weight
HACC	0.1243	0.1565	0.0728	0.1802
	(0.0977)	(0.1070)	(0.1177)	(0.1583)
HACC x One year post	-0.0399	-0.0442	0.0125	0.0875
	(0.1661)	(0.1829)	(0.1749)	(0.2414)
HACC x Two years post	-0.1769	-0.2001	-0.0919	-0.1370
	(0.1911)	(0.2201)	(0.1971)	(0.2961)
HACC x Three years post	-0.5151***	-0.6334***	-0.4335**	-0.7777**
	(0.1907)	(0.2262)	(0.1968)	(0.3150)
HACC x Four years post	-0.6042***	-0.7596***	-0.4784**	-0.8916***
	(0.2026)	(0.2469)	(0.2061)	(0.1895)
Hsld, Receipt of TANF ($t-1$)	1.3092***	1.0338***	1.5002***	0.6668***
	(0.1014)	(0.1163)	(0.1017)	(0.1209)
Hsld, Receipt of TANF ($t = 2009$)	-0.1793	-0.0565	0.0213	0.3772
	(0.1424)	(0.1743)	(0.1543)	(0.2474)
Hsld, Receipt of TANF ($t = 2010$)	1.3672***	1.8572***	0.9303	2.7522***
	(0.0943)	(0.1720)	(0.1137)	(0.2709)
Head, Age	-0.0453	-0.0524	-0.0964	-0.1138
	(0.0398)	(0.0454)	(0.0629)	(0.0860)
Head, Female	-0.0153	-0.0129	-0.0752	-0.0060
	(0.1271)	(0.1547)	(0.1459)	(0.2652)
Head, Black	0.1101	0.1390	0.1019	0.2182
	(0.0750)	(0.0888)	(0.0793)	(0.1407)
Hsld, Number of eligible adult member	0.1559	0.1893	0.1931*	0.3180*
	(0.1100)	(0.1273)	(0.1148)	(0.1753)
Hsld, Number of children	0.1852**	0.2317**	0.1802**	0.3361**
	(0.0815)	(0.0935)	(0.0895)	(0.1318)
Hsld, Young child	-0.1919	-0.2316	-0.1525	-0.2622
	(0.1416)	(0.1630)	(0.1494)	(0.2239)
Hsld, Disabled child	0.1295	0.0701	0.1855	-0.0894
	(0.5531)	(0.6293)	(0.5365)	(0.7071)
Hsld, Move	0.3910**	0.4269	0.4180**	0.4870*

	(0.1595)	(0.1800)	(0.1901)	(0.2593)
Hsld, Public housing resident	-0.0918	-0.1047	0.0152	-0.0915
	(0.3464)	(0.3910)	(0.4157)	(0.5528)
Hsld, Years in program	-0.0578	-0.0743	-0.0548	-0.0748
	(0.0469)	(0.0559)	(0.5960)	(0.0978)
Pct. Black	0.5019	0.6451	0.5312	1.0531
	(0.4595)	(0.5220)	(0.4645)	(0.6545)
Pct. Poverty	0.1164	0.1331	0.2084	0.1582
	(0.6673)	(0.7894)	(0.7430)	(1.1630)
Head, Age ^{m}	0.0460	0.0526	0.0959	0.1133
	(0.0399)	(0.0456)	(0.0631)	(0.0865)
Hsld, Number of eligible adult member ^{m}	-0.3059***	-0.3561**	-0.3704***	-0.5800***
	(0.1189)	(0.1393)	(0.1302)	(0.2187)
Hsld, Number of children ^{m}	-0.1553*	-0.1950**	-0.1539*	-0.2806**
	(0.0846)	(0.0979)	(0.0920)	(0.1391)
Hsld, Young child ^{m}	0.5716***	0.6935***	0.5535***	1.0173***
	(0.1714)	(0.1987)	(0.1861)	(0.2919)
Hsld, Disabled child ^{m}	-0.7145	-0.7422	-0.7112	-0.9238
	(0.5686)	(0.6414)	(0.5876)	(0.8060)
Hsld, Move ^{m}	-0.2920	-0.2947	-0.2486	-0.1725
	(0.2289)	(0.2595)	(0.2636)	(0.3838)
Hsld, Public housing resident ^{m}	0.2939	0.3476	0.2073	0.5254*
	(0.3623)	(0.4112)	(0.4327)	(0.5880)
Hsld, Years in program ^{m}	0.0301	0.0409	0.0275	0.0222
	(0.0467)	(0.0555)	(0.0598)	(0.0981)
Pct. Black ^{m}	-0.5754	-0.7701	-0.6380	-1.3172
	(0.4912)	(0.5624)	(0.5055)	(0.7431)
Pct. Poverty ^{m}	0.1100	0.1889	0.0923	0.4411
	(0.7093)	(0.8362)	(0.7874)	(1.2321)
Cons	-2.2586***	-2.6470***	-2.1670***	-3.8587***
	(0.2519)	(0.3068)	(0.2889)	(0.5106)
Test Statistics				
Sigma_η		0.5921		1.4170
τ		0.2595		0.6675
Log-likelihood	-1008.1818	-997.9856	-1418.3513	-1255.0874
Obs.	6,456	6,456	6,456	6,456

Notes: *m* denotes the mean of time-varying variables for all observed time-periods. Robust standard errors clustered at household-level are reported in parenthesis. * denotes significance at 10 percent, ** at 5 percent, and *** at 1 percent level.

Table 9: Average Partial Effects: Estimated Probability of Household with a Receipt of TANF

	APE: 2010-2014	1st Adjusted Income Quantile	2nd Adjusted Income Quantile	3rd Adjusted Income Quantile	4th Adjusted Income Quantile
HACC x Three years post	-0.0405	-0.0395	-0.0487	-0.0417	-0.0344
HACC x Four years post	-0.0464	-0.0453	-0.0559	-0.0478	-0.0395
Hsld, Receipt of TANF (t – 1)	0.0347	0.0339	0.0418	0.0358	0.0295
Hsld, Number of eligible adult member	0.0166	0.0162	0.0199	0.0171	0.0141
Hsld, Number of children	0.0175	0.0171	0.0211	0.0180	0.0149

Mandatory Local Self-Sufficiency Program * Case Management

A challenge we've encountered over the past couple of years is receiving participant data of the Mandatory Local Self-Sufficiency (LSS) program, which we refer to as 'Treatment Data'. This is information collected by HACC and that we would use to track over time with LSS participants to assess their compliance to the mandatory work or education requirements of this Moving to Work agency. The HACC is still in the process of migrating from their Tracking-At-A-Glance and WinTen software to their new WinTen2+ software. Once we have received this data we will be able to evaluate the effectiveness of the treatment to program participants.

Nonetheless, in an effort to evaluate not only the progress of housing participants over time, but also to describe the nature of the LSS Program and the case management provided in the LSS Program, in June we interviewed the HACC LSS case managers. These interviews were individual, private and confidential, were audio-recorded and lasted about 1.5 hours each. Each case manager provided written consent for participating in the interview. We have summarized here some of our findings from the interviews.

The HACC LSS case managers are highly specialized in providing quality case management to subsidized housing participants. Their educational degrees at the bachelor and master level affords them formal knowledge and concrete skills in education that they apply successfully to the public housing environment. To that, they bring years of experience employed in mental health, non-for-profit and educational arenas that they find useful in helping low-income people in this community reach self-sufficiency. One case manager is bilingual and able to communicate effectively with the housing authority's Hispanic and Latino participants on a professional, as well as, personal level. Both case managers bring an understanding of the culture and mindset of the housing participants and use active, life skills coaching techniques to support and encourage participants on their unique path to self-sufficiency. And, while both LSS case managers are new to their positions, with an average 11 months' tenure, still, they have come onboard at a time that the mandatory requirements have taken effect, allowing them opportunity to grow with the program and their respective clients.

Both LSS case managers described similar job responsibilities as providing case management to the head of household and family members on their respective caseloads. They collaborate with their housing participants on creating an individualized Training and Services Plan with major goals in the area of employment, education or health, conduct Program Assessments, and refer participants to community resources for employment, job training, mental health, education, child care, physical health and disability, criminal background, rehabilitation, alcohol and drug treatment, and food and clothing banks.

The HACC LSS case managers have responsibility over large caseloads of over 300 head of households each. Caseloads are assigned according to the alphabet, providing some continuity of service. The case managers are responsible for tracking progress toward LSS requirements and goals not only for each head of household, but also, any dependent listed as sharing their housing assistance. In their *Evaluation of the Family Self-Sufficiency Program: Prospective Study* (2011), prepared for the U.S. Department of Housing and Urban Development, researchers (Silva, Wijewardena, Wood, and Kaul, 2011) reported the average caseload for a Family Self-Sufficiency (FSS) case manager in their study was 89 (p. 8), with some case managers reporting caseloads over 100, and case managers from large housing authorities reporting caseloads of 140 to 150. From this perspective, HACC LSS case managers are over-burdened.

Not only are the LSS case managers each tracking 300 or so head of households, but, also their dependents. For dependents between the ages of 5-18, this tracking requires documentation of enrollment and attendance in school; for dependents 18 or older, this tracking includes meeting employment or educational goals. While all households are at different phases of program implementation, nonetheless, most LSS households report having dependents, and, dependents continually reaching their 18th birthday. And while LSS case managers do lose households due to program termination, they also continue to gain households through families that move in, port in or are referred from the HACC's Housing Choice Voucher program.

Case management, then, becomes an arduous task with regular communication and meetings with LSS participants to set and track goals, receive documentation of compliance toward goals, maintain program documentation with current client signatures, conduct program assessments, attend proposed termination meetings, provide time for unscheduled, walk-in or telephone client questions, attend HACC meetings with supervisors, colleagues and occasionally UIUC researchers, write reports, attend and present at HACC Board meetings, attend community workshops, network with community resources, and enter client information into three different computer tracking systems.

Both LSS case managers spend most of their time with housing participants who are unemployed, underemployed or unemployable, counseling them to identify barriers to self-sufficiency and setting specific goals. Some of the major barriers LSS case managers identified are undiagnosed mental illness, learning disabilities, developmental disabilities, lack of education, lack of employment history, felony background, addiction, pregnancy and parents of children with mental illness. Goals include accessing the community resources referred by the case managers, and meeting regularly with their LSS case manager to assess goal progress. Age of LSS participants may also be a factor in achieving self-sufficiency, as case managers report older female participants are less likely to pursue and complete a GED or further their education to the skill level required for adequate employment. Nonetheless, the perception of the local economy from the point of view of the LSS case managers is positive, with plenty of opportunities and hiring signs everywhere. Case managers provide housing participants with monthly lists of employment opportunities and encourage people to take positions even if they are seasonal, as these may develop into full-time opportunities.

Since the HACC's mandatory LSS program requirements are implemented in phases, an area of growing concern is the situation where, by the fourth recertification, "one adult member must be employed 20 hours per week; **and,** all other adult members must be employed 20 hours per week **or** enrolled on a full time basis as defined by the institution in a training or educational program that offers a certificate of degree." Both case managers articulated situations where adult children are not in compliance with LSS requirements, refusing to seek employment or education, placing the compliant head of household in jeopardy of losing housing assistance. These can be tenuous situations and LSS case managers described using diligent and compassionate techniques to help families avoid termination. Nonetheless, it is the head of household's decision whether to keep a non-compliant dependent in the household and lose assistance, or, remove the dependent from the voucher to maintain compliance. In a community that has sustained increased gun violence over the last year, this can be a difficult decision for a head of household in fear of losing their adult child to the streets.

As well, case managers also report a small percent of housing participants either reluctant to "buy into" the mandatory LSS requirements, or simply ill-equipped, influenced by previous generational attitudes. One case manager talked about a young woman, now working and earning more through employment than TANF, who was raised 'in the system' with a family that never talked about going to work. Another participant moved away from parents who had a voucher, to get a voucher of her own. Case management strategies in these situations include continued education, reassurance and celebration of progress to help housing participants realize intrinsic rewards to becoming self-sufficient.

Important to understand are the characteristics of successful and not-so-successful LSS participants. Both LSS case managers mention qualities like being motivated, organized, employed, or with an employment history, or parents who don't want their children to be homeless as attributes of those who are successful in the program. At the concrete level these participants exhibit leadership, comply with requirements and provide documentation, attend appointments and communicate regularly with their LSS case manager. For some of these highly motivated participants, a major goal is to graduate from housing assistance. Conversely, LSS case managers describe those who struggle with the program as people who lack motivation, are disorganized and choose lifestyles that hinder success. For example, these participants lose paperwork, do not attend appointments and suffer from drug and alcohol addiction. In addition, pregnancy can be a factor impeding success when pregnant housing participants exhibit an attitude of entitlement, or, continue to be pregnant as an alternative to finding and maintaining employment.

Certainly, some of the success of HACC housing participants in reaching self-sufficiency may be attributed to some program aspects, such as the influence of the services provided by the two LSS case managers in their positive relationships with housing participants.

Our interviews with the HACC LSS case managers were insightful in helping us understand more fully the nature of the LSS program and the case management provided. We would, however, like to note that some services that HACC LSS housing participants may benefit from concern financial literacy and escrow accounts, topics missing from the conversations with LSS case managers. As housing participants progress through the sixth recertification, and eight year term limit, perhaps an on-site workshop geared toward gaining basic financial knowledge, for example, learning how to manage money, reduce debt, and establish credit may be useful. This could be attained if the HACC added an LSS staff member to manage data entry and secretarial tasks, allowing LSS case managers an opportunity to facilitate the workshop. This is not an unusual service which many housing authorities with FSS programs provide. As well, housing participants may benefit from understanding about homeownership and the steps to attain homeownership. For those housing participants who are consistently employed, and especially full-time, an escrow account to save toward a home down payment would be beneficial, a reward, and might increase motivation to work and save.

Comparison Housing Authority

In July, we visited the evaluation's non-MTW comparison housing authority and provided them a report of their housing authority's contribution to the evaluation, including a descriptive analysis of their housing authority's program participants. In this report we described the status of our data collection and data analyses, and pointed out some of the key findings. By participating as a comparison group, the housing authority benefitted by learning from its program participants what support services are successful in helping individuals and families, particular to this central Illinois county, reach their goals of self-sufficiency.

And, the housing authority benefitted from information that directly impacts its economic development, providing evidence in supporting resources and services for low-income families. Finally, in our meeting we thanked this housing authority for their important contribution to this evaluation.

Conclusion

Our quantitative analysis supports with definitive statistical evidence the claim that the HACC Moving to Work implementation leads to higher incomes, a greater likelihood of household head employment, as well as a greater likelihood of employment for other eligible adult family members, and lower levels of TANF receipt. While some households have been able to adhere to the MTW program requirements, other households have faced real challenges in following the program expectations. Our quantitative results suggests there may be significant differences between the types of households who have succeeded in the HACC program so far versus the households that have found it more difficult to increase incomes and hold steady work. Going forward finding ways to assist the more difficult to move to work households is likely to be an important concern for the HACC and other housing agencies. Focusing more attention on these households and their characteristics as well as determining cost-effective policies and programs is likely to be an important research and knowledge question in the future. We recommend next year's Moving to Work evaluation activities specifically examine those households who do not perform well in the program in order to understand the challenges they face.

A second issue our results raise, is the precise mechanism behind the program impacts we observe in our quantitative analysis. Since the HACC implementation of the MTW consists of several different policies that could affect the behavior of program participants, it is not entirely clear the magnitude of the impacts the various HACC MTW program policies actually generate. For example, the requirement of time limits and tiered flat rent policy might have incentives that contribute to the impacts we have observed. But knowing the exact amounts of contributed by each program requirement is not possible. Having a more detailed understanding of the specific impacts of these policies could help in fine tuning MTW program policies to achieve greater impacts. We recommend a review of the evidence of what works to help more program participants succeed and the HACC consider adopting one or more of these successful program policies.

To sum up, the University of Illinois ongoing evaluation of the HACC MTW program reveals a number of key findings from our mixed methods assessment using qualitative and quantitative data. The self-sufficiency program has generated statistically significant positive impacts in terms of earnings, employment status of the household head and eligible family members, and receipt of TANF receipt (shown as a decline in TANF receipt). These effects have been measured with one solid year of program implementation for the HACC MTW self-sufficiency program with the work requirement, time limits, sanctions, and mandatory family self-sufficiency program. It seems likely that in the future, the issue of how to best assist the MTW program participants who are in the FSS program but are not progressing as well towards their goals, especially as the work requirements become more binding. Our qualitative data analysis illustrates the emerging themes of variations in resilience and self-sufficiency trajectories that we see among two successful HACC MTW program participants. While these are only two case studies based upon our research with participants that have been interviewed via key informant in-depth interviews three times over the past five years, they reveal important aspects of the program's impact to date.

These case studies show the importance of stable housing, stable family structure, increased education, increased employment and income resulting from the education, parenting as a protective factor and maternal self-esteem, increased financial knowledge, few barriers to childcare and transportation, social support and social leverage, motivation, discipline, focus on life goals, and a resilient and self-efficacious outlook.

Literature

Abravanel, M. D., Smith, R. E., Turner, M. A., Cove, E. C., Harris, L. E., & Manjarrez, C. (2004). *Housing Agency Responses to Federal Deregulation: An Assessment of HUD's Moving to Work" Demonstration*. Washington, DC: Urban Institute. Retrieved from http://www.urban.org/sites/default/files/alfresco/publication-pdfs/311009-Testing-Public-Housing-Deregulation.PDF

Babcock, E. (2014). Using brain science to design new pathways out of poverty. *Crittenton Women's Union*, 1-32.

Bassuk, E.L., Buckner, J.C., Perloff, J.N., & Bassuk, S.S. (1998). Prevalence of mental health and substance use disorders among homeless and low-income housed mothers. *American Journal of Psychiatry* 155(11), 1561-1564.

Blazer, D.G., Kessler, R.C., McGonagle, K.A., & Swartz, M.S. (1994). The prevalence and distribution of major depression in a national community sample: The National Comorbidity Survey. *American Journal of Psychiatry*, 151(7), 979-986.

Blumberg, S. J., Bialostosky, K., Hamilton, W. L., & Briefel, R. R. (1999). The effectiveness of a short form of the Household Food Security Scale. *American Journal of Public Health*, 89(8), 1231-1234.

Carlson, D., Haveman, R., Kaplan, T., & Wolfe, B. (2012). Long-term earnings and employment effects of housing voucher receipt. *Journal of Urban Economics*, *71*(1), 128-150.

Fitzgerald, J., Gottschalk, P., & Moffitt, R. (1998). An Analysis of Sample Attrition in Panel Data: The Michigan Panel Study of Income Dynamics. *Journal of Human Resources*, *33*(2), 251-299.

Jacob, B. A., & Ludwig, J. (2012). The effects of housing assistance on labor supply: Evidence from a voucher lottery. *The American Economic Review*, *102*(1), 272-304.

Lubben, J., Blozik, E., Gillmann, G., Iliffe, S., von Renteln Kruse, W., Beck, J. C., & Stuck, A. E. (2006). Performance of an abbreviated version of the Lubben Social Network Scale among three European community-dwelling older adult populations. *The Gerontologist*, 46(4), 503-513.

Olsen, E. O., Tyler, C. A., King, J. W., & Carillo, P. E. (2005). The effects of housing assistance on income, earnings, and employment. *Cityscape*, 8(2), 163–188.

Radloff, L.S. (1977). The CES-D scale: A self-report depression scale for research in the general population. *Applied Psychological Measurement* 1, 385-401.

Shroder, M. (2002). Does housing assistance perversely affect self-sufficiency? A review essay. *Journal of housing Economics*, *11*(4), 381-417.

Silva, L. D., Wijewardena, I., Wood, M., & Kaul, B. (2011). Evaluation of the Family Self-Sufficiency Program: Prospective Study. *US Department of Housing and Urban Development,Office of Policy Development and Research*.

Snyder, C.R., Harris, C., Anderson, J.R., Holleran, S.A., Irving, L.M., Sigmon, S.T., . . .Harney, P. (1991). The will and the ways: Development and validation of an individual-differences measure of hope. *Journal of Personality and Social Psychology*, 60(4) 570-585.

Susin, S. (2005). Longitudinal outcomes of subsidized housing recipients in matched survey and administrative data. *Cityscape*, 189-218.

United States Census Bureau. Summary File. *2008 – 2012 American Community Survey*. U.S. Census Bureau's American Community Survey Office, 2013.

Wooldridge, J. M. (2002). Inverse probability weighted M-estimators for sample selection, attrition, and stratification. *Portuguese Economic Journal*, *1*(2), 117-139.

Brittany: A case study of a journey to self-sufficiency

In October, 2010, the Housing Authority of Champaign County (HACC) was designated a Moving to Work (MTW) demonstration agency by the U.S. Department of Housing and Urban Development (HUD). With the new designation, the HACC was obliged to meet HUD's statutory goals to 1) reduce costs and achieve greater cost effectiveness in federal expenditures; 2) give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and 3) increase housing choices for low-income families. In May, 2011, the Department of Agricultural and Consumer Economics at the University of Illinois at Urbana-Champaign was contracted to conduct a longitudinal evaluation of the HACC MTW local self-sufficiency program. Our evaluation uses mixed methods analyses with HACC and HUD administrative data, quantitative social survey data and qualitative key informant interviews with housing participants. This is an account from one key informant that we have followed over time, and with whom we have conducted three separate interviews.

I first met Brittany, a minority, single mother of young children, in the winter of 2012 at her residence in a part of town not far from where drug-related activity and gun violence happens. On this evening, Brittany had just arrived home from work and was tending to her toddlers who played around us in her living room as we conversed. The TV is on in the background tuned to a children's program. Brittany grew up in a low-income, mostly minority, public housing project. She experienced considerable adversity throughout her life, having moved seven times throughout her childhood, and being homeless several times as a child with her mother, "*I wouldn't say, you know, we had the most stablest mother in the world, but we had a mother that loved us."* Brittany graduated high school on time and was attending a local community college, "*I wanna finish school more than anything. You know, be able to take care of my family without havin' to worry about it. I have 37 hours of college credit hours completed."* Brittany was employed part-time, had a long and consistent work history and exuded confidence finding a job post-college, "*I don't feel like I need any type of help because with goin' to (college) I know how to write up my own resume, I know how to write cover letters. I know how to, you know, do everything that'll be beneficial for me to search for a job, you know. Um, I know how to do a lotta stuff."* Brittany suffered an at-risk pregnancy with her youngest child and had to leave college for a semester, otherwise, she said she was healthy. Religion, God and the Bible were sources of strength and support for her, "*God. That's my first friend. Girl, that's my lover, my comforter, my best friend."* She garnered social support from her family – mom, dad, siblings, cousins – and her church family, her best friend, coworkers, teachers and a few peers at school, "*I got a ton of people around me."* But she also said, "*I'm pretty self-sufficient."* Brittany utilized the state's Child Care Resource Services to enroll her children in a licensed child care facility, of which she related, *". . . they got a time when, you know, they're actively learning. I don't want, 'know, my kids to be in a house where, you know, all they doin' is watchin' TV, they not, you know, actively learning anything."* Brittany's children were healthy and she enjoyed parenting, "So *whatever they need come first and whatever I need come last. My kids. They're my heart so."* Brittany expressed gratitude for housing assistance, "*I'm tryin' to better my life so. Um, them helpin' to me to pay partial of my rent is, you know, a great, a great help to me and my kids."*

But Brittany also looked forward to becoming independent from housing assistance, *". . .once I do graduate or whatever, when I obtain my certificate and get a good job or whatever, I'm not gonna be tryin' to live above my means. So, so whatever extra I have, I'm gonna save to make sure my kids'll have somethin' when they get older, you know."* Brittany was highly motivated, a good parent, positive, enthusiastic, confident and hopeful.

I met with Brittany two years later, in the winter of 2014, at her same residence. Our conversation took place in my car as Brittany had locked herself out of her home earlier that day and was waiting on her landlord. Brittany maintained some of her resilience in the areas of education, employment and parenting, but spoke candidly about the consequence of maintaining her educational goals, "*My education experiences is demanding. It'll put you at your lowest. It'll make you eat long. Sleep less. And make you stressed."* Brittany was close to completing her college educational goal, requiring extensive study time, and while she admitted it was challenging, she viewed herself as attaining this goal, "*It's killing me softly, like, I don't know. I'm making it though. It's, it's almost there."* Nonetheless, 'making it' did not come without a price to Brittany's mental health, "*I tell people, I say, you guys just do not know what I go through, like tryin' ta make it and stay afloat and stay in school and be positive. And I mean it's plenty of days that I wanna break down and cry."* As a single parent, Brittany had many responsibilities between school, work and family life, and she related this was taxing, "*I struggle now. . .tryin' ta finish school and take care of my health to even be able to afford my kids*." And, since our first interview, Brittany's physical health deteriorated and she was diagnosed with a chronic illness, but she self-evaluated her health habits, "*I'm runnin', I don't eat well",* and has made efforts to improve her health. Brittany was optimistic about her health and viewed health improvements as a slow process, '*It'll get better with time. You can only make so many improvements. Everything is one step at a time. . ."* , and that adding more commitments to her life would have been more stressful, "*I'm already stressed out as you can see."* Brittany maintained steady, part-time employment, and earned TANF (Temporary Aid to Needy Families), but experienced stress, "*To qualify for my TANF, to make sure that I have extra money to pay the bills or get back and forth to school, I have to work 20 hours a week too. But that 20 hours is killing me. It's killing me."* Brittany's children continued to be a protective factor, a source of continuity, and with whom Brittany spent most of her free time. She was a vigilant mother, concerned about her children's' education, and physical and emotional well-being. But, these relationship were challenged by Brittany's commitment to school and work, "*They a 'lil angry at times but I think that 'cause I'm not there all the time."* Brittany's social support network was primarily comprised of her parents, siblings, two friends and one school colleague. Brittany's school environment became another source of stress as she related feeling judged and discriminated against by her peers, "*I really don't care for them. . . my class is predominantly white. . . I say something to them and whether I'm right or wrong they just look at me like I'm stupid. I don't know if it's because of my color or what. . ."* In our initial interview Brittany enjoyed support from her church and involvement in her church choir but that declined, "*I haven't been to church in three months of Sundays. A long time. But I do love church, and I do like talking about God still. And I do thank God every morning I wake up. But I just haven't been 'cause I been too busy. I have to give up something in order to do anything else. Just because of school."* Therefore, while Brittany was able to manage risk factors and identify goals, still, she experienced a decline in mental health, with stress, depression and death in her family, a decline in physical health and social support, and was experiencing discrimination.

I met with Brittany a third time the winter of 2016 at her residence, which has not changed in five years. It is the same neighborhood where children came upon a heroin needle in the playground and where recently a child was raped. After saying good-bye to a friend who had been visiting, we were alone in her living room for this conversation. She is positive. She is proud that she recently completed her education goal, earning a two-year professional degree. When we revisited Brittany's education experience from 2014, I reminded her that she talked about facing racial discrimination. Now, reflecting back, she says, "*I try to forget about them. The only thing I did was just show, you know, who I am, who I was as a person. The whole educational experience was not all bad. It was positive. Like I had some instructors that were, I dunno, kind of like hard to get along with. . . and I found myself in a situation where I didn't have much to talk to people about because they came from different backgrounds than I did. So it's hard to kinda like mesh."* During the last couple of years Brittany has endured personal struggles, including losing her aunt to cancer, *"And I had to take on the responsibility of bringing my nephew into my house."* This year we learned more about Brittany's mother who suffers with serious mental illness and who recently experienced, ". . .*a lot of mini strokes that affect her thinking."* But Brittany says she loves her mother and supports her emotionally and financially. Brittany's children have grown, are thriving, and are still her heart. Although, she reflects that working, raising a family and helping extended family was difficult, "*Plenty of nights that I just wanted to cry".* I recalled our meeting two years ago, when Brittany was struggling with stress. Now, she admits she was taking an anti-depressant then because, "*How does school not stress you out?*" Brittany reached her educational goal with a 4.0 GPA in her program and she is already contemplating a future educational goal, "*I find myself wanting to go higher."* Her mental health is positive again and she says, "*I really am happy."* With her increased education she has moved from employment in the retail sector to a licensed, professional position in the health care industry, tripling her salary. Brittany's social network has increased, "*I do know a lotta other people now."* And, she capitalized on social leverage within her social network, reporting she was referred to her current employment position from someone in the community. But becoming financially independent presents new challenges. Since completing her college education Brittany is now responsible for paying back student loans. As well, she is ineligible for food stamps, forcing her to purchase groceries on credit and occasionally visiting a food pantry. Brittany also has to pay for child care out-of-pocket, as she no longer qualifies for Child Care Resource Services through the state. She relies on her own automobile as transportation, and pays for car maintenance, insurance and gas. And while she only pays a small portion of her rent she is responsible for utilities. As well, she continues to support others financially. So, even though she works full-time, she occasionally works part-time at another organization to earn extra money. Nonetheless, with Brittany's increased income she will soon reach the maximum allowable income level to receive housing assistance. Knowing this, she has taken proactive steps and has applied and received approval for a home loan from a local bank, and applied for homeownership through a non-for-profit agency in the community. Still, for Brittany, the prospect of being out on one's own is daunting, and, she says, ". . . *don't know if I'm gonna swim or . . . don't know if I'm gonna sink."* She is courageous to try.

Cathy Strick, MSW
University of Illinois at Urbana-Champaign
March, 2016

Carly: A case study of a journey to self-sufficiency

In October, 2010, the Housing Authority of Champaign County (HACC) was designated a Moving to Work (MTW) demonstration agency by the U.S. Department of Housing and Urban Development (HUD). With the new designation, the HACC was obliged to meet HUD's statutory goals to 1) reduce costs and achieve greater cost effectiveness in federal expenditures; 2) give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and 3) increase housing choices for low-income families. In May, 2011, the Department of Agricultural and Consumer Economics at the University of Illinois at Urbana-Champaign was contracted to conduct a longitudinal evaluation of the HACC MTW local self-sufficiency program. Our evaluation uses mixed methods analyses with HACC and HUD administrative data, quantitative social survey data and qualitative key informant interviews with housing participants. This is an account from one key informant that we have followed over time, and with whom we have conducted three separate interviews.

Carly was one of the first key informants I met in the winter of 2011. She is a minority, single mother of two young children, and just relocated back to Champaign, her birthplace, to be close to family. (Carly also completed our quantitative social survey where she disclosed she had a felony background and spent time in prison.) Our interview took place in her home, situated in a neighborhood near schools and grocery stores, with public transportation access, but adjacent to what she described as a "*rowdy*" area, and from where she recently heard the sound of gunfire in the early morning hours, "*That was scary to me."* Carly viewed her housing assistance as, ". . .*just a stepping stone. I'm a single mom right now. I'm in college so it's a stepping stone for me to be self-sufficient."* Carly shared that before receiving housing assistance she and her children were homeless and lived in a shelter. Carly's employment history included work in the education sector but since returning to Champaign she has been employed part-time, earning TANF (Temporary Aid to Needy Families) in a non-for-profit agency while ". . .*going to school full-time online",* to earn a Bachelor's degree, with a goal to return to the education field, *"That's what I'm going to school for now is teaching."* Carly shared that her childhood was stable, "*We only moved only twice during my whole school"* and with parents who thought her education was *"really important."* But Carly's parents are no longer in her life, her father having passed away, and her mother and she estranged, "*We don't have the best relationship*." Still, Carly talked about a small social support network – her children's father, a sibling or a friend's daughter provided childcare; she felt emotionally supported by one of her siblings and neighborhood and church friends, and relied on one particular male friend for financial support. While Carly reported no chronic illnesses, she admitted her health could use some attention, "*I need to work out and I, we, need to eat more healthier. "* Between raising a family, working and attending school, Carly acknowledged being healthier would provide some needed energy, "*I take vitamins every day but working out gives you that extra energy. I definitely need that extra energy with all these things going on, and, to live longer."* In her free time, when not working or attending class, Carly enjoyed parenting, "*I try to spend a lot of time with my children. I read (*her children) *books all the time. We go to the library every week, church on Sunday."*

She described her children as, "*smart, happy and vibrant*." They are physically active and healthy, have friends, do well in school and are involved in extra-curricular activities in the community. It was important to Carly to model her goals to her children, "*You have to instill with your children, to show them in order to get anything in life you have to work hard for it."* And Carly was willing to work hard toward her goals, "*I'd like to have my degree and be in a teaching career. I want to be working to own my own house, definitely not on Section 8."* Nonetheless, Carly knew that owning her own home would require additional income and a worthy credit score, including more experience with financial institutions, but, she was hopeful, "*I'm on the road to a better situation."*

I met with Carly a second time in the winter of 2014 at her same residence, and our private conversation took place around her kitchen table. Carly's employment situation changed as she moved from an, "as needed" food service position - "*They don't wanna give you any benefits. So, and then they weren't really even calling you like three days a week it was more like two. So I had to get another job*." - to a more stable retail food service position with opportunity to work more hours. Nonetheless, Carly described her ideal employment goal in the education sector, "*Working with either like at-risk children or umm teenagers to just help them in life, to know, you know, make better choices, to counsel them I would say.*" Carly completed her Associate's degree and continued taking classes to earn her Bachelor's degree*, "I am a junior at (*University*) now. Um, so I'm working towards that.*" She spoke about her education experience, "*I think it's all positive. 'Cause I just like to learn. Sometimes it can be overwhelming, but . . . you're learning so much information, that you, you get to apply it to your life and to sometimes help other people in their lives so I just really enjoy that a lot.*" However, Carly limited her on-line coursework and added courses that she attends at a local community college in the evenings. She has insight about her learning style, "*I like first like started like online courses. 'Cause it was hard you know like I never had done it before and you have to be disciplined. Like if you're not disciplined it's not gonna work at all. And overall, I'm not gonna lie, I'm not a disciplined person when it comes to online courses, that's why I'd rather have them in class. But I'm pushing myself this semester, so only two. So I'm getting disciplined.*" Spirituality may be an important dynamic in Carly's hopefulness and resilience, "*I like church 'cause I think that's a big factor in my life. I need that. Umm, so I go there a couple times a week.*" Carly continued to enjoy parenting, spending time with her children, playing games, going to the library, and "c*hurch on Sunday*." Her children are healthy, active in extra-curricular and neighborhood activities, have friends at school, and are good students. Meanwhile, self-care continued to be a challenge for Carly with her demanding home, work and school schedule, "*What I need to incorporate is workin' out. Like I'm wonderin' like how can I squeeze this in because that does allow you to have a lot more energy because by the time I get off work it's like, ugh, gosh it's been a long day, you know*." Carly's neighborhood had not changed and she still described it as, *". . . a little rowdy and kinda chaotic",* especially in the summertime. We talked about the crime and the gunfire she heard years earlier, and while she said, "*It's gotten a lot better",* still, "*The end of last summer, someone got shot*. *It just seems like this is really just like kinda turning into the ghetto*. *You have drug transactions. You have the gun shootings. You have people fighting."* However, Carly was willing to endure the neighborhood until she finished her degree, hopeful the neighborhood would change, and knowing that "*Moving is expensive*."

In addition to a tenuous neighborhood situation, Carly's social support network changed, "*I think it has kinda decreased. Um just because of some changes um I've decided to make. Like some people like I felt weren't very positive. . . I have a lot of things goin' on and I need to stay focused.*" Carly says her relationship with her mom has improved, "S*o we talk a lot more.*" Financially, even with housing assistance, Carly struggled to pay student loans and power bills and admitted that during the last year there were times when she just didn't have enough money to make it through the month. But her family has not gone hungry. And, her engagement with financial institutions increased, as she established a checking account and a revolving credit account. Therefore, at the end of this second meeting I found Carly mature, positive, resilient, and persevering in a crime-ridden neighborhood, internally motivated and focused, making progress in self-sufficiency goals, "*So in a couple years I'll have my Bachelor's. It takes a couple more years to have my master's. By then I should be into my career*."

I met with Carly a third time in the winter of 2016, at her same residence, with our conversation again taking place around her same kitchen table, this day, a table adorned with two vases of fresh flowers. Music is playing on the stereo in the adjacent living room. Carly chooses to stay in her same home "*to have stability*" with her children. Her employment experiences have improved as she works 35 hours a week and has been promoted to manager at the retail food service company she has worked for. Carly confesses she has little barriers to maintaining employment as she has adequate childcare with her children's father when needed. Carly has also remained sure of her ideal employment goal, "*. . . a social worker in the school aspect. Um I enjoy workin' with children and helpin' them find their way and what makes them happy and just to help solve their problems.*" And, she is on-target with completing the education needed to reach this goal, "*I'm about, I think, 18 hours away from my Bachelors and then I'll be going for my Masters.*" She is positive and motivated to finish, "*I just keep on pressin'. I'm gonna get there.*" This semester she is excited about what she's learning in a personal finance class, "*It's helping me, my finance part, ta, to save more and to see the different accounts and I think it's just good*." This semester she is taking only two classes, "*It's sometimes like pressing, you know, 'cause you have a lot of things to do, work. . . school. When I was takin' three classes it was definitely, the three classes with my children, with workin' an', a little bit (*stressful)*. Yeah*." We talked about her ambitious goal of continuing in school to earn a Master's degree after she completes her Bachelor's, "*Learning is growth, I think, and I just have goals. I want* (her children) *to see that this is what you need to work on. You, in order to get where you want to be, have to work. It takes hard work 'an you just gotta keep strivin' even if you might got setback. Like I feel like I should already have my Bachelors workin' on my Masters. But that wasn't the path that happened for me. So, it's okay. So I'm now I know what I need to do and I just gotta keep pressin' on an' keep going.*" While Carly's health has not negatively affected her work or school performance, still, she continues to struggle with a work-out plan, "*I'm gonna get on track with that this year though. I am. I keep sayin' this but yeah it's somethin' I'm work, trying to work on*." Finding the time between myriad responsibilities is the challenge. Carly's social network has changed again, with her sibling and mother leaving Champaign, "*I'm, um, have mixed feelings about it. 'Cause like I moved here to get closer to them and then my sibling moved first and then my mom moved where my sibling moved. We don't really talk too much anymore.*"

Nonetheless, Carly has added a couple new friends to her circle, and she talks about two men who sent her the flowers that adorn her kitchen table, "*It's good to have that friendship there*." Carly has her own vehicle and has added traveling to her activities when she is not working or going to school, "*I love to travel.*" She talked about road trips her family has taken to distant states and a vacation she is planning with her children, "*I feel like these are experiences I never got.*" Her children have grown into middle school where they do well as students and continue to be physically and emotionally healthy. Of her financial situation Carly says she no longer struggles to pay bills, "*Things are fallin' in place. I'm due for another raise this month.*" And, she has increased her financial knowledge, engagement with financial institutions and says of her credit score, "*It's gotten higher. I'm so excited!*" She is paying down debt with a goal of owning her own home and reflects on her financial situation compared to her parents, *"I look at how growin' up and um the choices like my parents made and I'm makin' a lot better choices. I'm not sayin' all their choices were bad 'cause the stability part was there, financial part not so. I've learned from seein' certain things to do better you know."*

Cathy Strick, MSW
University of Illinois at Urbana-Champaign
March, 2016