

Housing Authority of Champaign County

Moving to Work



Year 2

Annual Report

January 1, 2012 - December 31, 2012

Re-Submitted:

June 18, 2013

Table of Contents

SECTION	TITLE	PAGE
I	INTRODUCTION	4
A	Background	4
B	Overview of Ongoing MTW Goals and Objectives	4
II	GENERAL HOUSING AUTHORITY OPERATING INFORMATION	6
A	Housing Stock Information	6
B	Leasing Information	9
C	Wait List Information	10
III	NON-MTW INFORMATION (OPTIONAL)	11
IV	LONG TERM MTW PLAN (OPTIONAL)	11
V	PROPOSED MTW ACTIVITIES (NOT IMPLEMENTED IN YEAR 1)	13
8	Local Homeownership Program	13
12	Replacement Housing Funds/Use of Section 9 Funds for Non-Section 9 Activity	14
VI	ONGOING MTW ACTIVITIES (IMPLEMENTED IN YEAR 1)	16
1	Local Investment Policies	16
2	Biennial Re-certifications	17
3	Mandatory Local Self-Sufficiency Program	19
4	Employment/Education Requirements	19
5	Minimum Rent by Bedroom Size	22
6	Tiered Flat Rents	22
7	Modified Definition of Elderly	25
9	Local Project Based Voucher Program	26
10	Local Payment Standards	29
11	Acquisition without HUD Prior Approval	31
VII	SOURCES AND USES OF FUNDING	33
VIII	ADMINISTRATIVE	36

EXHIBITS

A	Capital Fund Performance and Evaluation Report (Non-MTW)	37
B	Statutory Certification	38
C	Program Demonstration Evaluation - University of Illinois Annual Report	39

#	LIST OF TABLES	PAGE
1	Public Housing Units	6
2	Capital Expenditures	6
3	Public Housing Demolished	8
4	Housing Choice Vouchers Authorized	9
5	Project Based Vouchers	9
6	Total Units Leased	10
7	Wait List Data	10
8	Housing Portfolio	11
9	Long Term Financial Projections	12
10	Moving to Work Activities Revised Numbers	13
11	Homeownership Proposed Assistance	14
12	Replacement Housing Projects	14
13	Replacement Housing Factor Funds Projections	15
14	Investment Outcomes	16
15	Biennial Recertifications Outcomes	18
16	Tiered Flat Rents/Minimum Rent by Bedroom Size Outcomes	23
17	Project Based Voucher Contracts	27
18	MTW Financial Sources and Uses	33
19	Non-MTW Financial Sources and Uses	34
20	Central Office Financial Sources and Uses	34
21	Total Households Served	36

INTRODUCTION

A. Background

The Housing Authority of Champaign County (HACC) was selected to participate in the Moving to Work Program in May, 2010. The MTW Agreement was executed by HUD on October 17, 2010.

HACC prepared an Annual Plan for Year 2 of its MTW Agreement which was approved by HUD on February 6, 2012. An amendment to the Year 2 Plan was subsequently submitted and approved by HUD on September 11, 2012. This annual report is for HACC's Year 2 Moving to Work activities identified in the Year 2 Plan and corresponding amendment; and, covers the period from January 1, 2012 through December 31, 2012.

B. Overview of HACC's Goals and Objectives

The Housing Authority of Champaign County identified three goals for its Moving to Work Program. These goals along with corresponding objectives and activities are described below.

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

1. Local Investment Policies (*Revised #2011-1*)
2. Biennial Re-certifications (*Revised #2011-2*)

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:

3. Mandatory Local Family Self-Sufficiency Program (*Revised #2011-3*)
4. Employment Requirement (*Revised #2011-3*)
5. Minimum Rents by Bedroom Size (*Revised #2011-4*)
6. Tiered Flat Rents (*Revised #2011-4*)

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

7. Modified Definition of Elderly (*Revised #2011-5*)
8. Local Homeownership Program (*Revised #2011-6*)
9. Local Project Based Voucher Program (*Revised #2011-9*)
10. Local Payment Standards (*Revised #2012-1*)
11. Acquisition without Prior HUD Approval (*Revised #2012-2*)
12. Replacement Housing/Use of Section 9 Funds for Non-Section 9 Activity (*Revised #2012-3*)

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. Housing Stock Information

Total Public Housing Units/Change in Public Housing Stock – There was no change in the public housing stock available for occupancy during the plan year. The chart below summarizes the Public Housing units as of December 31, 2012.

Table 1

PUBLIC HOUSING UNITS AS OF DECEMBER 31, 2012									
Project	Name	Type	Total Units	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
IL06-06	Columbia Place	Elderly/Disabled	16	0	16	0	0	0	0
IL06-07	Skelton Place	Elderly/Disabled	84	14	68	2	0	0	0
IL06-08	Youman Place	Elderly	20	0	20	0	0	0	0
IL06-09	Scattered Sites	Family	16	0	0	0	0	0	16
IL06-12	Steer Place	Elderly	108	0	107	1	0	0	0
IL06-13	Washington Sq.	Elderly	104	0	103	1	0	0	0
IL06-17	Hayes Homes	Elderly/Disabled	6	0	6	0	0	0	0
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

Capital Expenditures - The Capital Fund Grant was consolidated into the MTW Block Grant and the capital projects identified in the chart below were completed with MTW Block Grant funds. There was no single capital expenditure in excess of 30% of HACC's total annual Capital Fund Grant during the plan year

Table 2

CAPITAL PROJECTS COMPLETED IN 2012	AMOUNT
Steer Place / Washington Square Flooring Replacement	\$177,714
Skelton Place Roof Upgrade	\$114,400
Dorsey Homes Demolition	\$173,149
Dunbar Court Demolition	\$228,448
Columbia Place Corridor Abatement	\$61,100
Columbia Place Corridor and Roof Upgrade	\$144,080
Administration Building Basement Remodel	\$26,073
TOTAL	\$924,964

New Public Housing Units - There were no new public housing units added during 2012. Our Annual Plan anticipated that we would add 6 new public housing units through the acquisition of a small mixed finance project.



Urban Park Place is a twenty four unit existing apartment complex in foreclosure located in the City of Champaign. HACC is acquiring the property from the Illinois Housing Development Authority (IHDA) and will convert it to a mixed finance project with 6 public housing units; 12 project based voucher units; and, 6 units with rent restrictions pursuant to the Illinois Affordable Housing Trust Fund.

HACC received HUD approval of the mixed finance proposal on April 20, 2012 and was scheduled to close on the project. When conducting an inspection prior to execution of closing documents, the Authority found extensive mold damage as the result of water infiltration. As a result of these findings, the Authority chose not to close on the property at that time. Subsequently, we continued to work with the Illinois Housing Development Authority to identify alternate funding to finance the rehabilitation work needed to remediate the mold and repair the damages units.

In September 2012, HACC submitted an application under IHDA's Permanent Supportive Housing Grant Program and was successful in securing a \$1.3 million grant to complete the rehabilitation of Urban Park Place. An amendment of the mixed finance proposal will be submitted in 2013.

Public Housing Development Activities in Year 2 - HACC selected a Master Development Partner and in June 2011 entered into a Master Development Agreement to develop multiple mixed finance communities. In Year 2 HACC completed various predevelopment activities and was successful in securing 9% Low Income Housing Tax Credits and closing on one of the planned projects.

Hamilton on the Park – This project is the redevelopment of the former Dunbar Court public housing community and consists of 36 units; 4 one bedroom units; twelve two bedroom units; and, twenty three bedroom units. Project Based Vouchers will be provided for all units and 4 of the units are designated as Permanent Supportive Housing units for individuals with development disabilities.

The total development costs of the project are \$7,257,400 consisting of Low Income Housing Tax Credit equity of \$5,961,993; a conventional first mortgage in the amount of \$500,000; an MTW Block Grant secondary loan in the amount of \$600,000; and, deferred development fees of \$195,407.

Hamilton on the Park closed on November 15, 2012 and construction began immediately thereafter. The photo to the right shows the preliminary construction work that was in progress as of December 31st. The project is scheduled to reach 50% construction completion by May 2013 and 100% completion by September 2013.



Providence at Sycamore Hills/ Providence at Thornberry – This project is the redevelopment of the former Dorsey public housing site (Sycamore Hills) combined with the development of a newly acquired site (Thornberry). During 2012, HACC completed the due diligence tasks to acquire the Thornberry site and the master planning activities for both sites. The project will consist of a total of 252 units: 82 to be located on the Sycamore Hills site and 170 to be located on the Thornberry site. A preliminary project application (PPA) was submitted to the Illinois Housing Development Authority (IHDA) in December 2012 for a tax exempt bond allocation and 4% Low Income Housing Tax Credits. Completion of acquisition of the Thornberry site is scheduled for March 31, 2013 and financial closing should occur by mid-year 2013.

Rantoul – HACC acquired various parcels of land in the Village of Rantoul to develop affordable family housing in this rural community. Conceptual plans currently call for the development of 45 mixed income units including public housing and project based vouchers. In 2012, we anticipated release of additional adjoining land foreclosed by the local bank. However, the additional land continued to be tied-up in legal proceedings and was not available for acquisition in the plan year. Based on continued discussion with the bank, we anticipate that the land will be available by mid-year 2013.

Public Housing Units Demolished – Dorsey Homes and Dunbar Courts were approved for demolition by the Special Applications Center (SAC) on March 17, 2011 but the sites were not fully cleared until 2012. Demolition of Dorsey Homes was completed in June, 2012 and demolition of Dunbar Court was completed in October 2012. Disposition of the Dunbar site was approved by SAC on November 20, 2012 and a long term ground lease was executed between HACC and Hamilton on the Park in December 2012.

Table 3

PUBLIC HOUSING DEMOLISHED									
Project	Name	Type	Total Units	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
IL06-01	Dorsey Homes	Family	70	0	8	28	26	8	0
IL06-05	Dunbar Court	Family	26	0	4	10	8	4	0
TOTAL			96	0	12	38	34	12	0

Housing Choice Tenant Based Vouchers - The chart below summarizes the MTW Housing Choice Vouchers authorized at the end of the plan year.

Changes in HCV Authorization – The MTW Vouchers authorized increased by 92 during the plan year. This increase represents 92 vouchers received in August and September 2011 for the relocation of the Dunbar and Dorsey public housing residents. As of October 2012, these vouchers converted to MTW vouchers.

Table 4

HOUSING CHOICE VOUCHERS AUTHORIZED	
Number of MTW Vouchers Authorized	1798
Number of Non-MTW Vouchers Authorized	0
TOTAL	1798

Housing Choice Project Based Vouchers - The chart below identifies the Housing Choice Vouchers that were project based during 2012; commitments for Project Based Vouchers for units under construction; and, existing Project Based Voucher units placed under contract prior to 2012.

Table 5

PROJECT BASED HOUSING CHOICE VOUCHERS			
Name of Property	Total Units	PBV Units	PBV HAP Effective Date
NEW PBV HAP CONTRACT IN 2012			
Oakwood Trace	50	25	June 2012
PBV COMMITMENT PENDING HAP CONTRACT			
Hamilton on the Park	36	36	May 2013
Urban Park Place	24	12	October 2013
Providence (Sycamore and Thornberry)	252	226	June 2014
EXISTING PBV CONTRACT(S)			
Douglass Square	50	13	October 2011
TOTAL UNITS	412	312	

In addition to the Project Based Vouchers identified above, HACC had anticipated that twelve vouchers would be project based at Urban Park Place during 2012. This did not occur due to the delay in acquiring Urban Park Place as detailed above. HACC had also projected committing 30 Project Based Vouchers for Community Wide Special Needs projects. This project was placed on hold due to funding concerns.

B. Leasing Information

The chart below provides the planned leasing information as reflected in the 2012 Annual Plan compared with the actual leasing data as of December 2012.

The total number of vouchers available is based on the vouchers awarded under the HCV ACC contract with HUD (1,798). The vouchers under contract are based on the estimated maximum supportable vouchers with the HCV Annual Budget Authority (ABA) received in 2012 less the project based vouchers committed. HACC did not commit additional MTW block grant funds to support tenant based vouchers as said funds were committed to development activities based on HACC's development goals.

Project Based Vouchers committed that will be needed for lease up in 2013 is 48; thus, HACC held funds for these vouchers in reserve and did not lease further tenant based vouchers to assure it can meet its commitments for these vouchers.

In addition to the Public Housing units and the Housing Choice Vouchers, HACC owns a Low Income Housing Tax Credit property: Oakwood Trace. This property has a total of 50 units, of which 25 are Project Based Vouchers and included in the PBV units in the chart below. The remaining 25 tax credit units are listed separately as “other affordable housing leased”.

Table 6

TOTAL NUMBER OF UNITS LEASED IN PLAN YEAR				
	PLANNED	ACTUAL	UNITS AVAILABLE	% OCCUPIED
Total Number of MTW PH Units Leased	333	344	349	
Total Number of Non-MTW PH Units Leased	0	0	0	
Number of New Public Housing Units Leased	6	0	0	
TOTAL PUBLIC HOUSING UNITS LEASED	339	344	349	99%
Total Number of MTW HCV Under Contract	1169	1468	1798	
Total Number of Non-MTW HCV Under Contract	92	0	0	
Number of Project Based Vouchers Leased	80	23	38	
TOTAL VOUCHERS LEASED	1341	1491	1836	81%
Number of Other Affordable Housing Leased	6	25	25	100%
TOTAL UNITS LEASED	1686	1860	2210	

C. Waiting List Information

Number of Households on the Waiting Lists - The chart below provides a summary of the applicants on the Public Housing and HCV waiting lists at the end of the plan year.

Table 7

WAITING LIST DATA AS OF DECEMBER 31, 2012		
BR SIZE	NUMBER OF APPLICANTS	
	PUBLIC HOUSING	HCV PROGRAM
1 BR	90	
2 BR	78	
3 BR	1	
4 BR	20	
5 BR	8	
All Sizes	197	400

Public Housing - HACC administers a consolidated waiting list for the Public Housing Program. The waiting list only was opened for a limited period of time in 2012. A total of 537 registrations were received, of which 115 were deemed ineligible. Of the remaining registrants, HACC conducted a random lottery and selected 350 applicants that were placed on the waiting list.

Of the 350 placed on the waiting list, 153 applicants were processed in 2012, leaving a balance of 197 applicants on the public housing waiting list as of December 31, 2012. The breakdown of applicants is reflected in the chart above.

Housing Choice Voucher – The 2012 Annual Plan makes reference to a new waiting list of 2,200 applicants. This number represented the total applications received when the HCV wait list was re-opened in November 2011. However, only 400 applicants were selected through a random lottery and placed on the HCV waiting list. No applicants were processed from the waiting list in 2012.

III. NON-MTW RELATED HOUSING AUTHORITY INFORMATION (OPTIONAL)
IV. LONG TERM MTW PLAN (OPTIONAL)



Our Mission - *“To provide a quality living environment as a foundation for individuals to achieve their full potential.”*

Our Vision – *“To develop quality affordable housing communities providing opportunity and support to maximize individual potential; while sustaining long term financial viability of HACC”*

Long Term MTW Plan – HACC’s long term Moving to Work plan is to effectuate our Vision.

“To develop quality affordable housing communities...”

HACC has implemented a detailed plan to realize this portion of our Vision guided by the following principles:

- To develop an equal or greater number of units than the original HACC public housing portfolio (607 units);
- To have a direct or indirect ownership in units developed;
- To assure that all developments are mixed income communities; and,
- To provide a direct housing subsidy to assure affordability to the same level of incomes of families served under the traditional public housing program.

To this end, HACC’s real estate portfolio is projected to include the following quality affordable housing communities by 2015.

Table 8

HOUSING AUTHORITY OF CHAMPAIGN COUNTY		
SUBSIDIZED PORTFOLIO - DECEMBER 2015		
Project	Total Units	Units with Subsidy
Traditional Public Housing	354	354
Oakwood Trace	50	25
Hamilton on the Park	36	36
Providence	252	227
Total HACC Hard Units 6-30-15	692	642

“providing opportunity and support to maximize individual potential...”

To achieve this part of our Vision, HACC began implementation of a mandatory self-sufficiency requirement which will be driven by the following principles:

- **Self-Sufficiency** - HACC shall define self-sufficiency as 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.
- **Mandatory Participation** – Participation in a self-sufficiency program shall be a condition of eligibility for new admissions and a condition of continued occupancy for existing residents and participants.
- **Adult Requirements** - All abled bodied individuals age 18 and older will be required to actively pursue activities to achieve economic self-sufficiency.
- **Dependent Requirements** - Family members’ age 5 through 18 will be required to be enrolled and attend school; or, for age appropriate dependents, meet employment requirements.
- **Initial Assessment** - An initial assessment of each family will be conducted and a self-sufficiency plan developed pursuant to the unique needs of the family members. The self-sufficiency plan will identify specific goals and objectives for each applicable family member to achieve self-sufficiency.
- **Annual Review** – HACC will work with each household as needed based on their individual plan(s). Formal tracking of progress will be maintained for each family member in the tracking software. At the time of annual re-certification, the LSS Plan will be formally reviewed and a determination made as to compliance with the stated goals and objectives.

“...while sustaining long term financial viability of HACC.”

To accomplish this portion of our Vision, HACC will closely monitor financial resources and has established the following projections through 2016.

Table 9

HOUSING AUTHORITY OF CHAMPAIGN COUNTY LONG TERM FINANCIAL VIABILITY PROJECTIONS	
Estimated MTW Reserve at 12/31/12	\$12,288,578
Investment in Development of New Units	-4,615,000
Estimated Reserve Increase from Operations (4 years)	1,000,000
Estimated MTW Operations Costs (4 years)	-1,423,200
Return on Investments in Real Estate Portfolio (Non-Federal Funds)	1,232,000
Estimated MTW Reserve at 12/31/16	\$8,482,378

V. PROPOSED MTW ACTIVITIES

Approved MTW Activities – The chart below lists all HUD approved MTW activities since the execution of the MTW Agreement. We revised the numbering system for the activities to reflect the year in which the activity was approved by HUD. We have listed the original number and the revised number for each activity. The chart below also identifies the actual implementation date and the anticipated implementation date or a “TBD” for activities that have not yet been implemented.

Table 10

Activity Number	Revised Number	MTW Activity	Implementation Date
1	2011-1	Local Investment Policies	March 2011
2	2011-2	Biennial Recertifications	March 2011
3	2011-3	Mandatory Local SS Program	November 2012
4		Employment/Education	
5	2011-4	Minimum Rent by Bedroom Size	January 2012
6		Tiered Flat Rents	
7	2011-5	Modified Definition of Elderly	March 2011
8	2011-6	Local Homeownership Program	TBD
9	2011-7	Local Project Based Voucher Program	October 2010
10	2012-1	Local Payment Standards	July 2013
11	2012-2	Acquisition without HUD Approval	January 2012
12	2012-3	Replacement Housing/use of Section 9 funds for Non-Section 9 Activity	October 2012

Activities Not Implemented – There two proposed MTW Activities listed below were not implemented as of December 31, 2012.

Activity 8 - Local Homeownership Program

Current Status/ Reason for Delayed Implementation – This activity is premised on the ability of moderate income households to secure private mortgage financing. Market and economic conditions have made qualifying for a private mortgage extremely difficult, thus, we have not yet implemented this activity. We will continue to monitor national trends and local market conditions to determine appropriate timing for successful future implementation.

Description - HACC will create a local homeownership program which will include the following components:

- Down payment and closing cost assistance not to exceed a total of \$10,000.
- A monthly flat fee to assist towards total housing costs not to exceed 30% of total housing costs (principal, interest, taxes, insurance, utilities and maintenance reserve) or 50% of gross monthly income.
- A short term (not to exceed six months) emergency assistance plan
- Maximum lifetime assistance as follows:

Table 11

LOCAL HOMEOWNERSHIP PROGRAM	
MAXIMUM ASSISTANCE	
Total Household Income	Maximum Combined Assistance
60% - 70% of AMI	\$40,000
71% - 80% of AMI	\$30,000
81% - 100% of AMI	\$20,000

The following criteria shall establish eligibility to participate in the Homeownership Program:

1. The family must have a demonstrated history of compliance with all other MTW activities.
2. At least one adult member of the household must have a consistent employment history of a minimum of five years.
3. The total household income must be a minimum of \$25,000 annually.
4. The family must meet all underwriting criteria to secure a private mortgage.
5. The family must participate in pre- and post-purchase counseling.

Activity 12 – Replacement Housing/Use of Section 9 Funds for Non-Section 9 Activity

Current Status/ Reason for Delayed Implementation – This activity was identified to fund the redevelopment of the former Dunbar and Dorsey public housing communities. Construction began on Hamilton on the Park (Dunbar site redevelopment) on November 15, 2012 but no Section 9 funds had been used as of December 31st. The Providence project (Dorsey redevelopment) was approved for tax exempt bond financing and 4% Low Income Housing Tax Credits but no Section 9 funds had been used as of December 31st.

Description of Proposed Activity - To facilitate development activities, HACC will utilize Replacement Housing Funds as part of its MTW Block Grant. HACC will also utilize Section 9 reserve funds for non-Section 9 activities in support of development activities. The following projects will be developed under this activity in 2013 and 2014:

Table 12

PROJECT	Total Units	PBV Units	RHF Funds	Section 9 Funds	Estimated Closing Date
Hamilton on the Park	36	36	150,000.00	0	12/15/2012
Providence	252	227	1,295,685.00	\$2,604,015	6/30/2013
TOTAL	288	263	1,445,685.00	\$2,604,015	

Hamilton on the Park is the redevelopment of the former Dunbar public housing site and Providence is the redevelopment of the former Dorsey public housing site along with a second site to be acquired by HACC.

At this time, it is anticipated that \$900,000 of the Section 9 funds for Providence will be for acquisition of the land which will constitute the second site. All other HACC funds will be used for direct construction costs to build the affordable housing units. HACC will provide the funds in the form of a second mortgage amortized over 30 years for Hamilton and 40 years for Providence at the applicable federal rate with payments made based on available cash flow. As noted in the chart above, no ACC units will be built but HACC will provide project based vouchers for 100% of the units at Hamilton on the Park and 90% of the units at Providence.

The RHF grants to be used for the two projects described above are detailed on the chart below. HACC will accumulate future RHF grant increments until such time that sufficient funds are available to complete an additional development project.

Table 13

RHF BALANCES - DECEMBER 2012	
GRANT	AMOUNT
501-08	336,159.41
501-09	298,121.00
503-09	3,602.00
501-10	311,126.00
501-11	157,134.00
502-11	96,820.00
501-12	144,756.00
502-12	97,967.00
TOTAL	1,445,685.41

In implementation of this activity, HACC will carefully comply with all requirements and terms set forth in PIH Notice 2011-45.

VI. ONGOING MTW ACTIVITIES

Activity 1 - Local Investment Policies

(Revised Activity #2011-1)

A. Year Identified and Implemented

This activity was 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.

B. Impact of MTW Activity - Outcomes

This activity enables HACC to achieve a more diverse investment portfolio which is intended to result in increased revenue from investment income. The chart below demonstrates the outcomes achieved during 2012 for this activity.

Baseline	Total Investment Earnings in 2010 of \$46,800.
Metrics	Total Revenue Earned from Investments.
<ul style="list-style-type: none"> • Total revenue earned from investments in 2012 was \$97,281. • Adjusted for increase in total dollars invested; total revenue earned from investments in 2012 was \$48,411. 	
Benchmark	1% Increase in Investment Revenue Each Year.
<ul style="list-style-type: none"> • Percent of increase in investment revenue for 2012 when adjusted for increase in total dollars invested was 4%. 	

The table below provides the back-up data for the outcomes achieved in the chart. As noted, total dollars invested increased from \$3,184,915 in the 2010 baseline year to \$6,400,059 in 2012. The average interest rate for investments was 1.52% for 2012 compared to 1.46% in the baseline year. The total amount of revenue earned when

adjusted downward to the average investment amount in the baseline year was \$48,411 compared with \$46,500 in the baseline year resulting in a 4% increase in investment revenue in 2012 from the baseline year.

Table 14

LOCAL INVESTMENT POLICIES – OUTCOMES			
TIME PERIOD	AVERAGE INVESTMENT	INTEREST RATE	INVESTMENT EARNINGS
Investment Results 2010	\$3,184,915	1.46%	\$46,500
Investment Results 2012	\$6,400,059	1.52%	\$97,281
Increase in Earnings	\$3,215,144	3.18%	\$50,781
Adjusted Investment Results 2012	\$3,215,144	1.52%	\$48,870
Adjusted Earnings			\$48,411
Percent of Increase			4%

C. Challenges/Potential New Strategies

Despite having achieved the planned outcome for this activity, we believe a higher level of investment earnings is possible. As of the time of this report, we have scheduled an investment meeting with our financial and banking advisors to develop additional investment strategies for 2013.

D. Revised Benchmarks or Metrics

No revisions to the benchmarks or metrics have been made for this activity.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC was authorized to undertake this initiative through Attachment C (B)(5) which waives certain provisions of Sections 6(c)(4) of the 1937 Act and 24 CFR 982.156. The MTW waiver was necessary to enable HACC to diversify its investments and invest in limited risk options available in the market place. Without the MTW waiver, HACC would not have had the option to utilize the more lucrative investment options.

Activity 2 - Biennial Recertifications

(Revised Activity #2011-2)

A. Year Identified and Implemented

This activity was implemented in Year 1 (2011). HACC converted to biennial recertifications for households with fixed income in both the Public Housing and Housing Choice Voucher programs.

B. Impact of MTW Activity Outcomes

The chart identifies the outcomes of this activity for 2012. This activity reduced the total annual re-certifications completed thus reducing cost and achieving greater cost effectiveness of federal funds. This activity also reduced the workload of staff assigned to process rent calculation transactions and enabled this staff to provide more support to residents working towards self-sufficiency.

Baseline	1. 100% of Fixed Income Households Recertified Annually. 2. Staff Hours to Complete an Annual Recertification: PH - 3 hours; HCV - 4 hours.
Metrics	1. Percent of Households with Fixed Income. 2. Average Staff Hours to Complete Annual Recertification. •Number of households with fixed income: PH - 332; HCV - 195. •Average staff hours to complete annual recertification: PH - 390; HCV - 780
Benchmark	1. 50% Decrease in Fixed Income Households Re-certified Annually. 2. 50% Decrease in Staff Hours to Process Annual Recertifications. •Percent of decrease in fixed income households recertified in 2012: PH - 61%; HCV - 50% •Decrease in staff hours to process annual recertifications: PH - 61%; HCV - 53%.

The table below provides the details of the biennial recertifications completed in 2012.

Table 15

BIENNIAL RECERTIFICATIONS OUTCOMES		
PUBLIC HOUSING PROGRAM	2010	2012
Total Public Housing Units Occupied	432	349
Total Number of Fixed Income HHs	331	332
Number of Fixed Income HHs Recertified	331	130
Percent of Fixed Income HHs Recertified	100%	39%
Average Hours to Complete Recertification	3	3
Total Staff Hours to Complete Recertifications	993	390
Decrease in Staff Hours	603	
Percent of Decrease in Staff Hours	61%	
Estimated Annual Savings (\$21.00 Per Hour)	\$12,663	
HOUSING CHOICE VOUCHER PROGRAM	2010	2012
Total Number of Fixed Income HHs	371	390
Number of Fixed Income HHs Recertified	371	195
Percent of Fixed Income HHs Recertified	100%	50%
Average Hours to Complete Recertifications	4	4
Total Staff Hours to Complete Recertifications	1,484	780
Decrease in Staff Hours	704	
Percent of Decrease in Staff Hours	53%	
Estimated Annual Savings (\$21.00 Per Hour)	\$14,784	

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.

C. Challenges/Potential New Strategies

We did not have any challenges with the implementation of this activity and no new strategies will be applied at this time.

D. Revised Benchmarks or Metrics

The metrics and benchmarks were revised to eliminate the rental income received from fixed income households in Public Housing and to eliminate the average per unit cost (PUC) for fixed income households in the Housing Choice Voucher Program. Initially we had intended to utilize this metric and benchmark to assure that the conversion to biennial recertifications would not have a negative impact on HACC revenue. However, with the implementation of other MTW activities that impact tenant rent and HAP costs, particularly flat tiered rents, it is not possible to measure this benchmark solely as the result of this activity. The tiered flat rent activity will have a much greater impact on the revenue of HACC, thus, we will utilize this benchmark under the flat tiered rent activity.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

The Agency is authorized to undertake this initiative through Attachment C (C)(4) which waives certain provisions of Sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 CFR 966.4 and 960.257 and Attachment C(D)(1)(c) which waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 CFR 982.516.

The MTW waiver was necessary to enable HACC to conduct biennial recertifications in lieu of annual recertifications. Without the MTW waiver, HACC would not have been able to convert to biennial recertifications and would not have realized any cost savings.

Activity 3 – Mandatory Local Self-Sufficiency Program

Activity 4 – Employment Requirement

(Combined to become Revised Activity #2011-3)

A. Year Identified and Implemented

These two activities were separately identified and detailed in the Year 1 (2011) Plan. When developing the implementation plan(s) in Year 2 (2012), the decision was made to combine these activities to provide families with self-sufficiency support services necessary to secure employment.

B. Impact of MTW Activity – Outcomes

The implementation plan for these two activities was developed in 2012 and designed to have a gradual implementation process as follows:

- **January 1, 2013** – New Admissions as of this date will be required to meet the employment requirement of at least one member of the household employed 20 hours per week and all other household members participating in a self-sufficiency plan.
- **January 31, 2013** - All current households claiming zero income shall be required to develop and execute a self-sufficiency plan.
- **April 1, 2013** – All existing households shall be required to develop and execute a self-sufficiency plan 120 days prior to their annual recertification.

As of December 31, 2012 there were a total of 47 households that had developed and executed a self-sufficiency plan and contract. All other households not otherwise exempt from these activities will be scheduled to meet with Caseworkers and develop their self-sufficiency plan pursuant to the above schedule.

C. Challenges/Potential New Strategies

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. The result of this new strategy was combining two separate activities into a single activity that would gradually implement employment requirements. Below are excerpts from the Implementation Plan for these activities that reflects the amended strategies for these activities.

Self-Sufficiency - HACC shall define 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.

Mandatory Participation – Participation in a self-sufficiency program shall be a condition of eligibility for new admissions and a condition of continued occupancy for existing residents and participants. Mandatory participation shall be enforced through the Public Housing Lease Agreement and the HCV Statement of Family Obligations. Counseling assistance will be available to all households, but failure to comply with the Program can ultimately result in termination of housing assistance.

Adult Requirements - All abled bodied individuals age 18 through 54 will be required to actively pursue activities to achieve economic self-sufficiency. The head of the household will be required to develop a self-sufficiency plan that identifies goals and objectives for each household member required to participate in the mandatory LSS program and shall be held accountable for progress of all household members.

Dependent Requirements - Family members ages 5 through 18 will be required to be enrolled and attend school; or, for age appropriate dependents, meet employment requirements. Employment income for dependents shall be included in total household income if they are not also pursuing a training certification or educational degree.

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

Program Completion - Households shall be considered as having completed their Mandatory LSS Program when all members age 18 and older are employed 20 hours per week for a minimum of one year.

Employment – Employment shall be a condition of eligibility for new admissions and a condition of continued occupancy for existing residents pursuant to the policy and procedures set forth in this plan.

New Admissions – After the effective date of this implementation plan, eligibility for new admissions for both public housing and the housing choice voucher program shall include a requirement that one member of the household must be employed 20 hours per week or meet the criteria for exemption from this requirement. All other household members must be enrolled in the mandatory self-sufficiency plan as described above.

Continued Occupancy – After the effective date of this implementation plan, eligibility for continued occupancy for both public housing and the housing choice voucher program shall include the following requirements:

- **First Recertification** – development of a self-sufficiency plan as described above.
- **Second Re-certification** – one adult member 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 or degree;
- **Fourth Re-certification** – 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;
- **Sixth Re-certification** – all adult members must be employed 20 hours per week.

Waiver - Waivers will be provided for full time students in good standing seeking a degree that requires more than three years to obtain per the educational institution provided progress through successful completion of degree requirements is demonstrated annually.

D. Revised Benchmarks or Metrics

Baseline	<ol style="list-style-type: none"> 1. 228 Individuals Engaged in Self-Sufficiency Activities 2. 228 Individuals Employed. 3. Total Annual Value of Employment Income.: \$3.4 million.
Metrics	<ol style="list-style-type: none"> 1. Number of Households Engaged in Self-Sufficiency Activities. 2. Number of Individuals Employed. 3. Total Annual Value of Employment Income.
Benchmark	<ol style="list-style-type: none"> 1. 5% Annual Increase in Individuals Engaged in Self-Sufficiency Activities. 2. Increase in Number of Individuals Employed: 25% by 12-31-14; 50% by 12-31-15; and 75% by 12-31-16. 3. 3% Increase in Employment Income.

When combining these two activities, we found that the benchmarks and metrics identified for each activity separately were somewhat redundant. Thus, we have revised the benchmarks and metrics to address the key components of the combined activities as shown below.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this activity through Attachment C(E) which waives certain provisions of Section 23 of the 1937 Act and 24 CFR 984; and Attachment C (B) 1 which waives certain provisions of Sections 8 and 9 of the 1937 Act and 24 CFR 982 and 9990 as necessary.

The MTW waiver was necessary to enable HACC to provide incentives designed to motivate families to actively seek financial independence and transition from dependency on housing subsidy. Implementation of the mandatory self-sufficiency requirements will lead to eventual employment for all able-bodied individuals, increase tenant contribution towards rent, reduce subsidy payments and allow HACC to assist additional families.

Activity 5 - Minimum Rents by Bedroom Size

Activity 6 – Tiered Flat Rents

(Combined to become Revised Activity #2011-4)

A. Year Identified and Implemented

These two activities were separately identified and detailed in the Year 1 (2011) Plan. When developing the implementation plan(s) in Year 2 (2012), it became apparent that minimum rent by bedroom size was a component of the tiered flat rents and not a separate activity.

B. Impact of MTW Activity - Outcomes

The implementation plan for these two activities was developed in 2012 and designed to have a gradual implementation process as follows:

- **Effective Date** – The Tiered Flat Rents and the Minimum Rents by Bedroom Size shall be effective January 1, 2012 and shall apply to both the Public Housing and Housing Choice Voucher Programs.
- **New Admissions** – At the time of a new admission after the effective date of this Implementation Plan, HACC shall calculate the gross annual income for the household based on the HUD regulatory definition of income inclusions and exclusions. The regulatory verification hierarchy shall continue to be applicable in verifying the gross annual income. HACC shall identify the range in which the gross annual income falls on the Flat Rent Schedule and the applicable flat rent shall be charged to the tenant/participant. If the gross annual income is less than 5% of the AMI, then the minimum rent based on the size of the unit shall be charged as the tenant rent.

- **Existing Tenants/Participants** – At the time of the first annual recertification after the effective date of this Policy, HACC shall calculate the tenant rent of existing residents using two methodologies: the HUD regulatory methodology and the methodology outlined in this Implementation Plan. The tenant rent to be charged shall be the greatest of 50% of the Tiered Flat Rent or Minimum Rent by bedroom size or 100% of the tenant rent based on the HUD regulatory calculation methodology. At the time of the second annual recertification after the effective date of this Policy, HACC shall calculate the rent based solely on the methodology outlined in this Implementation Plan.

The table below provides data on the number of households that had been processed under these activities as of December 31, 2012.

Table 16

TIERED FLAT RENTS			
Program	HH at MTW Flat Rent	HH at Minimum Rent by BR Size	Total
Public Housing	36	6	42
Housing Choice Vouchers	36	15	51
TOTAL	72	21	93

C. Challenges/Potential New Strategies

These two activities were developed with a goal to minimize hardship for tenants while at the same time minimizing the budget impact on HACC revenue. Since the current HUD regulatory calculations of tenant rent include a deduction for tenant paid utilities, we had to develop new strategies that take into consideration the tenant paid utilities. The excerpts below from the implementation plan describe the new strategies used for this activity.

- **Flat Rent Schedules** – HACC shall establish flat rent schedules using the methodology outlined in the HUD approved MTW Plan. Separate flat rent schedules shall be established for the Public Housing and the Housing Choice Voucher Programs. In the Public Housing Program, different flat rent schedules shall be established based on the utilities paid by the tenant at the applicable property. In the Housing Choice Voucher Program, two flat rent schedules shall be established: one schedule will represent units in which the participant is responsible for payment of heat; the second schedule will represent the flat rent for units in which the costs of heat are included in the Rent to Owner.

The flat rent schedules shall be established annually and shall be effective on January 1st of each calendar year. The flat rent schedule is based on the gross annual income of the household with no further deductions or allowances. Gross annual income shall be calculated pursuant to the HUD regulatory requirements. However, employment income for dependents shall be included in total household income if they are not also pursuing a training certification or education degree. Current income exclusions as defined by HUD will continue to apply.

- **Tiered Flat Rents** – The tiered flat rent amount shall be based on income ranges established in increments of 5% of the Area Median Income (AMI). The applicable flat rent for an assisted household shall be 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.
- **Minimum Rent by Bedroom Size** – Households with gross annual income less than 5% of the Area Median Income (AMI) shall pay a minimum rent based on bedroom size of the assisted housing unit. In the public housing program the assisted housing unit is the public housing unit in which the household resides regardless of family size. In the Housing Choice Voucher Program, the minimum rent shall be based on the actual size of the unit selected, not the size of the voucher. The minimum rent by bedroom size is the amount of tenant rent to be paid to HACC by Public Housing residents and to the landlord by Housing Choice Voucher participants. There is no utility allowance applied to the minimum rent.
- **Affordability** – To ensure affordability for participants of the Housing Choice Voucher Program, the tenant rent shall be 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, will not be approved by HACC.

D. Revised Benchmarks or Metrics

When combining these two activities, we found that the benchmarks and metrics identified for each activity separately were somewhat redundant. Thus, we have revised the benchmarks and metrics to address the key components of the combined activities as shown below.

Baseline	<ol style="list-style-type: none"> 1. Minimum Rent Collected in PH: \$69,000; HAP Paid for Minimum Renters in HCV: \$4.3 million 2. Average Percent Gross Income Paid by Minimum Renters: 52%; Average Percent Gross income Paid by all Other Renters: 15%.
Metrics	<ol style="list-style-type: none"> 1. Amount of Rent Collected in PH from Minimum Rent; HAP Paid in HCV for Minimum Renters. 2. Average Percent Gross Income Paid by Minimum Renters; Average Percent Gross Income Paid by all Other Renters.
Benchmark	<ol style="list-style-type: none"> 1. 2% Increase in Rent Collected in PH; 4% Decrease in HAP in HCV 2. <5% Increase in Percent of Income Paid for Rent (all Renters).

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this initiative through Attachment C(3)(b) which waives certain provisions of Section 16(b) and 8(o)(4) of the 1937 Act and 24 CFR 5.603, 5.609, 5.611, 5.628, and 982.201.

HACC is further authorized to undertake this initiative through Attachment C (C)(11) which waives certain provisions of Sections 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 CFR 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 as well as 966 Subpart A. In addition, HACC is authorized through Attachment C (D)(2)(a) which waives certain provisions of Sections (8)(o)(l), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H-I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518.

Activity 7 – Modified Definition of Elderly

(Revised Activity #2011-5)

A. Year Identified and Implemented

This activity was 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.

B. Impact of MTW Activity - Outcomes

Baseline	Number of Households Housed Age 55 to 61: 0.
Metrics	Number of Households Housed Age 55 to 61.
Benchmark	Increase in the Number of Households Housed Age 55 to 61.
•24 households age 55 to 61 were housed in 2012.	

The goal of this activity is to expand housing choice for near elderly households which currently are excluded from public housing unless otherwise disabled. During the 2012 plan year, there were 24 households between the ages of 55 and 61 that were admitted to the public housing program as shown on the chart.

C. Challenges/Potential New Strategies

We did not have any challenges with the implementation of this activity and no new strategies will be applied at this time.

D. Revised Benchmarks or Metrics

Since the goal of this activity was to expand housing choice, we have revised the benchmarks and the metrics as shows above to measure the number of households that under this activity had a choice of housing not previously available to them.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this activity through Attachment C (B)(3) of the MTW Agreement. This authorization waives certain provisions of Section 3 (b)(3) and (G) of the 1937 Act and 24 CFR 5.403.

The MTW waiver was necessary to enable HACC to admit households under the age of 62 to reside in elderly designated housing. The new definition of elderly as age 55 is consistent with the Low Income Housing Tax Credit program. The LIHTC program is the source for all new development undertaken by HACC. Thus the waiver enabling the modification of the definition of elderly will assure consistency between LIHTC and Section 8/Section 9 subsidy programs.

Activity 9 - Local Project Based Voucher Program

(Revised Activity #2011-7)

A. Year Identified and Implemented

This activity was implemented in Year 1 (2011). HACC implemented a local Project Based Voucher (PBV) Program to ensure that a greater number of quality units are available to low-income families throughout Champaign County.

B. Impact of MTW Activity - Outcomes

This activity enabled HACC to provide project based subsidy to new housing units and improve the financial viability for the development of new affordable housing. It also enabled tenant based voucher holders to relocate to higher quality housing made available with project based vouchers. The chart reflects the outcomes of this activity in 2012.

Baseline	<ol style="list-style-type: none"> 1. Current Project Based Vouchers Administered: 0 2. Current Tenant Based Voucher Holders Moving to PBV Unit: 0
Metrics	<ol style="list-style-type: none"> 1. Increase in PBV Units. 2. Percent of New PBV Units Occupied by Tenant Based Voucher Holders.
	<ul style="list-style-type: none"> • 38 PBV units placed in service in 2012. • 2 PBV units occupied by tenant based voucher holders.
Benchmark	<ol style="list-style-type: none"> 1. 20 PBV Units Approved Each Year. 2. 5% of New PBV Units Placed Under Contract Each Year Occupied by Tenant Based Voucher Holders..
	<ul style="list-style-type: none"> • 48 PBV units approved in 2012 (Hamilton on the Park and Urban Park Place). • 5% of PBV units under HAP contract in 2012 occupied by tenant based voucher holders.

The table below identifies the properties for which HACC executed a PBV HAP Contract or provided a PBV Commitment in 2012.

Table 17

PROJECT BASED HOUSING CHOICE VOUCHERS			
Name of Property	Total Units	PBV Units	PBV HAP Effective Date
NEW PBV HAP CONTRACT IN 2012			
Oakwood Trace	50	25	June 2012
PBV COMMITMENT PENDING HAP CONTRACT			
Hamilton on the Park	36	36	May 2013
Urban Park Place	24	12	October 2013
Providence (Sycamore and Thornberry)	252	226	June 2014
EXISTING PBV CONTRACT(S)			
Douglass Square	50	13	October 2011
TOTAL PBV UNITS	412	312	

The local PBV Program includes the following components:

- Project based assistance at properties owned by HACC or an affiliate of the Authority that are not public housing.
 - Project Based units were provided for Douglass Square, the redevelopment of a former public housing community in which HACC provides a long term ground lease.
 - Project Based units were provided to Oakwood Trace, a property in which an affiliate of HACC (Central Illinois Development Corporation of Champaign County) is the general partner.
 - Project Based units were committed for Urban Park Place, a property in which an affiliate of HACC (Maple Grove Development Corporation) will be the owner.
 - A Project Based Commitment was provided for Hamilton on the Park, redevelopment of the former Dunbar Courts public housing community; an affiliate of HACC (Oak Grove Development Corporation) will serve as a member of the General Partner and is currently under construction.
 - A Project Based Commitment was provided for Providence at Sycamore Hills/Thornberry, redevelopment of the former Dorsey Homes public housing community; an affiliate of HACC will serve as a member of the General Partner. This project is in predevelopment.

- Establishment of a reasonable competitive process for project basing leased housing assistance at units in which HACC or a related affiliate has no ownership interest that meet existing Housing Quality Standards or any standards developed by HACC pursuant to this MTW Agreement and approved by the Secretary, and that are owned by non-profit, and for-profit housing entities.
 - Project Based vouchers were committed to Hamilton on the Park, Oakwood Trace and Providence under the competitive processes established by the State of Illinois 9% New Construction and Rehabilitation Low Income Housing Tax Credit Program; and, the 4% Tax Exempt Bond Low Income Housing Tax Credit Program.
 - Project Based vouchers were provided to Douglass Square based on their response to a formal solicitation issued by HACC.

- Project Based vouchers were provided to Urban Park Place under the competitive process established by the State of Illinois for the Permanent Supportive Housing Program.
- Adoption of alternate standards for determining the location of existing, new constructed or substantially rehabilitated housing to receive subsidy in compliance with the requirements outlined in Attachment C of the MTW Agreement.
 - HACC has developed and implemented a local site and neighborhood workbook modeled in part from the HUD site and neighborhood standards with some local variations based on redevelopment strategies formally adopted by local municipalities.
- Establishment of project based waiting lists and processing of all project based activities at the property by the respective property management company.
 - Douglass Square and Oakwood Trace have fully implemented the project based waiting list and processing of all project based activities at the property.

C. Challenges/Potential New Strategies

We did not have any challenges with the implementation of this activity and no new strategies will be applied at this time.

D. Revised Benchmarks or Metrics

No changes have been made to the metrics or benchmarks but clarification has been provided as follows:

- Units Placed in Service – units in which a HAP contract was executed in the Plan Year;
- Units Approved – units committed for a project that reached a financial closing in the Plan Year; and,
- Units Committed – a preliminary commitment letter was issued in the Plan Year but the project has not reached a financial closing.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this initiative through Attachment D (7) which waives certain provisions of Sections 8(o)(13)(B and D) of the 1937 Act and 24 CFR 982.1, 982.102 and 24 CFR Part 983, 983.51, 983.57 as well as Section 8(o)(8) of the 1937 and 24 CFR 982 Subpart I.

The MTW waiver was necessary to allow HACC to increase the number of vouchers that can be project based. The waiver also permitted project based waiting lists for properties that have PBV units, resulting in expedited lease up. The waiver also enables the property management company to perform all tasks associated with administration of the project based units. Without this waiver, HACC would be limited to the number of PBV units it could award and would ultimately limit the development of new units.

Activity 10 – Local Payment Standards

(Revised Activity #2012-1)

A. Year Identified and Implemented

This activity was identified in the Year 2 MTW Plan. HACC issued a solicitation in May 2012 and a contract was executed with American Marketing Services in July. The contract calls for a three phase approach to the creation of local payment standards.

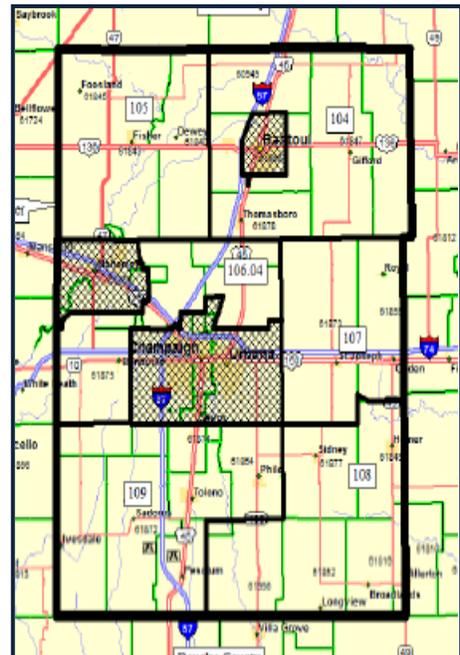
- Phase I – Identification of Primary Real Estate Submarkets (PRESM's)
- Phase II – In-depth analysis of rental rates within each submarket and recommended payment standards.
- Phase III – Annual review and update of rental market conditions and payment standards.

As of December 31, 2012 Phase I had been completed and Phase II was underway. Completion of Phase II is scheduled for April 30, 2013 and implementation of the local payment standards should commence July 1, 2013.

B. Impact of MTW Activity – Outcomes

Champaign County has a geographic area of 997 square miles consisting of the urban cities of Champaign and Urbana, the Village of Rantoul and various other small villages and towns. The diversity of HACC's jurisdiction results in real estate markets that demand rent schedules far beyond those of the HUD published Fair Market Rents.

American Marketing Services examined nine demographic characteristics to identify geographic areas with similar populations and housing conditions which included: population; median income; number of occupied housing units; number and percentage of vacant units; number and percentage of renter-occupied units; percent of residents living in "group" quarters; and, percentage of non-family households. Based on this analysis, nine primary real estate submarkets were identified within Champaign County:



1. Three census tracts on the central/west area of Champaign;
2. Six census tracts on the southwest area of Champaign;
3. Six census tracts on the east side of Urbana;
4. Six census tracts on the north side of Champaign and the northwest side of Urbana;
5. One census tract in the far north high growth area of Champaign;
6. Nine census tracts in the “university campus” area of Champaign and Urbana;
7. Two census tracts in Mahomet and Lake of the Hills;
8. Three census tracts in the Village of Rantoul;
9. Six large census tracts in other rural areas of the County

C. Challenges/Potential New Strategies

Identification of clearly defined Primary Real Estate Submarkets (PRESM’s) was challenging due to the extensive amount of student rental housing and large geographic rural areas with minimal rental units. The percentage of renters in each census tract was analyzed to locate concentrations of rental units to assure that each PRESM had a minimum threshold of rental housing. Group quarters and non-family household data were used as a proxy to measure the proportion of students in each census tract.

D. Revised Benchmarks or Metrics

The chart below clarifies the metrics and benchmarks for this activity.

Baseline	<ol style="list-style-type: none"> 1. Percent of Voucher Holders Residing in Areas of Low Poverty: 11% 2. Average HAP Payment: \$547.00
Metrics	<ol style="list-style-type: none"> 1. Increase in Percent of Voucher Holders Residing in Areas of Low Poverty. 2. Average HAP Payment
Benchmark	<ol style="list-style-type: none"> 1. 10% of Voucher Holders Residing in Areas of Low Poverty by December 2014; 20% by December 2015. 2. Average HAP Payment does not Increase by More than 5% by December 2015.

E. Changes in Data Collection Process

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this initiative through Attachment C (D) 2 (a) which waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)10 and 8(o) (13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982,518, as necessary to implement the Agency’s Annual MTW Plan.

The MTW waiver is necessary to enable HACC to adopt payment standards that are more realistic with the real estate market in Champaign County. This waiver will expand housing choice for assisted families by enabling them to rent units in areas that would not be affordable without the MTW waiver.

Activity 11 – Acquisition without Prior HUD Approval
(Revised Activity #2012-2)

A. Year Identified and Implemented

This activity was identified in the Year 2 (2012) Plan. To facilitate the development activities described, HACC will utilize its authorization to acquire sites without prior HUD approval and will certify that the HUD site selection requirements have been met.

B. Impact of MTW Activity – Outcomes

There were no properties acquired under this activity in 2012. However, the following properties are in acquisition negotiations or under contract to acquire:

- **302-306 Park Avenue, Champaign** – These building constitute Urban Park Place which HACC will acquire in 2013 as discussed earlier in this report.
- **1408, 1414 and 1416 Eads Avenue** – These are houses located at the entrance of Hamilton on the Park. The houses are in poor condition and at the end of 2012 HACC was in negotiations with the owner to acquire this property and has subsequently entered into a purchase contract to acquire this property. The house will be demolished and the land will provide signage and an attractive entrance to the newly developed community.
- **Rantoul** – HACC has been in negotiations to acquire two additional parcels of land in the Village of Rantoul to combine with land currently owned to develop a new mixed income family community as discussed earlier in this report.
- **Cobblefield Site** - This site is a 12 acre parcel which will be combined with the former Dorsey public housing community site to develop Providence at Thornberry. HACC executed a purchase contract for this site in December 2012 and will acquire the site in April 2013.

C. Challenges/Potential New Strategies

We did not anticipate any challenges with the implementation of this activity and no new strategies will be applied at this time.

Baseline	1. Number of Affordable Housing site and Units Owned Directly or Indirectly by HACC: 8 sites with 404 Units.
Metrics	1. Number of Affordable Housing Sites and Units.
Benchmark	1. Increase 1 Site, 36 Units by 12/2013; Increase of 1 Site, 24 Units by 12/2014; and, Increase of 2 Sites, 250 Units by 12/2015; Increase of 1 Site, 150 Units by 2016.

D. Revised Benchmarks or Metrics

The metrics and benchmarks for this activity have been adjusted slightly to accommodate the timeframe for development of mixed income housing communities which frequently expands over a three year period.

E. Changes in Data Collection

No changes have been made in the data collection process for this activity.

F. Changes in Authorizations

No changes have been made in the authorizations used for this activity.

G. Provisions Waived that Authorize Changes

HACC is authorized to undertake this initiative through Attachment C (C) 13. (a) which waives certain provisions of 24CFR 941.401, as necessary to implement the Agency's Annual MTW Plan.

The MTW waiver is necessary to expedite the acquisition process for development of new housing communities that will result in expanded housing choice for the low income residents of Champaign County.

VII. SOURCES AND USES OF FUNDING

- A. Sources and Uses of MTW Funds** - The chart below summarizes the planned sources and uses versus the actual sources and uses of MTW funds.

Table 18

MTW CONSOLIDATED MTW FUNDS SOURCES AND USES		
January 1, 2012 through December 31, 2012		
REVENUE	2012 BUDGET	2012 ACTUAL
Housing Assistance Payments (HAP) Subsidy	11,515,512	12,118,035
Administrative Fees - Pro-Rate @79%	749,646	890,963
PH Subsidy - Pro-Rate @82%	1,221,502	892,877
PH Rental Income	708,579	705,293
Capital Fund Grant	924,964	2,280,509
Replacement Housing Funds	750,000	9,360
Investment Interest	235,000	97,135
Development Income	0	240,000
Other Income	12,000	17,311
Total Revenue	\$16,117,203	\$17,251,483
EXPENSES		
Administrative & General	1,999,002	1,934,149
Utility	669,750	330,786
Operations & Maintenance	1,104,648	1,673,404
Housing Assistance Payments	9,210,300	10,806,667
Capital Funds	924,964	1,107,884
Development Projects	1,500,000	700,738
Total Expenses	\$15,408,664	\$16,553,628
Net Cash Flow from Operations	\$708,539	\$697,855
Net Income (Loss)	\$708,539	\$697,855

As noted, the net income realized exceeded the planned amount by \$1,134,280. This variance is attributable to difference in the prorated amount of funding anticipated to be received versus the actual prorated amount received. The actual expenses exceeded planned expenses by \$1,144,964. This variance is primarily additional HAP payments as we assisted more families that what had been planned.

HACC has combined Replacement Housing Funds with MTW funds under Option 3 of the Second Amendment to the Moving to Work Agreement. To assure receipt of a second increment of RHF funds, HACC has assured that all RHF funds utilized meet the "proportionality test".

- B. Sources and Uses of NON-MTW Funds** - The chart below summarizes the planned sources and uses versus the actual sources and uses of Non-MTW funds during the plan year.

Table 19

NON -MTW CONSOLIDATED FUNDS SOURCES AND USES		
January 1, 2012 through December 31, 2012		
REVENUE	2012 BUDGET	ACTUAL
HAP – SRO	70,791	83,696
Administrative Fees - SRO	15,753	19,524
ROSS Grant	30,000	29,600
WIA Youth Program	27,900	23,602
S8 FSS	0	0
Total Revenue	\$144,444	\$156,422
EXPENSES	2012 BUDGET	ACTUAL
Administrative & General	100,400	72,249
Housing Assistance Payments	70,791	83,291
Total Expenses	\$171,191	\$155,540
Net Cash Flow from Operations	(\$26,747)	\$882
Net Income (Loss)	(\$26,747)	\$882

- C. Sources and Uses of Central Office Cost Center** - The chart below summarizes the planned sources and uses versus the actual sources and uses of the Central Office Cost Center (COCC) during the plan year.

Table 20

CENTRAL OFFICE MTW CONSOLIDATED FUNDS SOURCES AND USES		
January 1, 2012 through December 31, 2012		
REVENUE	2012 BUDGET	2012 ACTUAL
Public Housing Management Fees	248,400	275,842
Public Housing Bookkeeping Fees	31,410	31,658
Public Housing Asset Management Fees	42,000	42,480
Capital Fund Program Mgt Fee	73,678	211,031
HCVP & SRO Management Fee	204,336	221,244
HCVP & SRO Bookkeeping Fees	127,710	138,278
System Administration Fees	2,500	5,338
Investment Interest	15,000	61,788
Other Income	12,000	183
Total Revenue	757,034	987,842
EXPENSES		
Administrative Salaries	317,536	391,868
Administrative Benefits (28%)	88,910	97,490
Legal	50,025	31,700
Staff Training	3,000	3,080
Travel/Meetings	13,000	4,541
Audit	9,000	3,726
Telephone	4,000	13,900
Forms & Office Supplies	25,000	20,789

Computer Support/Operations	20,000	27,736
Administrative Other	37,993	29,628
Total Administrative	568,464	624,458
Water	1,135	1,459
Electric	14,229	16,415
Gas	8,054	6,739
Other Utilities Expense	317	619
Total Utilities	23,735	25,232
Maintenance Salaries	47,296	48,714
Maintenance Benefits (28%)	13,243	13,640
Materials/Office Supplies	4,474	5,524
Contracts	37,057	67,093
Total Maintenance	102,070	134,971
Insurance	38,522	33,040
Other	4,000	106,846
Total General Expenses	42,522	139,886
Total Routine Expenses	\$736,791	\$924,547
Net Cash Flow	\$20,243	\$63,295

- D. Cost Allocation Approach** - HACC utilized the HUD prescribed Fee for Service approach with no deviations for the plan year.
- E. Use of Single Fund Flexibility** - There were no uses of the single fund flexibility planned for the plan year.

VIII. ADMINISTRATIVE

A. Progress on Correction of Deficiencies

This section is not applicable.

B. Program Demonstration Evaluation

An updated Annual Report from the University of Illinois Program Evaluation is included in Exhibit C.

C. Performance and Evaluation Reports

The performance and evaluation reports for Capital Fund expenditures not included in the MTW Block grant are attached in Exhibit A.

D. Statutory Requirements

The chart below provides a summary of the mix of families served; the income levels of households served and the overall percent of low income households served upon execution of the MTW Agreement and at the end of the plan year. The executed certification of compliance with the three statutory requirements is attached in Exhibit B of this report.

Table 21

SUMMARY OF HOUSEHOLDS SERVED				
PUBLIC HOUSING	2011	2012	Variance	% Variance
Extremely Low Income	306	291	-15	
Very Low Income	42	53	11	
Low Income	1	7	6	
>80% AMI	0	1	1	
SUBTOTAL	349	352	3	
HOUSING CHOICE VOUCHER	2011	2012	Variance	% Variance
Extremely Low Income	1223	1267	44	
Very Low Income	283	233	-50	
Low Income	36	29	-7	
>80% AMI	1	5	4	
SUBTOTAL	1543	1534	-9	
OTHER AFFORDABLE HOUSING	2011	2012	Variance	% Variance
Extremely Low Income	9	10	1	
Very Low Income	13	13	0	
Low Income	4	5	1	
>80% AMI	0	0	0	
SUBTOTAL	26	28	2	
TOTAL ALL HOUSEHOLDS	1918	1914	-4	-0.21%

EXHIBIT A – PERFORMANCE AND EVALUATION REPORTS
NON-MTW BLOCK GRANT CAPITAL FUNDS

Annual Statement/Performance and Evaluation Report							
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)							
Part II: Supporting Pages							
PHA Name:		Grant Type and Number			Federal FY of Grant:		
Housing Authority of Champaign County		Capital Fund Program Grant No: IL06E006 501-11 Replacement Housing Factor Grant No:			2011		
Development Number Name/HA-Wide Activities Steer Place	General Description of Major Work Categories	Dev. Acct No.	Total Estimated Cost		Total Actual Cost		Status of Work
Steer Place	Exterior lighting	1450	28,000				Complete
Steer Place	Security camera system	1475	60,000	119,523	93,395		In Progress
Washington Sqr.							
Skelton Place							
12/7/2012	Payment 1	1475				54,104	
12/20/2012	Payment 2	1475				8,481	
1/11/2013	Payment 3	1475				7,760	
2/1/2013	Change Order no. 1 Part A	1475			26,128		
2/21/2013	Payment 4	1475				6,732	
2/21/2013	Payment 5	1475				14,003	
3/20/2013	Payment 6	1475				4,080	
Skelton Place	Exterior lighting	1450	30,000				
Skelton Place	Security Fencing	1450	46,000	44,477	44,477	44,477	

EXHIBIT B – STATUTORY CERTIFICATION

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 28th day of March, 2013.

HOUSING AUTHORITY OF CHAMPAIGN COUNTY, ILLINOIS

By: Edward Bland

Title: Executive Director

Signature:

A handwritten signature in black ink, appearing to read 'Edward Bland', is written over a horizontal line.

**Evaluation of the
Moving to Work Program
in Champaign County**



I L L I N O I S
UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN

Progress Report to the Housing Authority of Champaign County

Paul E. McNamara, Principal Investigator
Cathy Strick, Visiting Research Coordinator
With Research Assistant Hanbum Lee
Department of Agricultural and Consumer Economics

March 29, 2013

Introduction

This is the second progress report of the Housing Authority of Champaign County (HACC) Moving to Work (MTW) evaluation. An interim PowerPoint presentation update was provided during the HUD visit on August 7, 2012.

Background

In November, 2011, we received preliminary administrative data from HACC, allowing preliminary descriptive statistical analysis, and creating a randomized database. In late November, we began Key Informant Interview recruitment at HACC and have completed 25 Interviews. In late January, 2012, we began Housing & Self-Sufficiency Quantitative Survey recruitment at HACC. We have received 305 completed baseline Surveys, with 70 Surveys outstanding.

In July, 2012, we received preliminary administrative data from Decatur Housing Authority (DHA), allowing preliminary descriptive statistical analysis, and creating a randomized database. In August, 2012, we began Key Informant Interview and Housing & Self-Sufficiency Quantitative Survey recruitment. We have completed 24 Key Informant Interviews. We have received 158 completed baseline Surveys, with 40 Surveys outstanding.

In December, 2012, we began Wave 2 data collection and received Housing Choice Voucher (HCV) Waitlist participants from HACC. In January, 2013, we began Key Informant Interview and Housing & Self-Sufficiency Quantitative Survey recruitment. We have completed nine (9) Key Informant Interviews. We have received 53 completed baseline Surveys, with recruitment continuing.

In late February, 2013, we received Public Housing (PH) Waitlist participants from HACC. This month all those on the Waitlist received information letters about the MTW program and the UIUC evaluation. Recruitment for Key Informant Interview and Housing & Self-Sufficiency Quantitative Survey commenced March 26, 2013.

In addition, we have begun Wave 2 of Social Survey recruitment with HACC participants who completed a Survey in baseline. We will continue recruitment in Wave 2 for DHA later in 2013.

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, 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 three sources of information. First, we have conducted qualitative interviews using an in-depth key informant interviewing approach with about 25 MTW participants and another 24 Decatur housing program participants.

We utilize Decatur Housing Authority 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 social survey we have fielded with MTW participants and with Decatur Housing Authority (DHA) 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 HUD. This data also allows the creation of econometric program evaluation analyses that allow for non-treated controls, and for 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. The administrative data also allows the investigation of program outcomes such as differential program dropping out behaviors and other dynamics due to the MTW program.

Key Informant Interviews

In our initial progress report, we presented some interesting preliminary findings from the transcribed interviews focusing on self-sufficiency including issues concerning housing, employment, education, health, family structure, neighborhood environment, financial situations and goals, and food security.

We have prepared a descriptive analysis of core themes surrounding the phenomenon of self-sufficiency of half (50%) of the current program participants of the Housing Authority of Champaign County who have completed qualitative Key Informant Interviews. Our most salient questions pertain to housing quality, employment, and how people describe self-sufficiency.

Housing Quality

In selecting housing, what is of paramount importance to families receiving housing assistance is living in a place that is quiet and peaceful. Families prefer to live in areas not considered 'the hood', or places that are 'rowdy and dirty', 'unsafe', or where 'drama' and 'drive-bys' might occur; and that provides some privacy. Privacy is obtained most in single-family homes, as opposed to apartment complexes. Nonetheless, people do understand that the cost of living in a single family home is higher, and so will choose a duplex, townhome or apartment to save money or stay in a desired neighborhood. Since most of the Key Informants we interviewed were families with children, living in a 'community', a neighborhood, where their children can play safely is important.

Families also prefer to have schools, parks, grocery stores, fast food restaurants, gas stations, and transportation in the vicinity. Families will, however, settle for housing that is not the most desirable because of denial from landlords for nicer properties based on their background.

While living in single family homes appears to be the most desired type of housing, Key Informants report, and our visits concurred, they are living in mostly older homes, with heating and plumbing issues, inadequate insulation, fuse boxes that frequently malfunction; homes needing 'new cabinets', and where 'the bathtub could be replaced'. Families reported undesirable housing conditions because of pests - 'squirrels bumpin' and rattlin' back and forth up there in the ceiling', and 'I have roaches . . . and I have children and my 10-month-old crawls around on the floor and there's a roach by him'. A few of the Key Informants lived in apartments and townhomes which were more modern. Only one Key Informant lived in a well-maintained, single family home.

In ascertaining the availability of affordable housing, families report that housing assistance 'limits you to certain areas', and they are told 'what you can afford and what you can't', so finding housing 'kinda gets tricky sometimes'. Families are aware that they have a time limit in securing housing, and relate they may end up in a particular house or apartment because 'my voucher was getting down to its last little end, so I pretty much just took what I could get.' Others report finding housing was easy because, 'a lot of landlords appreciate the fact of section 8. I guess they feel that they'll get their pay.' One Key Informant reflected her inability to afford her single-family home without the help of the voucher, 'This house is \$778 a month and so I would've never had that on my own.' Two Key Informants reported they seriously searched for housing, 'looked at a lot of things in Champaign, that I liked it and that I didn't like', and both ended up with housing they described as 'beyond great' and 'very comfortable'.

Finally, landlords and/or management companies have an influence on families receiving housing assistance. All of the Key Informants we interviewed report being proactive with their landlord or management company for repairs or maintenance. Only two (15%) of the Key Informants report that their landlord is unresponsive, and these are the two properties with pest issues. These two Key Informants report they are likely to move when their leases expire, as motivated by the unreceptive landlord. The remainder of the Key Informants report responsive and positive relationships, 'He stops and brings me food for like Christmas', or 'We show each other respect, like, he fixes things, I keep his house nice', or 'I just call and he comes.'

Employment

Sixty-two percent (62%) of Key Informants are currently employed; 38% having more than one job. Of these working heads of households, most report entering the workforce at an early age, and/or, a long and consistent work history - 'I've always worked', 'My first job was McDonald's. I think I was like 14', 'I've worked since I was 15 years old', 'I've been at this job I'm at now though for eight years', 'Workin'. . . for 11 years now'. In addition, all are women, of which 92% are responsible for supporting themselves, and between 1-5 children under the age of 18.

Insightful reflection from a participant who has 'always worked' and receives a minimal amount of monthly housing assistance, and currently works two jobs, says motivation for working is personal, as well as, being sensitive to the greater economy - "These are me and my kids and if I can't do it on my own without housing authority what am I gonna do? 'Cause everyplace is goin' broke. If you're not prepared to pay your own rent, you're gonna be in trouble.' Other participants report similar attitudes - 'I know I need work and I know I need to take care of my family.' 'I have five children. I know I have to work. How are you gonna take care of your kids if you don't work?'

Not surprisingly then, these Key Informants come from working class backgrounds. Seventy-five percent (75%) report having parents and/or grandparents that are self-sufficient; own, have owned, or are in the process of owning, their own homes. 'My mom, she always been a workin' person and she taught us how to be very independent. Her and my father. . . they are workin' parents.'

Conversely, 38% of Key Informants are currently unemployed. They report employment seeking strategies of completing applications, phoning prospective employers and looking through newspapers. Nonetheless, all report an employment history. Key Informants report reasons for not working are the economy, inability to find child care, no transportation, health, and currently attending school. Of the unemployed, however, 40% volunteer at organizations in the community to earn Temporary Aid to Needy Families (TANF).

In order to learn about what types of jobs most people held, Key Informants reported employment in fast food restaurants, retail, healthcare settings, and factories, with a small percent engaged in community services and package handling.

Key Informants reported salient work experiences. Positive experiences included feeling that they are being treated fairly, being able to help and take care of people, receive good pay, are able to work hours convenient to family, receive benefits, and work in a positive environment with an understanding boss. Work also adds to Key Informants' sense of self-efficacy and empowerment as they report they enjoy working, feel appreciated, have a personal sense of accomplishment and are motivated to advance in their education and career.

Negative work experiences reflected difficulty in working 12 hour factory shifts and having to find child care, working in physical environments that compromised health (including factory settings with dust and fumes), and navigating demanding customers in retail, customer service environments. Negative human relations experiences included being dismissed unfairly or without cause, being dismissed because of a health issue, and facing discrimination in the workplace.

When reflecting on employment barriers with these low income families, to either find work, keep work, or advance in their career, the state of the economy is mentioned with, 'Nobody's hiring' or 'I get no response from applications.' Other Key Informants report they had to leave work to accommodate a pregnancy risk, or that lack of child care and transportation prohibit them from securing employment. Key Informants desire employment with work schedules that accommodate family and personal health issues. One Key Informant understands the connection between finishing school and better employment, but is unable to manage work, family and school simultaneously at this time. A few of the Key Informants who are working report they are 'comfortable', and do not have the confidence to move outside of their comfort zone to pursue a path to better employment.

In summary, Key Informants generally exhibit resources and protective factors in their positive attitude, employment history, and having self-sufficient parents and/or grandparents as role models.

Self-Sufficiency

While the Key Informants we interviewed are each unique in situation, still, they share some common perspectives about what self-sufficiency means to them.

All of the Key Informants we spoke with articulated some aspect of employment – either finding a job, having a better job, having only one job, or 'doing well in my career' – as a basis for self-sufficiency. About half (50%) report that having additional education to complete school or a trade would lead to better employment, including more meaningful work, and personal achievement. Key Informants value independence, and either see themselves as independent, 'I've always been raised to do my own thing', or are striving for independence, '. . . tryin' to do it myself', and 'I want to do on things on my own.'

Financially, about 70% of the Key Informants do exhibit an internal locus of control, and believe in their own abilities to have control over their money and their financial future. However, most struggle to pay their bills. For them, self-sufficiency will be a time when, 'I would like to be able to provide for my kids without havin' to wonder what bill I should not pay to buy a pair of shoes', or 'Do I pay a bill or do I pay half of the bill so I can go out and get my son some socks or shoes, you know, so.' And, Key Informants report they would like to be able to save, but it is difficult, 'Once I get income tax, and get things straightened out, it might give me the opportunity to, maybe, I don't know, put back a little bit. . . I gotta still buy kids clothes and gas and stuff. So, I guess I won't be able to save any money', or 'I don't do very good savin'.'

Only about 30% of the Key Informants spoke seriously about owning their own home. These few also report, 'I've always been one that works,' or 'I make sure all my bills are paid', or 'I'm focused on what I need to be focused on.' These strategies equate to freedom – 'I can pay all my own bills and I don't have to be stuck with this type of apartment you know. I can choose.' These same families engage with banks, credit unions and other financial institutions and have established a credit history. As well, there is a positive relationship between Key Informants who do engage with financial institutions, and their education and employment outcomes.

For some, (about 30%) self-sufficiency is not even an option at the present time. 'I struggle from day-to-day, right now. I'm just livin' from paycheck to paycheck', or 'I'm so busy with just takin' care of day-to-day things, you know what I'm sayin', that's really like I can't think long-term like that.' Eventually, self-sufficiency will mean stability – 'I'm not really stable right now. I'm maintaining.' These families report difficulty managing money, and have no experience, or negative experiences, with financial institutions.

While Key Informants expressed appreciation for housing assistance, about 40% report, 'I don't want to be on this forever.' For them, housing assistance is viewed as, 'a stepping stone', or 'These programs are a help; they're not just get on 'em and just stay on 'em.' Self-sufficiency then is to, 'Not have to depend on housing.' Key Informants desire to 'move up', or 'get to the next level'. 'I would rather not be on it.'

Emotionally, for some, (about 15%) self-sufficiency includes a husband or partner, 'to help' or be a role model for children. A widow expressed, 'Sometimes I get depressed about my husband and stuff like that so.'

Over half (50%) of all the families understand the dynamic of having two adults in the household, as having been in a previous marriage or relationship, or witnessing how much easier it was and better off their parents and/or grandparents were financially because 'there were two of them.'

Psychologically, Key Informants are hopeful - 'I don't let it get me down, just gotta keep movin'.' 'I want better for my kids.' 'Maybe next time you talk to me I'll be better.'

Social Survey (2012)

Using collected social surveys in 2012, we present in this section the comparison of general characteristics for households satisfying Moving to Work (MTW) family criteria between Champaign County and Decatur.¹ Decatur Housing Authority (DHA) is determined as a possible comparison group for evaluating the impacts of the MTW program.

¹ Our study evaluates households, whose head of household is not disabled or handicapped, and not older than 54, to identify MTW activities that help families reach self-sufficiency.

In **Exhibit 1**, as a baseline study, we start by comparing demographic and socioeconomic characteristics for all eligible households for our program evaluation in two areas.

There are 301 households that completed the social survey in Champaign County and 162 households in Decatur.² Of interest is that head of households in the 26 to 35 age group represent the highest proportion. Similarly, the proportion of Black/African American race, female headed, and single marital status households dominate in both areas. Also, in the process of collecting social surveys, we have recognized that some participants had a criminal history. Finally, we discern from Exhibit 1 that more than half of social survey participants live with any children aged 8 or younger.

Exhibit 1 Comparison of demographic characteristics between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Mean age of household head	36.97		35.2	
Head's age is 46-55	65	21.59	33	20.37
Head's age is 36-45	86	28.57	34	20.99
Head's age is 26-35	120	39.87	71	43.83
Head is younger than 26	30	9.97	24	14.81
Gender				
Female	291	96.68	149	91.98
Race				
Black or African American	255	84.72	112	69.14
White	24	7.97	41	25.31
Other races	19	6.31	8	4.94
Marital Status				
Single	243	80.73	138	85.19
Married	14	4.65	2	1.23
Separated	12	3.99	8	4.94
Divorced	30	9.97	14	8.64
Other status	2	0.66	0	0.00
Violation history				
Felony	36	11.96	24	14.81
Probation	56	18.60	36	22.22
Jail or prison	31	10.30	27	16.67
Family structure				
Mean number of children under the age of 18	1.86		1.96	
Head lives with any children aged 8 or younger	169	56.15	100	61.73

Exhibit 2 details the comparison of education status and computer skills in Champaign County and Decatur. Generally speaking, social survey participants in Champaign County tend to have higher education achievement compared to the social survey participants in Decatur. The proportion of current enrollment in school in both areas is similar, and they mostly enrolled in school for taking college courses. In 'Computer Skills', presented numbers are mean values, measured based on a 5-point scale from 'Never' to 'Everyday' uses. Specifically, social survey participants are relatively familiar with sending emails or searching information using internet, but they do not use computers for special purposes such as spreadsheets or financial programs.

² Households residing outside of Champaign County are exempted from the descriptive statistics.

Exhibit 2 Comparison of education and computer skills between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Education				
Some high school or less	55	18.27	37	22.84
High school diploma or GED	92	30.56	67	41.36
Some college or two year degree	128	42.52	48	29.63
Bachelor's degree or more	19	6.31	0	0.00
Technical or trade school	5	1.66	0	0.00
Special Education Service*	32	10.63	14	8.64
Any licenses or certificates	105	34.88	50	30.86
Currently enrolled in school	56	18.60	32	19.75
▪ Complete GED	6	1.90	4	2.47
▪ College courses	41	13.62	23	14.20
▪ Technical and Trade school	3	1.00	2	1.23
▪ Other schools or job training programs	6	1.99	3	1.85
Computer Skills**				
Send or receive an email	3.66		3.48	
Write using a word processing program	2.56		2.40	
Use a spreadsheet program or financial program	1.80		1.47	
Look up information on a CD-ROM	1.76		1.55	
Find information on the internet	4.11		4.02	
Talk in chat groups or with other people who are logged onto the Internet at the same time you are	2.74		2.92	

* Learning disability, speech and language impairment, or behavioral disorder

** Scale: Everyday = 5; A few times a week = 4; Once a week = 3; Less than one a week = 2; Never = 1

Exhibit 3 presents a comparison of employment status between Champaign County and Decatur. Generally, about half of social survey participants are unemployed and the proportion of being employed in part time jobs is higher than those with full time job in both areas. Specifically, the proportion of full time employment and mean hours worked per week are relatively higher in Champaign County, and full time employees tend to remain in their current job for a year or longer in both areas. Similarly, mean weekly take home pay is slightly higher in Champaign County. Meanwhile, a higher proportion of social survey participants in Decatur are hired for part time jobs, and the periods for which they hold their main part time job is relatively similar in less than 1 year and 1 year or longer. Mean weekly take home pay for part time jobs is similar in both areas.

Exhibit 3 Comparison of employment status between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Employment*				
Full time (35 or more hours per week)	69	22.92	31	19.14
▪ Mean hours worked per week	37.48		35.63	
▪ Mean weekly take home pay	351.53		363.61	
▪ Periods holding current job				29.03
• Less than 1 year	16	23.19	9	70.97
• 1 year or longer	51	73.91	22	
Part time (less than 35 hours per week)				
▪ Mean hours worked per week	78	25.91	56	34.57
▪ More than one part-time job	22.45		21.5	
▪ Mean weekly take home pay	8	10.26	3	5.36
▪ Periods holding main part-time job	201.94		197.26	
• Less than 1 year	36	46.15	26	46.43
• 1 year or longer	42	53.85	28	50.00
Unemployed				
▪ Previously worked for pay	153	50.83	75	46.30
	143	93.46	65	86.67

* Percentage may not sum up to 100 due to missing observations.

Exhibit 4 compares financial status between Champaign County and Decatur. Around 70% of social survey participants in both areas have received income in the last 30 days, and mean gross income is \$840.4 and \$789.34, respectively. Among various sources of income, earned income dominates. Also, more than 70% of participants have received non-cash benefits, including Food Stamps, Medicare, WIC nutrition program, Medicaid, and so on. Among non-cash benefits, Food Stamp recipients dominate and the mean gross non-cash benefit is \$448.39 and \$453.23, respectively.

Exhibit 4 Comparison of financial status between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Financial				
Number of households received income in the last 30 days	213	70.76	118	72.84
Mean gross income for last month	840.4		789.34	
Source of Income*				
▪ Earned Income	102	47.89	65	55.08
▪ Self-Employment Wages	10	4.69	6	5.08
▪ TANF	28	13.15	17	14.41
▪ Unemployment Insurance	25	11.74	13	11.02
Number of households received non-cash benefits	237	78.74	119	73.46
Mean gross non-cash benefits for last month	448.39		453.23	
Source of non-cash benefits**				
▪ Food Stamp	226	95.36	114	95.80
▪ Medicare	24	10.13	14	11.76
▪ WIC nutrition program	29	12.24	19	15.97
▪ Medicaid	83	35.02	44	36.97
Household members (except head) have any income source	29	9.63	9	5.56

* Number of households receives income from listed cash benefit categories.

** Number of households receives income from listed non-cash benefit categories.

Note: Source of income and non-cash benefits is not mutually exclusive.

Exhibit 5 details comparison on food consumption and other basic needs. Presented numbers are mean values of chosen answers and measured based on several scales. The description of these scales is defined below the table.

Exhibit 5 Comparison of consumption between Champaign and Decatur

		HACC	DHA
Number of observations		301	162
Consumption			
1.	In the last 12 months, the food didn't last, and I did not have money to get more*	2.12	2.17
2.	In the last 12 months, I couldn't afford to eat balanced meals*	2.45	2.45
3.	In the last 12 months, did you ever cut the size of your meals or skip meals because there wasn't enough money to get more**	1.43	1.43
4.	In the last 12 months, did you ever eat less than you felt you should because there wasn't enough money to buy food**	1.43	1.43
5.	If the last 12 months, were you ever hungry but didn't eat because you couldn't afford enough food**	1.30	1.25
6.	Cannot afford to buy adequate insurance***	2.70	2.35
7.	Do not have enough money to pay for health insurance***	2.80	2.73
8.	Cannot afford to buy new shoes or clothes***	2.68	2.66
9.	Cannot afford to pay utilities***	3.14	3.11
10.	Do not have enough money for doctor, dentist, or medicine***	2.89	2.89
11.	Cannot afford to keep cars running***	3.09	3.01

* Scale: Never true = 3; Sometimes true = 2; Often true = 1

** Scale: Yes = 1; No = 2

*** Scale: Never = 5; Seldom = 4; Occasionally = 3; Usually = 2; Most of time = 1

Exhibit 6 categorizes and compares the level of social survey participant's food security, using the six-item short form food security survey model, adopted in USDA. The measurement of this scale is based on the information collected in Exhibit 5. Specifically, about 25% and 27% of participants, assisted in HACC and DHA respectively, fall into the 'Food insecure with hunger' category. Also, around 21% and 16% of participants in HACC and DHA suffer from food insecurity without hunger, respectively.

Exhibit 6 Six-Item Food Security Status

	HACC		DHA	
		%		%
Number of observations	301		162	
Food Security				
Food Secure (Raw score 0-1)	118	39.20	68	41.98
Food insecure without hunger (Raw score 2-4)	64	21.26	27	16.67
Food insecure with hunger (Raw score 5-6)	76	25.25	43	26.54

Note: Presented percentage may not sum up to 100 due to missing observations.

Exhibit 7 compares housing characteristic and community environment between Champaign and Decatur. Overall, number of bedrooms in Champaign County is larger than Decatur, and more than 70% of surveyed participants in both areas have lived 1 year or longer in their current housing. Also, we observed that single family housing dominates occupied housing in DHA. Presented numbers in 'Community Environment' are mean values of chosen answers, scaled by various categories. The description of these scales is defined below the table. Particularly, surveyed assisted households responded relatively negative in answers of questions 5 and 14.

Exhibit 7 Comparison of housing characteristics and community environment between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Housing				
Mean Number of Bedrooms	2.63		2.44	
Periods living in current housing				
▪ Less than 1 year	63	20.93	45	27.78
▪ 1 year or longer	238	79.07	117	72.22
Housing Type				
▪ Apartment	110	36.54	38	23.46
▪ Duplex	46	15.28	7	4.32
▪ Single Family Home	143	47.51	114	70.37
▪ Others	2	0.66	3	1.85
Community Environment				
1. How safe you feel in your neighborhood*	3.89		3.99	
2. People around here are willing to help their neighbors**	3.35		3.59	
3. People in this neighborhood share the same value**	2.99		3.09	
4. This is a close-knit neighborhood**	2.84		3.14	
5. People in this neighborhood can be trusted**	2.47		2.61	
6. People in this neighborhood generally get along with each other**	3.46		3.60	
7. Police not coming when called***	2.76		2.72	
8. People being attacked or robbed***	2.47		2.61	
9. People selling drugs***	2.34		2.44	
10. People using drug***	2.37		2.47	
11. Gangs***	2.57		2.62	
12. Rape or other sexual attacks***	2.77		2.83	
13. Shootings and violence***	2.43		2.59	
14. Unemployment***	1.94		1.97	
15. Groups of people just hanging out***	2.30		2.45	
16. The number of teenage mothers***	2.18		2.31	
17. Lack of public transportation***	2.54		2.68	
18. Quality of schools***	2.59		2.52	
19. Graffiti, that is, writing or painting on the walls of the building***	2.81		2.82	
20. Trash and junk in the parking lots, streets, lawns, and sidewalks***	2.48		2.46	

* Scale: Very safe = 5; Somewhat safe = 4; Uncertain = 3; Somewhat unsafe = 2; Very unsafe = 1

** Scale: Strongly agree = 5; Somewhat agree = 4; Neither agree or disagree = 3; Somewhat disagree = 2; Strongly disagree = 1

*** Scale: No problem at all = 3; Some problem = 2; Big problem = 1

Exhibit 8-1 details health status of two analyzed areas. From the table, we can readily discern that surveyed assisted households suffer from various health issues. Specifically, around 25% and 14% of surveyed households in HACC have chronic and mental health issues. Also, physical disability occupies 10% of surveyed households. Similarly, about 17% and 9% of surveyed households have chronic and mental health issues in Decatur. Also, around 11% of surveyed households in Decatur answered that they suffer from physical disability.

Exhibit 8-1 Comparison of health status between Champaign and Decatur

	HACC		DHA	
		%		%
Number of observations	301		162	
Health				
▪ Chronic health problems	76	25.25	28	17.28
▪ Alcohol or other drug problems	7	2.33	3	1.85
▪ Mental health issues	41	13.62	16	9.88
▪ Post-traumatic stress disorder (PTSD)	23	7.64	7	4.32
▪ AIDS/HIV related illness	1	0.33	1	0.62
▪ Physical disability	31	10.30	19	11.73
▪ Developmental disability	5	1.66	3	1.85
▪ Domestic/partner violence or abuse	0	0.00	5	3.09

* Percentage may not sum up to 100 due to missing observations.

Exhibit 8-2 is a continuation of analysis of health status for Champaign County and Decatur. Presented statistics are mean values of chosen answers, scaled by various categories. Particularly, surveyed assisted households responded relatively negatively to questions 2, 6, 9, 10, 14, and 18.

Exhibit 8-2 Comparison of health status between Champaign and Decatur

		HACC	DHA
Number of observations		301	162
Health			
1.	How you describe health*	3.17	3.28
2.	How stressful your daily life**	2.47	2.31
3.	I was bothered by things that usually don't bother me***	3.41	3.29
4.	I did not feel like eating; my appetite was poor***	3.33	3.31
5.	I felt that I could not shake off the blues, even with help from family or friends***	3.35	3.28
6.	I felt I was just as good as other people***	2.09	2.08
7.	I had trouble keeping my mind on what I was doing***	3.30	3.21
8.	I felt depressed***	3.17	3.12
9.	I felt that everything I did was an effort***	2.42	2.21
10.	I felt hopeful about the future***	2.05	2.15
11.	I thought my life had been a failure***	3.42	3.49
12.	I felt fearful***	3.59	3.55
13.	My sleep was restless***	2.94	2.92
14.	I was happy***	1.90	2.08
15.	I talked less than usual***	3.27	3.11
16.	I felt lonely***	3.24	3.15
17.	People were unfriendly***	3.49	3.44
18.	I enjoyed life***	1.81	1.94
19.	I had crying spells***	3.42	3.33
20.	I felt sad***	3.24	3.22
21.	I felt that people disliked me***	3.56	3.61
22.	I could not get "going" ***	3.39	3.34
23.	Feeling nervous, anxious or on edge****	3.34	3.31
24.	Not being able to stop or control worrying****	3.13	3.06
25.	Worrying too much about different things****	2.93	2.80
26.	Trouble relaxing****	3.09	3.12
27.	Being so restless that it's hard to sit still****	3.43	3.46
28.	Become easily annoyed or irritable****	3.07	3.11
29.	Feeling afraid as if something awful might happen****	3.42	3.42

* Scale: Excellent = 5; Very good = 4; Good = 3; Fair = 2; Poor = 1

** Scale: Not stressful = 5; Somewhat unstressful = 4; Uncertain = 3; Somewhat stressful = 2; Very stressful = 1

*** Scale: Rarely or none of the time = 4; Some or a little of the time = 3; Occasionally or a moderate amount of time = 2; Most or all of the time = 1

**** Scale: Not at all = 4; Several days = 3; Over half the days = 2; Nearly every day = 1

Exhibit 9 categorizes and compares the level of social survey participant's depression, using the Center for Epidemiologic Studies Depression Scale (CES-D). The measurement of this scale is based on the information collected in Exhibit 8. Specifically, about 22% and 24% of participants, assisted in HACC and DHA respectively, fall into the 'Possible major depression' category. Also, around 11% of participants in both areas suffer mild to moderate depression.

Exhibit 9 Center for Epidemiologic Studies Depression Scale

	HACC		DHA	
		%		%
CES-D*				
No symptom	147	48.84	78	48.15
Mild to moderate	34	11.30	18	11.11
Possible major depression	65	21.59	39	24.07

* Percentage may not sum up to 100 due to missing observations.

Exhibit 10 compares social network of social survey participants in two areas. Presented statistics are mean values of chosen answers, on a six-point scale. Overall, social survey participants in Champaign County have wider social networks than the participants in Decatur. On average, the participants contact two to four friends at least once a month, have one or two friends to share private matters and call for help.

Exhibit 10 Comparison of social network between Champaign and Decatur

	HACC	DHA
Number of observations	301	162
Social Network*		
▪ How many of your friends do you see or hear from at least once a month	3.28	3.15
▪ How many friends do you feel at ease with that you can talk about private matter	2.70	2.53
▪ How many friends do you feel close to such that you could call on them for help	2.65	2.46

* Scale: 9 or more = 6; 5 to 8 = 5; 3 or 4 = 4; 2 = 3; 1 = 2; None = 1

Housing Authority of Champaign County: Administrative Data (2002-2012)

Exhibit 11 presents total assisted households and types of housing programs in HACC from 2002 to 2012. The majority of participants have been served through Public Housing and Section 8 Vouchers. From Exhibit 11, the numbers of Public Housing program participants have reduced, while numbers of participants for Section 8 Vouchers have increased. The last column presents mean years stayed in the program.

Exhibit 11 The type of housing program

Year	Total Population	Public Housing	Vouchers	Section 8 Certificates	Mod. Rehab	Years in Program
2002	1687	586 (34.74)	1100 (65.2)	0	1 (0.06)	4.27
2003	1754	573 (32.67)	1167 (66.53)	9 (0.51)	5 (0.29)	4.35
2004	1832	610 (33.30)	1222 (66.70)	0	0	4.62
2005	1738	557 (32.05)	1178 (67.78)	0	3 (0.17)	5.14
2006	1864	473 (25.38)	1387 (74.41)	0	4 (0.21)	4.62
2007	1903	488 (25.64)	1403 (73.73)	0	12 (0.63)	5.03
2008	1916	498 (25.99)	1399 (73.02)	0	19 (0.99)	5.39
2009	1985	493 (24.84)	1467 (73.90)	0	25 (1.26)	5.65
2010	1964	487 (24.80)	1449 (73.78)	0	28 (1.43)	5.85
2011	2194	428 (19.51)	1740 (79.31)	0	26 (1.19)	5.35
2012	1576	225 (14.28)	1329 (84.33)	0	22 (1.40)	5.99

Note: Information for participants in 2012 does not include 4th quarter information. Numbers in parenthesis represent the percentage.

Exhibit 12 shows attrition in housing programs. The table includes four categories, new entry, portability-in, portability-out, and end of participation. Numbers in the category may be duplicated if an assisted household ends its participation and enters into another program. For example, Champaign County experienced several public housing demolitions in 2006 and 2011. Public Housing participants who experienced the demolitions were given three options to transfer to Section 8 voucher, move to another public housing development, or end its participation. In the case of transferring to Section 8 voucher program, the number is duplicated in New Entry and End of participation categories.

Exhibit 12 Attrition of housing program*

Year	New Entry	Portability In	Portability Out	End of Participation
2002	253 (15.00)	23 (1.36)	23 (1.36)	215 (12.74)
2003	280 (15.96)	4 (0.23)	26 (1.48)	174 (9.92)
2004	254 (13.86)	20 (1.09)	47 (2.57)	229 (12.50)
2005	174 (10.01)	26 (1.50)	39 (2.24)	239 (13.75)
2006	394 (21.14)	35 (1.88)	53 (2.84)	172 (9.23)
2007	168 (8.83)	21 (1.10)	33 (1.73)	173 (9.09)
2008	156 (8.14)	46 (2.40)	44 (2.30)	183 (9.55)
2009	197 (9.92)	38 (1.91)	45 (2.27)	192 (9.67)
2010	232 (11.81)	33 (1.68)	36 (1.83)	151 (7.69)
2011	400 (18.23)	45 (2.05)	67 (3.05)	228 (10.39)
2012	40 (2.54)	32 (2.03)	63 (4.00)	90 (5.71)

* Housing program includes Public Housing, Section 8 Vouchers, Section 8 Certificates, and Mod. Rehab.
 Note: Number in parenthesis is the percentage.

This graph in **Exhibit 13** shows attrition, tracking assisted households in 2002 and 2012. The blue line shows number of participants who stayed in the program from 2002. We observed that around 400 assisted households have stayed in the program from 2002 to 2012. The red line tracks assisted households from 2012 to backward.

Exhibit 13 Attrition trend graph of participants in 2002 and 2012

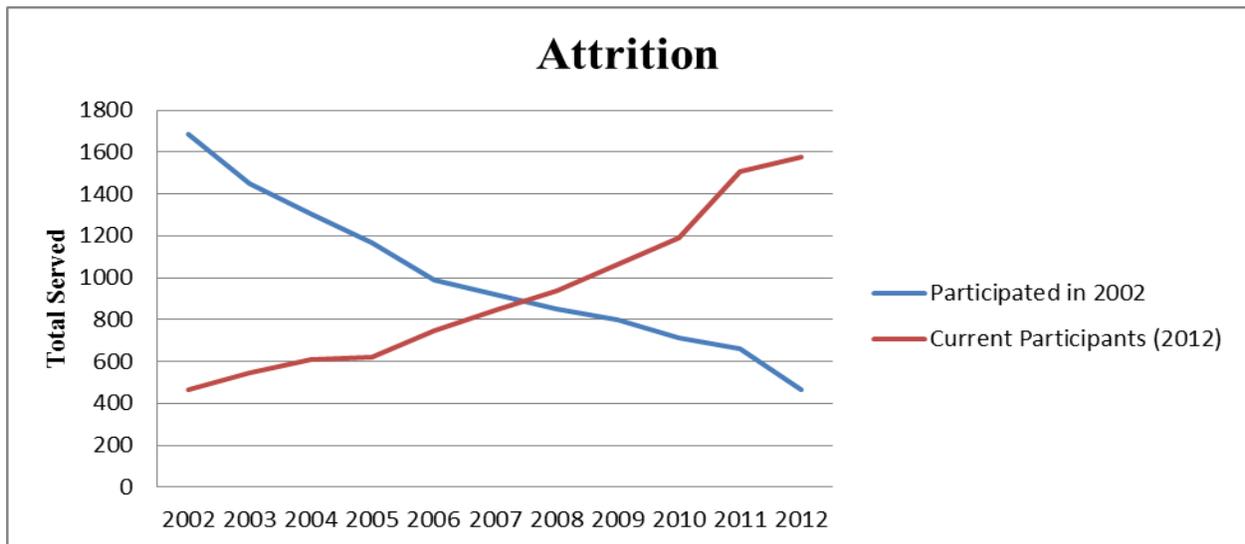


Exhibit 14 presents demographic and socioeconomic characteristics of assisted households in HACC. Mean age of household head has increased while family size has decreased. Proportion of senior, gender, and disabled are similar.

Exhibit 14 Demographics of program participants

Year	Mean age of household head	Senior (62 or older)	Gender (Female)	Family Size	Disabled
2002	41.32	251 (14.88)	1422 (84.29)	2.70	446 (26.44)
2003	41.00	236 (13.45)	1427 (81.36)	2.78	448 (25.54)
2004	41.95	256 (13.97)	1454 (79.37)	2.71	478 (26.09)
2005	43.30	249 (14.33)	1379 (79.34)	2.67	478 (27.50)
2006	43.51	235 (12.61)	1503 (80.63)	2.68	475 (25.48)
2007	43.62	251 (13.19)	1549 (81.40)	2.66	514 (27.01)
2008	43.93	261 (13.62)	1582 (82.57)	2.69	486 (25.37)
2009	44.28	350 (17.63)	1581 (79.65)	2.32	506 (25.49)
2010	44.50	283 (14.41)	1632 (83.10)	2.62	534 (27.19)
2011	44.09	309 (14.08)	1829 (83.36)	2.20	609 (27.76)
2012	43.23	196 (12.44)	1356 (86.04)	2.27	382 (24.24)

Note: Number in parenthesis is the percentage.

Exhibit 15 presents racial structure of assisted households in HACC. We can see that Black/African American race dominates other races. We observed a trend that white only and black only population has decreased and multiracial population has increased.

Exhibit 15 Race of program participants

Year	White	Black/African American	American Indian/ Alaska Native	Asian	Native Hawaiian/Pacific Islander	Multiracial
2002	442 (26.20)	1208 (71.61)	9 (0.53)	4 (0.24)	2 (0.12)	22 (1.30)
2003	495 (28.22)	1141 (65.05)	8 (0.46)	4 (0.23)	2 (0.11)	104 (5.93)
2004	528 (28.82)	1114 (60.81)	9 (0.49)	3 (0.16)	1 (0.05)	177 (9.66)
2005	490 (28.19)	1012 (58.23)	9 (0.52)	3 (0.17)	1 (0.06)	223 (12.83)
2006	465 (24.95)	924 (49.57)	9 (0.48)	2 (0.11)	1 (0.05)	463 (24.84)
2007	444 (23.33)	937 (49.24)	8 (0.42)	3 (0.16)	1 (0.05)	510 (26.80)
2008	414 (21.61)	1016 (53.03)	4 (0.21)	4 (0.21)	1 (0.05)	477 (24.90)
2009	369 (18.59)	1100 (55.42)	4 (0.20)	4 (0.20)	2 (0.10)	506 (25.49)
2010	379 (19.30)	1180 (60.08)	7 (0.36)	6 (0.31)	2 (0.10)	390 (19.86)
2011	392 (17.87)	1401 (63.86)	10 (0.46)	7 (0.32)	2 (0.09)	382 (17.41)
2012	247 (15.67)	1036 (65.74)	4 (0.25)	2 (0.13)	0 (0.00)	287 (18.21)

Note: Number in parenthesis is the percentage.

Exhibit 16 shows income trend. Of interest is that annual total income has increased from 2002 to 2012. Similarly, corresponding adjusted annual income and total tenant payment have also increased.

Exhibit 16 Average income trend

Year	Annual Total Income	Annual Total Allowance	Annual Adj. Income	Total Tenant Payment
2002	8997.45	1183.81	7958.78	206.12
2003	8656.32	1171.88	7633.28	198.45
2004	8556.92	1145.52	7566.35	197.13
2005	9333.55	1114.36	8367.63	217.63
2006	10099.28	1116.62	9126.87	236.97
2007	10126.56	1099.33	9162.29	238.14
2008	10324.93	1067.47	9394.01	244.24
2009	10670.20	1024.90	9760.77	252.47
2010	10795.01	977.36	9922.85	255.90
2011	10598.75	958.85	9733.19	250.72
2012	10879.90	1000.48	9806.55	256.09

Exhibit 17 shows trends in characteristics of occupied housing. From the table, single family housing and low-rise dominates. Age of housing has decreased. Number of bedrooms somewhat fluctuate but increased.

Exhibit 17 Occupied housing characteristics

Year	Number of Bedrooms	Age of housing	Structure Type				
			SFH	Semi-Detached	Townhouse	Low-rise	Manufactured Home
2002	2.23	52.21	532 (31.54)	58 (3.44)	76 (4.51)	408 (24.18)	14 (0.83)
2003	2.30	50.27	560 (31.93)	99 (5.64)	42 (2.39)	456 (26.00)	17 (0.97)
2004	2.24	46.31	606 (33.08)	97 (5.29)	44 (2.40)	457 (24.95)	13 (0.71)
2005	2.22	45.73	594 (34.18)	94 (5.41)	40 (2.30)	435 (25.03)	16 (0.92)
2006	2.27	43.49	702 (37.66)	101 (5.42)	73 (3.92)	499 (26.77)	15 (0.80)
2007	2.28	43.77	746 (39.20)	95 (4.99)	71 (3.73)	478 (25.12)	14 (0.74)
2008	2.31	44.71	772 (40.29)	90 (4.70)	72 (3.76)	453 (23.64)	10 (0.52)
2009	2.34	44.84	834 (42.02)	113 (5.69)	81 (4.08)	450 (22.67)	10 (0.50)
2010	2.31	42.00	773 (39.36)	119 (6.06)	130 (6.62)	446 (22.71)	9 (0.46)
2011	2.33	45.96	872 (39.74)	153 (6.97)	156 (7.11)	573 (26.12)	10 (0.46)
2012	2.45	48.74	709 (44.99)	107 (6.79)	111 (7.04)	418 (26.52)	4 (0.25)

Note: Number in parenthesis is the percentage

Conclusion

We will continue collecting Wave 2 quantitative social survey data for baseline Wave 1 participants, and qualitative key informant interview and quantitative social survey data for baseline Wave 2 participants. At the end of Wave 2, we will conduct additional data analysis.

This fall we anticipate analyzing all key informant data collected during baseline Wave 1, providing a richer analysis of core themes.

We anticipate receiving quarterly updates of administrative data from Tenmast to continue our historical data analysis. Again, we are investigating the possibility of creating linked models using the social survey and the administrative data.