



MOVING TO WORK

FY2010

ANNUAL PLAN

**DELAWARE STATE HOUSING AUTHORITY
MOVING TO WORK
FY2010 ANNUAL PLAN**

TABLE OF CONTENTS

1.0 INTRODUCTION

- 1.1 Programs Covered In The MTW Demonstration And Included In This Plan**
- 1.2 Overview And Goals Of MTW Program**
- 1.3 Status Of MTW Program And Accomplishments To Date**
 - Table 1 - Moving To Work Savings**
 - Table 2 - Moving To Work Successful Move-outs**
- 1.4 Objectives/Activities Planned For The Current Year**

2.0 GENERAL HOUSING AUTHORITY OPERATING INFORMATION

- 2.1 Housing Stock Information For Public Housing**
 - Table 3 – Number Of Public Housing Households Being Served**
 - Table 4 – Published Area Median Income Levels**
 - Table 5 – Income of Public Housing Households Being Served**
 - Table 6a & 6b – Race/Ethnicity Of Public Housing Households Being Served**
- 2.2 Capital Plans**
 - Table 7 – Five Year Capital Plan**
 - Table 8 – Capital Expenditures Planned For FY10**
 - Table 9 – Physical Needs Assessment**
 - Table 10 – American Recovery and Reinvestment Act Capitol Funding**
- 2.3 Housing Stock Information for Housing Choice Vouchers**
 - Table 11 – Number Of Housing Choice Voucher Households Being Served**
 - Table 12 – Income of Housing Choice Voucher Households Being Served**
 - Table 13a & 13b – Race/Ethnicity Of Housing Choice Voucher Households Being Served**
- 2.4 Changes In The Housing Stock**
 - Table 14 – Changes In Housing Stock**
- 2.5 Occupancy Policies**
- 2.6 De-concentration Policy/Public Housing (PH) & Housing Choice Voucher (HCV)**
 - Table 15 – Changes In Family Average Gross Income**
- 2.7 Rent Policy**
- 2.8 Management Information For Owned/Managed Units**
 - Table 16 – Public Housing Management Information**
 - Table 17 – Public Housing Vacancy And Occupancy**
- 2.9 Management Information For Leased Housing**
- 2.10 Inspections**
- 2.11 Waiting List**
 - Table 18 – Number Of Households On Waiting List**

3.0 NON-MTW RELATED HOUSING AUTHORITY INFORMATION (OPTIONAL)

4.0 LONG-TERM MTW PLAN (OPTIONAL)

5.0 PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

6.0 ONGOING MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

6.1 Statutory Description Of Ongoing MTW Activities

6.2 Resident Programs

6.3 Homeownership Programs

6.4 Security

6.5 Hardship Policy; Safety Net For MTW Participants

7.0 SOURCES AND USES OF FUNDS

Tables

Budget Narrative

Revenues

Expenditures

Excess (Deficit)

Project Based Accounting

Operating Reserves

8.0 ADMINISTRATIVE

General Order

Public Hearing Documentation

8.0 REPORTING COMPLIANCE WITH STATUTORY MTW REQUIREMENTS

Attachment A

Budget Submissions to HUD

1.0 INTRODUCTION

This document serves as the Delaware State Housing Authority's (DSHA) *Moving To Work* (MTW) Annual Plan for FY2010, which begins July 1, 2009 and ends June 30, 2010. On April 8, 2008, DSHA adopted and signed an Amended and Restated MTW Agreement with the U.S. Department of Housing and Urban Development (HUD) that extended the program until June 30, 2018. This is a standardized agreement that HUD presented to all MTW agencies and allows DSHA to continue all current initiatives and retain the present funding allocation of the existing contract.

1.1 PROGRAMS COVERED IN THE MTW DEMONSTRATION AND INCLUDED IN THIS PLAN

The DSHA MTW Demonstration includes the following programs:

- A. Low Rent Public Housing
- B. Housing Choice Vouchers
- C. Capital Fund Program
- D. Resident Homeownership Program

1.2 OVERVIEW AND GOALS OF MTW PROGRAM

The three statutory objectives of the MTW Program continues to be A) to reduce costs and achieve greater cost effectiveness; B) to give incentives to families to obtain employment and become economically self sufficient; and C) to increase housing choices for low-income families. **Due to the cycle of the waiting list and preferences, DSHA now plans to serve up to 500 families each year in the program. During the last 18 to 24 months, there has been an increase in the number of MTW exempt families, elderly and disabled, especially in the Housing Choice Voucher Program.** DSHA is currently in the process of reviewing potential changes to the resident selection process to increase the total number of MTW participants to achieve the 500 family goal. This includes limiting MTW exempt applicants to the first type of housing assistance available and applying time limits to market rent residents. DSHA anticipates that changes will be made during FY2010 after public consideration. An Amended MTW Plan for FY2010 will be submitted for HUD approval if any changes are adopted.

The goals and objectives under the DSHA MTW Program are outlined as follows:

- A. To reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

1. Combine the waiting lists for PH and Housing Choice Voucher Program with preferences consistent between the two programs.
 2. Increase the residents' share of the total tenant payment to 35% of adjusted gross income.
 3. Time-limit housing assistance for MTW participants.
 4. During the actual time a family is housed, it may not apply for an alternative form of subsidy.
 5. At the end of the time period, residents of PH with gross monthly incomes at or above the Safety Net threshold will be given the opportunity to rent their unit at market rent, which will free up the subsidy and allow an additional voucher to be issued.
 6. Enhance the quality of life and standard of living for residents participating in MTW by assisting residents in the removal of barriers to self-sufficiency (obtain drivers license, purchase vehicle, coordinate child care).
 7. Increase earned income of participating families enabling them to pay more towards their rent and requiring less subsidy, especially in cases where the family may not meet full self-sufficiency goals (re: Safety Net Families).
- B. To give incentives to families who are employed or seeking employment and self-sufficiency with the following initiatives:
1. Amend waiting list preferences to include working families.
 2. To make work pay, cap rent, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant.
 3. All MTW participants continuously participate in case management and are offered services and/or resource referrals including job training and placement services, computer experience, educational opportunities and transportation stipends, as funds allow.
- C. To improve housing choices for our residents by offering or coordinating the following resources:
1. Homeownership counseling and assistance.
 2. Budget counseling.
 3. Fair Market Housing counseling.
 4. Assistance obtaining a Low Income Housing Tax Credit Unit.

5. MTW Savings Account as income increases.
6. Counseling to repair credit problems.
7. Financial Literacy Education.
8. Individual Development Account referral for approved participants.
9. Resident Homeownership Program.

1.3 STATUS OF MTW PROGRAM AND ACCOMPLISHMENTS TO DATE

The accomplishments and status are cumulative from the date that the MTW Program started.

- A. Holly Square added to the PH stock on March 1, 2000.
- B. Certificate and Voucher Programs were combined into one Housing Choice Voucher Program.
- C. Rents were increased to 35% of adjusted income for all MTW participants.
- D. PH and Housing Choice Voucher Program waiting lists were combined.
- E. Working preference added.
- F. Case management services were established and contracts signed with two nonprofit counseling agencies for all Housing Choice Voucher Program MTW participants. All PH residents are assigned DSHA case managers at the time they enter the Program. Effective July 1, 2008 all case management will be done by DSHA Resident Service Staff.
- G. Report established to identify and monitor needs of the MTW participants.
- H. Agencies have been identified and contacts established that may provide services for unmet needs.
- I. All funds are block granted.
- J. MTW participants continue to be evaluated as they enter the program, and DSHA constantly networks with potential service providers and organizations to bring needed services to the participants and/or refer participants to services.
- K. An Individual Development Account (IDA) Program has been implemented and completed in September 2006 to help qualified MTW participants develop assets. Thirty-six families completed their goals with 28 buying homes, five opening a

business and three pursuing educational goals. The IDA program is now available from several outside organizations.

- L. The Resident Homeownership Program (RHP) began accepting applications in FY-2004. There are six families now enrolled in the program.
- M. Although DSHA's contract with NCALL has ended, we continue to provide referrals for, credit repair, budget counseling, fair market housing counseling and RHP homeownership counseling for PH MTW participants. The contract was completed in 2006 and services are available through local non-profit organizations.
- N. DSHA completed an automated MTW case management system which tracks all statistical information for both PH and Housing Choice Voucher Program MTW participants. This system also includes an automated list that ensures timely compliance with quarterly reviews and completion of annual Resident Action Plans (RAP).
- O. DSHA amended the RAP to include a certification by MTW participants that they understand the requirement that they must be employed at least 20 hours per week earning no less than minimum wage, or in a training or educational program for at least 20 hours per week. (For residents moving in on or after July 1, 2007, requirements will be increased to 25 hours per week beginning with their third year in the MTW program and 30 hours per week for the fourth and any subsequent years in the MTW program.)
- P. DSHA has awarded 147 educational scholarships from the MTW budget.
- Q. DSHA purchased an Adult Basic Education/GED computer program for each of its PH sites to assist residents working toward educational goals.
- R. Since MTW implementation in August 1999, 463 families have successfully completed the MTW Program. One hundred and sixty-five (165) have purchased homes and 298 have either begun paying the full rent at their current unit or moved to another unit and paid the full rent. Though some of those families would undoubtedly have been successful without MTW, we feel that the majority became successful by taking advantage of the counseling and social services made available through the program as well as the savings they accumulated while in the program. (See Tables 1 & 2)
- S. The time limit safety-net feature was implemented in FY2005. Families who have **not** been able to increase their incomes to the level where 40% of their monthly adjusted income equals or exceeds the lower of their Housing Choice Voucher Program gross rent or Voucher payment standard, or the fair market rent for their PH unit, are being transferred to safety-net status. Their total tenant payment reverts to 30% and they forfeit the money in their MTW savings account. It is expected that about **85%** of DSHA's MTW families will be eligible for the safety-net. The condition for the family to retain the rental subsidy is that they must

maintain employment of at least 20 hours per week, be involved in a full-time educational program or a combination of both which equals at least 20 hours.

Families whose monthly-adjusted incomes are at or above the safety-net threshold are having their subsidy terminated. PH families can either move or stay in their unit, sign a private-market lease and pay the market rent. Housing Choice Voucher Program families will begin paying the full market rent to their current landlord. All families who have remained in compliance with MTW requirements will be given the money in their savings accounts at this time.

- T. Funds from the Housing Choice Voucher Program Reserves were used to provide security fencing at two of the PH sites. After discussions with local police, it was determined that fencing along the side and rear perimeters of the sites would be the most effective and efficient way to assist city police to control and deter crime at those two sites and include cameras at Clarks Corner and Liberty Court.

TABLE 1

**Moving to Work Savings
Numbers as of February 1, 2009**

Program	Current Participants	Total MTW Savings Accounts	Average MTW Savings Balance	Average Monthly Contribution
Public Housing	203	190	\$2413.22	\$171.00
Housing Choice Vouchers	156	139	\$1975.83	\$198.00
Total	359	329	\$2228.43	\$183.00

TABLE 2

**Moving to Work Successful Move-outs
Numbers from 8/1/99 through 1/31/09**

Program	Homeownership	Unsubsidized Rental
Public Housing	94	158
Housing Choice Vouchers	83	205
Total	177	363

1.4 OBJECTIVES/ACTIVITIES PLANNED FOR THE CURRENT YEAR

The eleventh-year Plan will concentrate on the following items:

- A. DSHA continues to work with the Department of Labor and the Delaware Economic Development Office to share information on new industry and business coming to Delaware, job trends and current job information. As needed, meetings will be scheduled for all parties as well as MTW participants.
- B. DSHA continues to work with a local tenant advocacy group and efforts are maintained to assist individual communities with forming Resident Councils. Funding to offer appropriate stipends to Resident Council Officers and for approved site activities has been included in the FY2010 PH budget.
- C. DSHA will continue to require all MTW participants to complete financial literacy training.
- D. DSHA is working to continue providing services that were formerly funded under the Public Housing Drug Elimination Program (PHDEP). Funds from the Capital Fund Program will be used to provide limited security services, fencing improvements and to install surveillance cameras at additional PH properties during FY2010. DSHA continues to advocate for a change in legislation to return the PHDEP to HUD's budget.
- E. DSHA is working to continue providing services that were previously funded from the MTW Technical Assistance Grant. Computer education and scholarships were funded from this source. DSHA continues to work to identify potential sources for funding scholarships and computer education.

2.0 GENERAL HOUSING AUTHORITY OPERATING INFORMATION (Public Housing)

2.1 HOUSING STOCK INFORMATION FOR PUBLIC HOUSING

As of February 1, 2009, there were a total of 1,380 households being served by the Public Housing. This is an increase of 132 families, or 9 percent, since MTW was implemented in August of 1999. The income levels and racial and ethnic composition of the resident population have remained relatively constant and changes very little. Please refer to Tables 3 through 6b to see data for occupied units. Units in the Public Housing Homeownership Program are not included since those residents do not participate in the MTW Program.

TABLE 3

Number of households being served as of February 1, 2009

Public Housing						
	Total Households	Bedroom Size				
		1 BR	2 BR	3 BR	4 BR	5 + BR
Family	280	3	127	111	34	5
Elderly/ Disabled	197	95	65	29	6	2
Total	477	98	192	140	40	7

TABLE 4

Published area median income levels effective 3/1/08

Family Size	30% Median	50% Median	80% Median
One	12,300	20,550	32,850
Two	14,100	23,500	37,550
Three	15,850	26,400	42,250
Four	17,600	29,350	46,950
Five	19,000	31,700	50,700
Six	20,400	34,050	54,450

TABLE 5**Income of households being served as of February 1, 2009**

Public Housing					
	Total Households	Less than 30% AMI*	30-50% AMI	50-80% AMI	Greater than 80% AMI
Number of Households	453**	301	110	33	6
Percent	100%	67%	24%	7%	>2%
Change in Percent Since August 1999		- 4%	- 2%	+ 4%	+1%

* Area Median Income

** Does not include twenty-seven (27) Fair Market Rent Households

DSHA has not adopted any new policies that would have an effect on racial distribution. Since MTW implementation, no significant changes have occurred in the racial and ethnic compositions of the resident population of Public Housing, and none are anticipated. See Tables 6a and 6b below.

TABLE 6a**Race of households being served as of February 1, 2009**

Public Housing						
	Total Households	White	Black	Alaskan/ Native American	Asian	Pacific Islander
Number	477	107	361	3	6	0
Percent		22.4%	75.7%	.6%	1.3%	0%
Change in Percent Since August 1999		+.5%	-2%	+.2%	+1.3%	0%

TABLE 6b**Ethnicity of households being served as of February 1, 2009**

Public Housing			
	Total Households	Hispanic	Non-Hispanic
Number	477	13	464
Percent	100%	2.7%	97.3%
Change in Percent Since August 1999		-1%	+2.3%

2.2 CAPITAL PLANS

A. STATEMENT OF EXISTING NEEDS

The total amount of DSHA existing capital needs is approximately \$4,706,940 which is \$9,665.17 per unit. These funds will be used over a five-year period to modernize and update our developments, some of which are 30 years old.

DSHA has received on average \$811,048 annually for the past five years. The FY2008 Capital Fund Program was funded at \$812,031.

B. PLANNED CAPITAL EXPENDITURES

The five-year capital plan for DSHA is broken down by fiscal year. The plan reflects Capital Fund Program funds equal to the amount we expect to receive for FY2009, which is \$812,031. The appropriate planning process and public hearings were held to get input from our residents and the public.

Table 7 that follows shows our five-year capital plan, including the planned use of the most recent funding.*

TABLE 7

Five Year Capital Plan

	FY2010	FY2011	FY2012	FY2013	FY2014
Physical Improvements	\$660,828	\$671,328	\$671,328	\$671,328	\$671,328
Administration	\$81,203	\$81,203	\$81,203	\$81,203	\$81,203
Energy Audit	\$10,500	\$0	\$0	\$0	\$0
Management Improvements	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500
Fees & Costs	\$41,000	\$41,000	\$41,000	\$41,000	\$41,000
TOTAL	\$812,031	\$812,031	\$812,031	\$812,031	\$812,031

*Included with this document as Attachment A are the budget submissions to HUD.

TABLE 8**Capital Expenditures Planned for FY10**

Capital Project (list by Name)	Total Planned Expenditure in Current Year (specify year)	
Clarks Corner	\$ 0	2010
McLane Gardens	\$ 58,500	2010
Peach Circle	\$ 18,500	2010
Mifflin Meadows	\$ 125,000	2010
Burton Village	\$ 40,000	2010
McLane Gardens Annex	\$ 0	2010
Laverty Lane	\$ 50,000	2010
Hickory Tree	\$ 26,500	2010
Scattered Sites – Phase I	\$ 10,000	2010
Liberty Court I	\$ 182,328	2010
Liberty Court II	\$ 0	2010
Hickory Tree – Phase II	\$ 120,000	2010
Holly Square	\$ 15,000	2010
Scattered Sites – Phase II	\$ 15,000	2010
Total	\$ 660,828	

TABLE 9**Physical Needs Assessment**

		2010	2011	2012	2013	2014
CLARK'S CORNER	COST					
Maintenance Building	70,000					
Replace Shutters	25,000					
Playground Equipment	75,000					75,000
Dumpster Enclosures	50,000					
Bicycle Path	10,000					
Community Building Solar Panels	40,000		40,000			
TOTAL	270,000	0	40,000	0	0	75,000

MCLANE GARDENS	COST					
Playground	50,000	50,000				
Reinforce Stairways	8,500	8,500				
Replace Sidewalks	15,000					15,000
Security Cameras	60,000		60,000			
Community Building Solar Panels	50,000					50,000
Repave Parking Lot/Drive	25,000					
Vinyl Siding	39,375					39,375
Subfloor/VCT Flooring	26,000		6,500	6,500	6,500	6,500
Recessed Porch Lights	3,000				3,000	
Community Building Solar Panels	40,000			40,000		
TOTAL	316,875	58,500	66,500	46,500	9,500	110,875

PEACH CIRCLE	COST					
Comm. Bldg. Rehab	5,000	5,000				
Lighting Upgrades	10,000	10,000				
Plumbing Upgrade	56,000					
Repave Parking Lot/Drive	30,000					
Recessed Porch Lights	3,500	3,500				
Replace Carpet	9,000			9,000		
TOTAL	113,500	18,500	0	9,000	0	0

MIFFLIN MEADOWS	COST					
Security Cameras	125,000	125,000				
Sidewalk Replacement	90,000					
Replace Siding	100,000					
North Playground Equip.	80,150			80,150		
Dumpster Enclosures	50,000					
Bicycle Path	10,000				10,000	
Community Building Solar Panels	40,000			40,000		
South Playground Improvement	20,250					20,250
Basketball Court	48,000					
TOTAL	563,400	125,000	0	120,150	10,000	20,250

TABLE 9 (cont)

Physical Needs Assessment

		2010	2011	2012	2013	2014
BURTON VILLAGE	COST					
Building Demolition	10,000					
Community Building Solar Panels	40,000	40,000				
Landscaping – grading/seeding/drainage	25,000					
Playground Equipment	60,000				60,000	
Border Fence	150,000					
Repave Parking Lot/Drive	70,000					70,000
TOTAL	355,000	40,000	0	0	60,000	70,000

MCLANE ANNEX	COST					
Security Cameras	60,000		60,000			
Bathroom Rehab	105,000					
Replace Subfloor	20,000			10,000	10,000	
Gutters/Fascia/Soffits	25,000			25,000		
Vinyl Siding	23,625					23,625
TOTAL	233,625	0	60,000	35,000	10,000	23,625

LAVERTY LANE	COST					
5 Handicap Showers/Tub Surrounds	10,000	10,000				
Security Cameras	120,000				120,000	
Vinyl Siding	170,000					
Community Building Solar Panels	40,000				40,000	
Comm. Building Septic Repairs	40,000	40,000				
Expand Parking Lot	21,800					
Perimeter Fence	150,000					
TOTAL	551,800	50,000	0	0	160,000	0

HICKORY TREE	COST					
Playground Equipment	10,000				10,000	
Solar Panels	40,000			40,000		
Storage Shed	20,000	20,000				
Perimeter Fence	150,000					150,000
Security Cameras	120,000			120,000		
Community Building Office Carpet	500	500				
Kitchen Rehab	202,328		202,328			
Bathroom Rehab	175,000					
Subfloors/VCT Replaced	24,000	6,000	6,000	6,000		6,000
TOTAL	741,828	26,500	208,328	166,000	10,000	156,000

TABLE 9 (cont)

Physical Needs Assessment

	COST	2010	2011	2012	2013	2014
SCATTERED SITES-1; 010						
Driveway Paving	10,000	10,000	0	0	0	0
TOTAL	10,000	10,000	0	0	0	0

	COST					
SCATTERED SITES-2; 015						
Driveway Paving	15,000	15,000	0	0	0	0
TOTAL	15,000	15,000	0	0	0	0

	COST					
LIBERTY COURT I						
Comm. Blding Hand. Entrances	16,500		16,500			
Community Building Solar Panels	40,000				40,000	
Bathroom Rehabilitation	215,906	182,328				33,578
Kitchen Rehabilitation	308,506			154,678	153,828	
TOTAL	580,912	182,328	16,500	154,678	193,828	33,578

	COST					
LIBERTY COURT II						
Kitchen Rehabilitation	364,000				182,000	182,000
Bathroom Rehabilitation	280,000		280,000			
TOTAL	644,000	0	280,000	0	182,000	182,000

	COST					
HICKORY TREE II						
Replace Heat Pumps	120,000	120,000				
TOTAL	120,000	120,000	0	0	0	0

	COST					
HOLLY SQUARE						
Outdoor Lighting Upgrades	15,000	15,000				
Replace Roofs	36,000				36,000	
HVAC Upgrades	140,000			140,000		
TOTAL	191,000	15,000	0	140,000	36,000	0

Police Protection		10,000	10,000	10,000	10,000	10,000
Energy Audit		10,500	0	0	0	0
Administration		81,203	81,203	81,203	81,203	81,203
Management Improvements		8,500	8,500	8,500	8,500	8,500
Fees		41,000	41,000	41,000	41,000	41,000

* 4,706,940

TOTAL 812,031 812,031 812,031 812,031 812,031

* Total excludes soft costs such as management, administration and fees.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

A. DESCRIPTION

On February 17, 2009, President Barack Obama signed the American Recovery and Reinvestment Act. This legislation included a \$3 billion appropriation of Capital Funds to carry out capital activities for public housing agencies. These funds were to be distributed as formula funds, which resulted in DSHA receiving \$1,027,870.

B. PLANNED ARRA CAPITAL EXPENDITURES

Items to be completed using ARRA Capital Funds were selected from the existing five-year capital plan submitted through the public hearing and HUD approval process required for the FY2009 Annual MTW Plan. Under ARRA, DSHA must be obligate 100% of the funds within 1 year of the date on which the funds become available to the agency for obligation (3/18/09); expend 60% of the funds within 2 years of the date on which the funds became available to the agency for obligation and expend 100% of the funds within 3 years of the date on which the funds became available to the agency for obligation. Listed below are the projects selected for ARRA Capital Fund expenditures.

TABLE 10
American Recovery and Reinvestment Act (ARRA)

Property	Capital Project	Total Planned Expenditures (3/18/09 to 3/18/12)
Clarks Corner	Repave Lots/Driveway	\$ 54,000
McLane Gardens	Roofs, Gutters, Facia	\$ 135,000
Peach Circle	Roofs, Gutters, Facia	\$ 150,000
Mifflin Meadows	Repave Lots/Driveway	\$ 70,000
Burton Village	Replace Smoke Detectors	\$ 13,000
McLane Gardens Annex	Bathroom Rehabilitation	\$ 105,000
Lavery Lane	Window Replacements	\$ 210,000
Hickory Tree	HVAC Replacements	\$ 114,000
Liberty Court I	1) Repave Lots/Driveway 2) Playground Equipment 3) Catch Basins for Flooding	\$ 30,000 30,000 18,000
Liberty Court II	1) Repave Lots/Driveway 2) Playground Equipment	\$ 30,000 30,000
Holly Square	Replace Porch Concrete Pads	\$ 25,000
Fees & Costs	Engineer/Plan Fees	\$ 13,870
	Total	\$ 1,027,870

2.3 HOUSING STOCK INFORMATION FOR HOUSING CHOICE VOUCHERS

TABLE 11

Number of households being served as of February 1, 2009

Housing Choice Voucher Program						
	Total Households	Bedroom Size				
		1 BR	2 BR	3 BR	4 BR	5 + BR
Family	220	3	82	107	23	5
Elderly/ Disabled	683	252	257	144	27	3
Total	903	255	339	251	50	15

TABLE 12

Income of households being served as of February 1, 2009

Housing Choice Voucher Program					
	Total Households	Less than 30% AMI*	30-50% AMI	50-80% AMI	Greater than 80% AMI
Number of Households	903	592	272	37	2
Percent	100%	65%	30%	4%	<1%
Change in Percent Since August 1999		- 9%	+5%	- 3%	None

- Area Median Income

TABLE 13a**Race of households being served as of February 1, 2009**

Housing Choice Voucher Program						
	Total Households	White	Black	Alaskan/ Native American	Asian	Pacific Islander
Number	903	349	542	5	7	0
Percent	100%	38.6%	60%	.5%	.7%	0
Change in Percent Since August 1999		+ 10.3%	- 11.1%	+ .1%	+ .2%	0%

TABLE 13b**Ethnicity of households being served as of February 1, 2009**

Housing Choice Voucher Program			
	Total Households	Hispanic	Non-Hispanic
Number	903	28	875
Percent	100%	3.1%	96.9%
Change in Percent Since August 1999		- 1.5%	- 1.1%

2.4 CHANGES IN THE HOUSING STOCK**1. NUMBER OF UNITS IN INVENTORY AT BEGINNING OF PERIOD**

The total number of PH and Housing Choice Voucher units expected to be in the MTW program at the beginning of FY-2010 is 1,473. This number does not include our nine (9) scattered-site and five (5) homeownership units in our PH Program, as they are not participating in MTW.

2. PROJECTED NUMBER AT THE END OF THE YEAR

We do not expect the total number of units to increase since it seems unlikely at this time that funding for incremental Vouchers will be included in the federal budget. See Table 13.

TABLE 14
Changes in Housing Stock

Program	August 1999	End of FY-2008	End of FY-2010 (Planned)
Public Housing	503	503	503
Housing Choice Voucher Program	803	942	905 *
Section 8 New Construction	209	65**	65**
Total	1,515	1,510	1,473

* Includes: 903 MTW baseline vouchers and 2 displacement vouchers

** No longer includes Capitol Green Apartments (144 units), which is now managed by a private management company and does not utilize DSHA waiting lists.

2.5 OCCUPANCY POLICIES

A. STATEMENT OF ELIGIBILITY/ADMISSIONS POLICIES

DSHA has implemented the following changes to its leasing policies:

1. Combined PH & Housing Choice Voucher Program waiting lists into one list with the exception of Holly Square, an elderly site, which remains a site-based waiting list. This was implemented in 1999.

Applicants who are employed are given a preference for available assistance, and equal preference is given to elderly and disabled applicants. This was implemented in 1999.

2. Families are offered the first available PH unit or Housing Choice Voucher when their name comes to the top of the waiting list. Elderly and disabled applicants are able to select the type of housing program they desire. This was implemented in 1999.
3. All families who are eligible for MTW are required to sign a Contract of Mutual Participation (COMP) before they receive subsidy. A Resident Action Plan (RAP) must be completed and signed within one month after joining the MTW program. This was implemented in 1999.
4. Applicants can apply for housing on-line via DSHA's E-Housing internet website. This is in addition to the traditional forms of applying for housing (in person, via facsimile or through the mail). This was implemented in 2007.

2.6 DECONCENTRATION POLICY/PH & HOUSING CHOICE VOUCHER PROGRAM

DSHA is fortunate in that in its jurisdictional area poverty levels are relatively low in all census tracts. All applicants are counseled when they receive their Voucher on the portability features of the Voucher Program. However, the portability feature is only available to the elderly and disabled and not to those participating in the MTW Program.

A survey of public housing family incomes was completed in February 2009 in compliance with CFR 24.903. The average income for all families residing in each public housing family development was calculated, then compared with the average family income of all DSHA's public housing family developments. The results are provided on the chart below.

The survey showed that only one of DSHA's family developments (Liberty Court) is below the Established Income Range (EIR) of \$11,875.00. Whereas, two of DSHA's family developments (Mifflin Meadows and Hickory Tree) have average incomes above the Established Income Range (EIR) of \$16,006. The EIR is defined by HUD as a range from 85% of the average income for all DSHA's family developments to the higher of either 115% of the average income for all developments or the extremely-low income limit threshold established by HUD.

At Liberty Court, the average income of \$10,317 is thirteen percent (13%) less than the lower limit of the EIR (\$11,875). The majority of residents at this development (79%) had incomes at or below 30% of the published Average Median Income. Liberty Court has historically had the lowest average family income of all DSHA communities since 1999. This can be attributed to the fact that twenty-three percent (23%) of the apartments are one (1) bedroom units and the occupants in these units tend to be on fixed incomes (Social Security, disability and pensions).

Hickory Tree and Mifflin Meadows both had average incomes ranging from eleven percent (11%) to twenty-eight percent (28%), respectively, higher than the upper limit of the EIR (\$16,066). This can be attributed to a higher number of residents working full-time. Also, these sites have very few one (1) bedroom units, if any.

Based on the information noted above for the three (3) developments having average incomes outside the EIR, the income profile for these sites are consistent with, and further the goals of the de-concentration of poverty and income as specified by the statute and the local goals and strategies of DSHA's MTW program.

TABLE 15
Changes in Family Average Gross Income

Property Name	Family Average Gross Income			Percent Increase/Decrease Over 2008
	Aug 1999	Feb 2008	Feb 2009	
McLane Gardens	\$9,723	\$15,914	\$14,273	- 10.3%
Liberty Court	\$7,824	\$14,084	\$10,317	- 26.7%
Mifflin Meadows	\$10,785	\$14,724	\$20,601	+ 39.9%
Laverty Lane	\$7,881	\$10,632	\$12,740	+ 19.8%
Clarks Corner	\$9,007	\$13,306	\$12,269	- 7.8%
Burton Village	\$10,636	\$15,185	\$13,712	- 9.7%
Hickory Tree	\$10,343	\$15,878	\$17,876	+ 12.6%
All Sites (weighted average)	Unavailable	\$14,207	\$13,970	- 1.7%

Established Income Range per HUD regulations:

Kent County \$11,875 through \$16,066 *

Sussex County \$11,875 through \$16,066 *

*115% of the FY2009 average income for all developments.

2.7 RENT POLICY

Under MTW, DSHA made the following changes to the rent structure during the first year and subsequent changes in the third year. These changes only apply to families participating in the MTW Program. The changes are as follows:

- A. The total tenant payment (TTP) is now based on 35% of the family's adjusted gross income.
- B. If a family enters MTW and their TTP is below \$120, a rent cap will be established and will be set at the higher of \$120 or their utility allowance and will increase only if the utility allowance increases. When income increases in the future to a point where TTP is higher than the rent cap, the difference between the rent cap and 35% of monthly adjusted income will be placed in a savings account by DSHA for the family. The family will still be required to pay the full amount of their tenant rent.
- C. If a family enters the MTW program and their TTP exceeds the higher of \$120 or their utility allowance, the family's rent cap will be set at that amount, not to exceed \$350, and will not increase. When the family's income increases thereafter, the difference between the established rent cap and TTP will be placed in a savings account by DSHA for the participant. The family will still be required to pay the full amount of their tenant rent.
- D. Children born ten months or more after the COMP is signed do not receive a \$480 deduction.

- E. DSHA has established Fair Market Rents for each of its PH developments by bedroom size that reflect the market value of the units. No one will be required to pay more than Market Rent for their unit. New appraisals on all developments were completed in the fall of 2001 and again in November 2004. As a result, the Fair Market Rents were increased by \$25 to \$75 on March 1, 2005.
- F. If a PH family's 35% of monthly adjusted income exceeds the established market rent for their unit prior to the completion of their five-year COMP, they will have three options:
 - 1. Remain in the MTW Program for the remainder of their five-year COMP, stay in the Public Housing unit and pay into their savings account the difference between their rent cap and the market rent for their unit.
 - 2. Remain in the unit, sign a market-rate lease and begin to pay the market rent. The family will no longer be considered a Public Housing tenant.
 - 3. Terminate their Public Housing lease and move out.

2.8 MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS

This section of the Plan describes DSHA's current and anticipated performance in managing the Public Housing units.

A. OCCUPANCY

The public housing occupancy rate has been on average 95 to 97% over the past few years (see Tables 16 & 17). The high turnover rates experienced at some sites are the result of DSHA's strict enforcement of rent payment and anti-crime policies. The importance of timely rent payment is constantly stressed to residents by the housing managers as well as the MTW case managers. Though criminal background checks are performed prior to admission of all new residents 18 years of age and older, we still lose families because of drug-related criminal activity, many times involving their non-resident visitors.

B. INSPECTIONS

DSHA inspects all of its public housing units twice a year to insure that 100% of the units meet Housing Quality Standards. Each resident's file has documentation of these inspections. We expect to continue this level of performance for the upcoming year.

C. RENT COLLECTION

See Table 16. We project that for FY09 and FY10, rent collection will be 98% due to a decrease in fair market renters.

D. WORK ORDER RESPONSE TIMES

DSHA responds to 100% of emergency work orders within 24 hours and 100% of non-emergency work orders in less than 15 days.

FY09 Actual Response Time
 Emergency Non-Emergency
 2 hrs 4 days

TABLE 16
Public Housing Management Information

	FY06 Actual	FY07 Actual	FY08 Actual	FY09 7/1/08 – 2/01/09	Planned FY10
Occupancy Percentage Overall	97%	98%	98%	95%	98%
Average Turnover Time - Days	28	20	50	39	20
Rent Collections	93%	96%	96%	96%	98%
Inspections - # of units	503	503	503	503	503

TABLE 17
Public Housing Vacancy and Occupancy - 7/1/08 – 1/30/09*

Development	# of Units	Units Vacated			Occupancy 1/30/09	Planned FY09
		FY06	FY07	FY08		
Burton Village	51	10	2	11	92%	98%
Clarks Corner	70	12	7	11	96%	98%
Hickory Tree	55	7	4	13	95%	98%
Holly Square	24	3	2	2	96%	98%
Lavery Lane	50	16	11	10	100%	98%
Liberty Court	108	24	19	26	96%	98%
McLane Gardens	29	4	5	5	90%	98%
McLane Gardens Annex	21	8	5	2	95%	98%
Mifflin Meadows	54	14	15	6	96%	98%
Peach Circle	32	1	4	2	97%	98%
Scattered-site rentals	9	0	1	2	100%	98%
Total	503	99	75	90		

2.9 MANAGEMENT INFORMATION FOR LEASED HOUSING

A. LEASING INFORMATION

DSHA's Housing Choice Voucher utilization rate is currently at 100%. Based on this rate, DSHA plans to lease 905 units under the Housing Choice Voucher Program during FY2010.

Lease-up figures for the past 12 months show that 72% of families on the waiting list successfully leased a unit within 120 days after receiving their new voucher. This is about 6% higher than the historical average. We are not optimistic that families will be any more successful in the near future since fair market rents proposed by HUD are not increasing at a rate to adequately keep up with market demand and supply.

Applicants are given in-depth information about DSHA's extension policy at voucher briefing sessions and reminders are mailed at the end of the 60-, 90- and 120-day periods. They are also given an extensive list of landlords willing to participate in the HCV Program. The extension approval policy is liberal and only requires voucher holders to show a list of landlords who have been contacted during the period. Extensions beyond the maximum 120-day search period are given to disabled families who are having difficulty finding a suitable unit. Poor rental history and increased market rents seem to be the major reasons for failure to lease a unit since almost a quarter of the vouchers expire after only 60 days.

DSHA implemented a new on-line rent reasonableness system in March 2004, which helps ensure more objectively and accurately that Housing Choice Voucher units are rented at rates comparable to the local markets.

In reference to the ability of a family to use the Portability feature of the housing choice voucher, only those families that are exempt from the MTW program, or are in the safety-net, are allowed to take their voucher outside of DSHA's jurisdiction. MTW participants are **not eligible** to use the portability feature of their voucher **unless:** they document that they have been offered employment outside of DSHA's jurisdiction or must move for medical purposes (immediate family members) outside of DSHA's jurisdiction.

2.10 INSPECTIONS

DSHA performs initial, annual and special (complaint) Housing Quality Standards (HQS) Inspections. DSHA consistently meets the goal of inspecting all units within the required time frames. Units that fail re-inspection following the annual inspection have the HAP abated for the period they are out of compliance.

2.11 WAITING LIST

The waiting list is a combined list for Housing Choice Voucher Program Vouchers and Public Housing. MTW applicants are provided the type of housing that is available when their name comes to the top of the list. The waiting list has been open since 1991, and DSHA anticipates that it will remain open. There is significant change in the number of applicants since last year (see Table 18). Prior to the commencement of MTW, the wait for housing ranged from about 8 months for some bedroom sizes in Public Housing, to about 22 months for a Housing Choice Voucher. Currently, the wait for those with an MTW preference and the elderly/disabled is approximately twelve months for Public Housing and 24 months for the Housing Choice Voucher Program.

Based on the current economic climate and increase in fuel, utility and rental costs, we anticipate that the total number of applicants on the waiting list will grow approximately 15% during FY2010. The increase in applicants shown below can be partially attributed to the implementation of a web-based application process. This new system has made applying for housing more accessible to the general public and has increased the number of out-of-jurisdiction applications.

TABLE 18

Number of Households on the Waiting List by Program and Bedroom Size on 2/01/2009

Combined Public Housing and Housing Choice Voucher							
	Total Households		February 2009				
	APR 2008	FEB 2009	1 BR	2 BR	3 BR	4 BR	5 + BR
Family	3,406	3,921	738	1,633	1,119	366	65
Elderly/Disabled	1,638	1,945	1,277	387	191	78	12
Total	5,044	5,866	2,015	2,020	1,310	444	77

3.0 NON-MTW RELATED HOUSING AUTHORITY INFORMATION (OPTIONAL)

Delaware State Housing Authority (DSHA) was created in 1968. Over the past 40 years, DSHA has emerged to serve an integral role in Delaware's overall economic and social plan, demonstrated by the inclusion of the DSHA Director as part of the Governor's Cabinet in Delaware State Government.

Today, DSHA functions as a government agency and an entrepreneurial developer and lending institution.

DSHA makes mortgage and other loans to both for-profit and nonprofit housing sponsors. We also extend loans to mortgage lenders and require that proceeds be used to create new residential mortgage loans. DSHA also applies for, and receives, subsidies from the federal government and other sources, in addition to issuing its own bonds and notes.

In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it also owns and operates Public Housing, and acts as a community development agency.

Our core business focuses on preservation, new construction, homeownership, rental assistance, resident services, asset management, rehabilitation, homeless prevention, emergency and transitional housing, and community development. DSHA provides a host of programs to address Delaware's affordable housing needs, most of which are available on a statewide level.

To assist in supporting these types of assistance, DSHA also researches the nature of Delaware's housing needs through such vehicles as needs assessments, rental surveys and housing production reports. DSHA staff members serve on a variety of boards and committees related to housing.

To administer all of these programs and to achieve its goal of providing affordable and safe housing for low- and moderate-income persons, DSHA employs a full-time staff of 131 and is divided into seven interdependent sections: Administration, Asset Management, Community Development & Planning, Community Relations, Housing Development, Housing Finance, and Housing Management.

4.0 LONG-TERM MTW PLAN

DSHA's long term vision for the MTW Program will be to expand and evolve current activities, utilize a greater number of the authorizations permitted under the MTW agreement and create a comprehensive system to identify and document MTW accomplishments. With the acceptance of the Restated and Amended MTW Agreement, DSHA will be looking at the following areas:

- A. Adoption of income/asset verification procedures in lieu of the current HUD system for both Public Housing and Housing Choice Vouchers. This would allow DSHA to reduce costs and make the processing of applications and interim/annual certifications more efficient.
- B. Explore alternative rent policies to simplify the calculation of subsidy and tenant rents. This includes a process that would be less intrusive to the residents, simple to perform and understand, reduce the potential for errors, and reduce administrative burden and transaction volume. DSHA would work with housing advocates, residents and other interested parties to insure that any proposed alternative rent policies would be equitable and fair to residents.
- C. Restructuring of initial, annual and interim certification and inspection policies. This would create administrative efficiencies by reducing the frequency of re-certifications and annual inspections, and making the process less intrusive/burdensome for residents.
- D. Revising existing Waiting List procedures to ensure that MTW Eligible and MTW Exempt (elderly, disabled) applicants are treated equally in that they have no choice in the type of housing subsidy they will receive (Public Housing or Housing Choice Voucher), unless there is a verifiable need and request for a Reasonable Accommodation. DSHA has already started a dialogue with the Delaware Housing Coalition on this issue.
- E. Explore potential time limits for Safety Net participants including a hardship policy, and eliminating the Fair Market rent program in public housing units. Before any action would be taken to include these items in any future MTW Plan, DSHA would work closely with other housing advocates, residents and other interested parties to insure that any proposed policies would be fair and equitable to residents.

5.0 PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

NONE

6.0 ONGOING MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED – LISTED BY STATUTORY OBJECTIVE

A. Statutory Objective #1

MTW Activities to reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

MTW Activity A1

The ability to combine Public Housing and Housing Choice Voucher funding into a single, block grant funding source. This has allowed DSHA the flexibility to utilize Housing Choice Voucher reserves for capital improvements up to and above the amount of funding provided by Public Housing Capital Funds. This includes the installation of air conditioning and replacement of heaters in most public housing units and the planned installation of security cameras at several public housing sites. It has also allowed DSHA to properly maintain and operate its public housing communities in years when overall program funding has been reduced. Additionally, many MTW activities such as resident case management, housing and credit counseling, and other resident services have been provided using combined Public Housing and Housing Choice Voucher funds. Identified and Implemented in initial Plan for FY2000.

Anticipated Impact

DSHA will be able to adequately fund both Public Housing and Housing Choice Voucher programs with reduced pro-ration from HUD. As we are experiencing reduced funds for Public Housing, we can utilize funds from the Housing Choice Voucher program for Operations.

Baseline

The baseline will begin with the FY2008 fiscal year showing Funds received for Public Housing and Housing Choice Vouchers, amounts used for fungible amounts to supplement capital improvements in Public Housing and/or fund programs that would normally be cut through appropriations.

Benchmark

Since this activity deals with the combined use of funds, each fiscal year (from FY2008 to FY2018) will be compared showing the use of block grant funds vs. what would occur if the agency did not participate in the MTW program. See Section 6-Sources and Uses of Funds for complete financial information.

Data Collection/Metrics

Un-audited accounting records, capital expenditures and program appropriation reports will be used to determine the affects of the block grant on the agency. No outside evaluator will be used.

Authorization(s)

Attachment C, Section B. Authorizations Related to Both Public Housing and Section 8 Housing Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section 8(o), 9(d) and 9(e) of the 1937 Act.

**A. Statutory Objective #1
& #2**

MTW Activities to reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

MTW Activity A2

Time-limit housing assistance for MTW participants to five (5) years, with a potential one (1) year extension. #1. This improves the overall cost effectiveness of the housing programs by #2. Moving families into self-sufficiency and non-subsidized housing, and #3. Allowing another eligible family in need of housing to participate in the MTW program. Identified and Implemented in initial Plan for FY2004.

Anticipated Impact

#1. Able to serve more people with same amount of funding; #2. Create increased homeownership or Fair Market rental options with the use of MTW savings; #3. Reduce recidivism on Waiting List.

Baseline

The baseline will be the number of MTW participants in their fifth year of the program, the number successfully completing the program and the number going to Safety Net for FY2008.

Benchmark

The benchmark will be a percentage of MTW participants graduating from the MTW program for each year from FY2008 to FY2018.

Data Collection/Metrics

The Case Management and Easy Housing resident software will be utilized to track and identify the number of MTW participants, program graduates and Safety Net families. The programs are being modified to provide this data starting with FY2008.

Authorization(s)

1) Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 11. Rent Policies and Term Limits. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R 5.603,5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.

2) Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only, Paragraph 2(a) and 2(d). Rent Policies and Term Limits. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R 982.508,982.503 and 982.518 A as necessary to implement the Agency's Annual MTW Plan.

**A. Statutory Objective #1
(continued)**

MTW Activities to reduce costs and achieve greater cost effectiveness and self sufficiency by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

MTW Activity A3

MTW participants are required to be employed at least 20 hours per week earning no less than minimum wage, or in a training or educational program for at least 20 hours per week. (For residents moving in on or after July 1, 2007, requirements will be increased to 25 hours per week beginning with their third year in the MTW program and 30 hours per week for the fourth and any subsequent years in the MTW program.) #1. This is to stimulate an increase in resident earning potential; #2. create a stepped requirement leading to self-sufficiency; #3. and reduce the subsidy needed for the participant. Initially implemented in FY2000 Annual Plan, revised in the FY2008 Annual Plan.

Anticipated Impact

#1. Reduce the amount of subsidy required for each resident while increasing savings and assets; #2. Provide MTW participants with counseling, coaching and encouragement to increase employment/earnings; #3. Reduce the amount of subsidy required for each resident while increasing savings and assets.

Baseline

The baseline will be the total number of MTW participants, the number employed, and a range of weekly hours worked (20-30 hrs, 30+ hours) as of FY2008.

Benchmark

The benchmark will be based on a percentage of MTW participants that are employed and increase work hours on an annual basis from FY2008 to FY2018.

Data Collection/Metrics

The Case Management and Easy Housing resident software will be utilized to track individuals with employment income and weekly hours. Both software systems are being modified to provide this information for FY2008 and beyond. No outside evaluators will be used.

Authorization(s)

1) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.
2) Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Voucher Only, Paragraph 3 (a). Eligibility of Participants, This authorization waives certain provisions of Section 16(b) and Sections 8(o)(4) 1937 Act and 24 C.F.R 5.603, 5.609, 5.611, 5.628 and 982.201 as necessary to implement the Agency's Annual MTW Plan.

**A. Statutory Objective #1
(continued)**

MTW Activities to reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

MTW Activity A4

Safety Net participants who did not successfully complete the MTW five (5) year program continue to be required to work at least twenty hours per week, earning no less than minimum wage. This requirement increases the earned income of Safety Net participants enabling them to pay more towards their rent and requiring less overall subsidy. Initially implemented in the FY2004 Annual Plan

Anticipated Impact

By continuing the work requirements while in the Safety Net, the tenant will require less subsidy.

Baseline

The baseline will be the total number of Safety Net participants, the number employed, a range of weekly hours worked (20-30 hrs, 30+ hours) and the working income of Safety Net families as of FY2008.

Benchmark

The benchmark will be based on a percentage of Safety Net participants that are employed and increase income on an annual basis from FY2008 to FY2018.

Data Collection/Metrics

Easy Housing resident software will be utilized to track and identify the number of MTW participants, successful completions and Safety Net families. The Easy Housing software already provides this data.

Authorization(s)

Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 2, Local Preferences and Admission and Continued Occupancy Policies and Procedures. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R 960.206 as necessary to implement the Agency's Annual MTW Plan.

**A. Statutory Objective #1
(continued)**

MTW Activities to reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing (PH) and Housing Choice Voucher Programs as indicated below:

MTW Activity A5

At the end of the MTW participation period, residents of PH with monthly gross incomes at or above the Safety Net threshold will be given the opportunity to rent their unit at market rent, which will free up the subsidy and provide additional income for the Public Housing program. Initially implemented in the FY200 Annual Plan, modified in the FY2004 Annual Plan.

Anticipated Impact

Allows individual that has achieved self sufficiency but still has credit/debit issues. The ability to remain in their unit and pay Fair Market Rent. Allows additional time to repair credit to eventually move into Fair Market housing.

Baseline

The baseline will be the number of Market Rate renters in Public housing as of FY2008.

Benchmark

The benchmark will be based on a percentage of Public Housing residents electing to become Market Rate renters each year from FY2008 to FY2018.

Data Collection/Metrics

Easy Housing resident software will be utilized to track and identify the number of Market Rate renters. The Easy Housing software already provides this data. No outside evaluators will be used.

Authorization(s)

Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 5. Use of Public Housing as an Incentive for Economic Progress. This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 960.201 as necessary to implement the Agency's Annual MTW Plan.

**B. Statutory Objective #2
(continued)**

MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency with the following initiatives:

MTW Activity B1

To make work pay, cap rent, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant. When a client reaches the end of the contract (either a the end of five years, or after an additional one year extension) if their income has increased to where 40% of their monthly gross income equals or exceeds the fair market rent for their unit they can stay in the unit and pay rent at the market rate (with no subsidy) or move into other unsubsidized housing or home ownership and receive the balance of any monies in their savings account. Initiated in the FY2000 Annual Plan.

Anticipated Impact

Encourage residents to work at capacity rather than least amount required. Provides participants with funds to repair credit, debt issues and/or move into Home ownership upon successful completion of MTW program.

Baseline

The baseline will be the number of participants that successfully complete the MTW program each year and the average amount of escrow disbursements. The baseline will also show if a participant moves into homeownership or unsubsidized rental housing. The baseline will begin with FY2009.

Benchmark

The benchmark will be based on the projected number of successful MTW completions and escrow disbursements from FY2009 to FY2018.

Data Collection/Metrics

Case Management software will be utilized to track and identify the number of MTW residents that have successfully completed the program and amount of disbursements. Case Management software will be updated to provide this data beginning with FY2008-2009. No outside evaluators will be used.

Authorization(s)

- 1) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency. This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.
- 2) Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 5. Use of Public Housing as an Incentive for Economic Progress. This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 960.201 as necessary to implement the Agency's Annual MTW Plan.

**B. Statutory Objective #2
(continued)**

MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency with the following initiatives:

MTW Activity B2

All MTW participants continuously participate in case management and are offered services and/or resource referrals including job training and placement services, computer experience, financial literacy classes and transportation stipends, as funds allow. Initiated in the FY 2000 Annual Plan.

Anticipated Impact

Better prepares MTW participants to succeed in finding employment and overcoming barriers to self sufficiency.

Baseline

The baseline will be the number of referrals and participants actively involved in case management programs for FY2008-2009.

Benchmark

The benchmark will be based on a percentage of participants actively involved in programs from FY2009 to FY2018.

Data Collection/Metrics

Case Management software will be utilized to track and identify the number of MTW residents that have participated in services and/or programs. Case Management software will be updated to provide this data beginning with FY2008-2009. No outside evaluators will be used.

Authorization(s)

1) Attachment C, Section B. Authorizations Related to Both Public Housing and Section 8 Housing Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency's Annual MTW Plan.
2) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.

**B. Statutory Objective #2
(continued)**

MTW activities to give incentives to families who are employed or seeking employment and self-sufficiency with the following initiatives:

MTW Activity B3

Enhance the standard of living for residents participating in MTW by assisting residents in the removal of barriers to self-sufficiency (obtain employment, drivers license, purchase vehicle, coordinate child care, obtain GED, enroll for college courses, expunge criminal record, clear credit history). Initiated in the FY2000 Annual Plan.

Anticipated Impact

Better prepares MTW participants to succeed in finding employment and overcoming barriers to self sufficiency.

Baseline

The baseline will be the number of participants with identified barriers to self-sufficiency for FY2008-2009.

Benchmark

The benchmark will be based on a percentage of participants actively working to eliminate barriers and number of actual achievements from FY2009 to FY2018.

Data Collection/Metrics

Case Management software will be utilized to track and identify the number of MTW residents that have participated in services and/or programs to remove specific barriers to self-sufficiency. Case Management software will be updated to provide this data beginning with FY2008-2009. No outside evaluators will be used.

Authorization(s)

1) Attachment C, Section B. Authorizations Related to Both Public Housing and Section 8 Housing Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency's Annual MTW Plan.
2) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.

C. Statutory Objective #3

MTW activities to improve housing choices for our residents:

MTW Activity C1

Homeownership counseling and assistance, Individual Development Account referrals, budget counseling, fair market housing counseling, assistance obtaining a Low Income Housing Tax Credit (LIHTC) unit and credit counseling to repair problems. Strategic relations have been established with several non-profit agencies within Kent and Sussex County to provide credit and housing counseling. This includes NCALL Research, People's Place II and First State Community Action Agency. Initiated in the FY2000 Annual Plan.

Anticipated Impact

Provide more Home Ownership opportunities and prepare tenant to make educated and informed decisions regarding the purchase of a home.

Baseline

The baseline will be the number of participants in counseling activities tracked for FY2008-2009.

Benchmark

The benchmark will be based on a percentage of participants actively involved in counseling programs from FY2009 to FY2018.

Data Collection/Metrics

Case Management software will be utilized to track and identify number of MTW residents that have participated in specific counseling activities. Case Management software will be updated to provide this data beginning with FY2008-2009. No outside evaluators will be used.

Authorization(s)

Attachment C, Section B. Authorizations Related to Both Public Housing and Section 8 Housing Vouchers, Paragraph 1. Single Fund Budget with Full Flexibility. Section b. (iii). This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 982 and 990 as necessary to implement the Agency's Annual MTW Plan.

**C. Statutory Objective #3
(continued)**

MTW activities to improve housing choices for our residents:

MTW Activity C2

The creation of MTW Savings Accounts, with all funds over the cap up to the 35% limit placed in a savings account for the MTW participant. These savings accounts can be utilized while the participant is actively involved in the MTW program to help overcome barriers to self-sufficiency (purchase or repair a car, college tuition, etc.) or towards homeownership and/or leasing of unsubsidized housing upon successful completion of the program (as noted in Statutory Objective B, MTW Activity B2). Initiated with the FY2000 Annual Plan.

Anticipated Impact

Assist resident with financial resources to pursue home ownership or other non-subsidized housing.

Baseline

The baseline will be the number and average amounts of disbursements of MTW escrow funds since FY2007 for both MTW loans, and full escrow payments for participants that successfully complete the MTW program.

Benchmark

The benchmark will be based on the projected number of loans and amount of MTW loans and successful completion escrow disbursements for the next ten (10) years.

Data Collection/Metrics

Case Management software will be utilized to track and identify escrow disbursements. No outside evaluators will be used.

Authorization(s)

1) Attachment C, Section E. Authorizations Related to Family Self-Sufficiency, This authorization waives certain provisions of Section 23 of the 1937 Act and 24 C.F.R 984 as necessary to implement the Agency's Annual MTW Plan.
2) Attachment C, Section C. Authorizations Related to Public Housing Only, Paragraph 5. Use of Public Housing as an Incentive for Economic Progress. This authorization waives certain provisions of Section 6 (c) of the 1937 Act and 24 C.F.R 960.201 as necessary to implement the Agency's Annual MTW Plan.

**C. Statutory Objective #3
(continued)**

MTW activities to improve housing choices for our residents:

MTW Activity C3

A Resident Homeownership Program (RHP) was created to provide eligible DSHA Housing Choice Voucher and Public Housing residents the ability to participate in a program to own a home by utilizing Housing Choice Voucher rental assistance towards the payment of a mortgage. The flexibility of the MTW program has been used to make the program accessible to Public Housing residents and other non-MTW participants, including elderly and disabled families, in addition to Housing Choice Voucher residents. Initiated in the FY2004 Annual Plan.

Anticipated Impact

To be able to utilize Housing Choice Voucher to assist eligible participants to purchase a home through this program, especially elderly/disabled (non-MTW) that do not have the opportunity to participate in MTW.

Baseline

The baseline will be the number of participants in the RHP Program during the first year of utilization (2007).

Benchmark

The benchmark will be based on the number of participants anticipated to participate in the RHP program from FY2008 to FY2018.

Data Collection/Metrics

Internal housing choice voucher and RHP records will be used to track participation. No outside evaluators will be used.

Authorization(s)

Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Voucher Only, Paragraph 8. Homeownership Program (a) and (b), This authorization waives certain provisions of Section 8(o)(15) and 8(y) of the 1937 Act and 24 C.F.R 982.625 through 982.643 inclusive as necessary to implement the Agency's Annual MTW Plan.

6.2 RESIDENT PROGRAMS

From July 1999 to the date of this Plan, DSHA has funded, partnered, obtained or coordinated annual and ongoing activities, events and programs to enhance the quality of life for our residents. One unit at two sites has been provided for activities due to space and scheduling conflicts in the community buildings at those sites.

- A. Holiday Parties - Each community has appropriate holiday celebrations in which the residents take the lead on planning and organizing the event.
- B. Computer access and instruction for youth and adults – DSHA provides computers with Internet access at all sites. The computer labs are monitored by volunteers from DSHA staff, outside agencies, GED instructors or other non-profit organizations. DSHA purchased an assortment of educational software and board games (funded by Lightspan/Discover) of its sites. The games and software target youth and adults.
- C. Student Award Program for Honor Roll, Perfect Attendance and College Acceptance – Each year DSHA hosts a Student Award Luncheon to recognize students who make the extra effort to succeed. Winners receive a backpack filled with age-appropriate school supplies and are treated to lunch with DSHA’s Director and Management staff. A guest speaker is invited to address the group. This event has been very successful and a positive motivation for the students and parents at our sites.
- D. DSHA has signed MOUs with the Boys and Girls Club of Delaware to provide after-school programs, including pregnancy prevention, at one site. Youth from other sites have access to Boys and Girls Clubs located at facilities nearby. Funding is provided through grants from the Division of Public Health and the United Way.
- E. DSHA has signed an MOU with the University of Delaware to provide 4-H programs at two sites. Services include after-school homework assistance and recreation. DSHA is working with 4-H staff to develop programs for other sites.
- F. DSHA has awarded 120 Scholarships to MTW participants and expects to continue this service from MTW Budget funds. Last year’s report of 147 included scholarships that ended up being returned or un-used for some reason. This year, and going forward the number will be actual utilized scholarships only.
- G. DSHA signed a Memorandum Of Understanding with James Groves Adult High School to provide Adult Basic Education and GED classes for two communities.
- H. Children and Families First - Provides pregnancy testing, family planning material, STD testing, treatment and counseling; and also organizes resources for grandparents and relatives raising someone else’s children. They currently offer support groups at two sites and are planning to offer Family Enrichment programs at 2-3 additional sites in the fall.

- I. Delmarva Rural Ministries - Provides counseling and treatment for drug and alcohol abuse. Also administers the Mobile Access to Community Health (MATCH) van health program that travels to low-income areas including all DSHA sites, upon request, throughout Kent and Sussex Counties. The MATCH van provides basic health care, screening and referrals as needed.
- J. Even Start - Offers parenting classes to families with children under the age of eight. Activities involve both parent and child(ren) at two sites, with a third site being considered for the fall of 2007.
- K. Child, Inc. - Provides one-on-one case management services upon request or referral and offers parenting classes.
- L. Consumer Credit Counseling provides financial counseling and assists with budgeting and establishing credit.
- M. Rental Assistance/Other financial assistance – Peoples Place II and First State Community Action Agency, Catholic Charities, Salvation Army, CASA San Francisco, State Service Centers and local churches.
- N. First State Community Action Agency - Provides limited financial assistance, administers the Summer Food Service Program for Sussex County sites and offers employment training at a center in Georgetown.
- O. Department of Labor - Provides all aspects of employment training, including assistance preparing resumes and applications and improving interviewing skills and workplace training. DSHA serves on the Workforce Investment Board for Delaware. This board administers the state's requirements and initiatives for employment and job training.
- P. Delaware Technical and Community College, Kent County Poly-Tech, Sussex Tech, Delaware State University - All institutions have various courses available for general education as well as specific job training. They require a minimum number of participants to come to DSHA sites, but individuals can go to the schools for classes. Many courses are free of charge, based on income, or have a small fee.
- Q. DSHA has installed GED tutorial software at multiple sites. The program is used by instructors giving group instruction and by residents who study independently.
- R. In a partnership with DSHA's Clarks Corner Public Housing site, Lake Forest School District, University of Delaware Cooperative Extension, Greater Milford Area Boys and Girls Club and Kidz Kottage received a 21st Century Grant of \$335,000 to provide a variety of youth and family programs including educational and social activities. The 4-H Club is actively seeking grants to continue the program.
- S. DSHA participates on the Interagency Council for Adult Literacy. This is a group

from various agencies that are working to address literacy issues for Delaware. The group meets regularly and continues to develop and coordinate adult literacy programs for DSHA residents.

DSHA consistently evaluates both the individual families and communities to determine the services and programs that are needed. Additionally, all MTW families are reviewed and assessed quarterly for progress on their RAP. Each year at the recertification, the family prepares a RAP for the next year. These quarterly and annual reviews/contacts enable DSHA to make current, accurate plans and recommendations for appropriate services. The statistics from the MTW Program are reviewed and evaluated regularly to determine trends, progress, compliance with the Program and to make recommendations for possible changes to MTW.

6.3 HOMEOWNERSHIP PROGRAMS

MTW participants will be able to take advantage of several DSHA Homeownership Programs as they move out of a rental situation and into their first home. The programs include first mortgage financing and down payment assistance at below-market interest rates for both low- and moderate-income borrowers.

In addition, DSHA has been able to help the MTW participants with down payment and closing costs through the Second Mortgage Assistance Loan (SMAL) program. Saving for the down payment and closing costs is probably the biggest obstacle these families will face when looking for their first home. The SMAL program provides up to \$6,000 of assistance with principal and interest loan repayments deferred until the property is sold, transferred or no longer the borrower's primary residence. Borrowers under this program only need to provide \$1,000 of their own funds toward the home purchase. Although the SMAL program will retire in 2007, clients will continue to be served through the Delaware Housing Partnership instead.

DSHA implemented a Resident Homeownership Program four (4) years ago. This program allows qualified participants from either the Public Housing or Housing Choice Voucher program to use a Housing Choice Voucher subsidy toward the mortgage for up to 15 years on a first home. To date, two families have successfully purchased homes in the program. To date, seven families are participating in the program.

DSHA MTW participants, who have established a savings account under the program, have access to those funds for homeownership. Participants must provide verification of moving into non-subsidized housing in order to be eligible for these funds.

6.4 SECURITY

As the Public Housing Drug Elimination Program is no longer available, DSHA is consistently seeking resources to continue security services. Limited funds are available from the MTW Budget and reserves, and additional lighting and fencing have been installed at three DSHA sites. Security cameras have been installed at two sites and area currently being installed at another site. There is an agreement with the local police to

monitor the cameras. Plans are in place to install cameras at two (2) additional sites, including Hickory Tree and Mifflin Meadows. DSHA meets with all local law enforcement agencies to provide some security and to participate in site prevention activities. In addition, DSHA has a “One-Strike” Policy and, through reports received from the police, DSHA tracks arrests made on DSHA properties.

Through strong lease enforcement, DSHA is able to create a standard of pride and care that greatly inhibits drug and criminal activity.

DSHA plans to use funds from CFP to continue extra duty police security, even though funding for the PHDEG has been discontinued. DSHA’s Planning and Community Development Section reviews federal, state and foundation requests for proposals that could assist with this need.

6.5 HARDSHIP POLICY; SAFETY NET FOR MTW PARTICIPANTS

Families who have **not** been able to increase their incomes to the level where 40% of their monthly gross income equals or exceeds the fair market rent for their unit will be transferred to “safety net” status. Their total tenant payment (TTP) will revert to 30% of their monthly adjusted income. They will also forfeit the money in their MTW savings account.

Families transferred to the safety net must maintain employment of at least 20 hours per week, **earning no less than minimum wage, or in a training or educational program for at least 20 hours per week**, or a combination of both which equals 20 hours.

Families who borrowed from their MTW savings account and did **not** successfully complete the MTW program will be responsible to pay back the amount they borrowed. Repayment agreements must be signed requiring payments of the higher of \$50 per month or an amount sufficient to pay off the loan within five years. Failure to sign the agreement will result in termination of assistance.

Families in the above category may apply for an extension of their COMP via their case manager if there is evidence that the family will successfully complete the MTW program within one year. The Housing Management Program Administrator has final approval of extension requests, while retaining the responsibility to hear appeals of extension request rejections.

7.0 SOURCES AND USES OF FUNDS

The combined budget for the MTW program for FY2010: \$10,628,955

Sources and Uses of Funds CATEGORY

	FY08 ACTUALS	FY09 BUDGET	FY10 BUDGET
Revenue			
Dwelling Rent	\$564,343	\$545,800	\$540,450
Investment Income	115,511	78,200	24,830
Other Income	869,239	222,750	242,510
Operating Subsidy	2,062,388	2,166,980	2,361,690
Capital Funds	1,284,596	660,195	680,000
Section 8 Subsidies	7,373,411	6,514,190	6,839,900
Total Revenue	<u>\$12,269,488</u>	<u>\$10,188,115</u>	<u>\$10,689,380</u>
Expenses			
Administration	\$1,594,967	\$1,987,573	\$1,913,093
Tenant Services	422,631	15,000	15,000
Utilities	463,397	507,630	494,490
Maintenance	1,567,089	1,403,800	1,453,435
Protective Services	0	20,000	25,000
General	599,572	632,810	675,580
Total Routine	<u>\$4,647,656</u>	<u>\$4,566,813</u>	<u>\$4,576,598</u>
Non-Capitalized Expense	85,155	190,057	93,797
Capital Outlays	1,185,967	588,935	600,000
Payments to Landlords	5,211,053	4,983,000	5,358,560
Total Expenses	<u>\$11,129,831</u>	<u>\$10,328,805</u>	<u>\$10,628,955</u>
Excess/(Deficit)	<u>\$1,139,657</u>	<u>(\$140,690)</u>	<u>\$60,425</u>

7.0 CONTINUED DETAILED SOURCES AND USES OF FUNDS BY REVENUE

The combined budget for the MTW for FY2010: \$10,628,955
program

**Sources and Uses of Funds
CATEGORY**

**FY08
ACTUALS**

**FY09
BUDGET**

**FY10
BUDGET**

Revenue

Dwelling Rent - Public Housing		\$564,343		\$545,800		\$540,450
Investment Income						
Public Housing	\$42,816		\$45,700		\$21,190	
S8 Vouchers	<u>72,695</u>	115,511	<u>32,500</u>	78,200	<u>3,640</u>	24,830
Total Revenue						
Other Income						
Public Housing	\$150,369		\$160,680		\$160,680	
Section 8 Voucher	<u>52,906</u>	203,275	<u>62,070</u>	222,750	<u>81,830</u>	242,510
Operating Subsidy - Public Hsg.		2,062,388		2,166,980		2,361,690
PH Capital Fund		1,284,596		660,195		680,000
Section 8 Subsidies S8 Hsg. Choices Voucher		<u>7,373,411</u>		<u>6,514,190</u>		<u>6,839,900</u>
Total Revenue		<u>\$11,603,524</u>		<u>\$10,188,115</u>		<u>\$10,689,380</u>

7.0 Consolidated Budget for the MTW PROGRAM for FY2010: \$10,628,955

Sources and Uses of Funds

CATEGORY	PUBLIC HOUSING	HSG CHOICE VOUCHERS	PUBLIC HSG CAPITAL FUND	TOTAL MTW
Revenue				
Dwelling Rent	\$540,450	\$0	\$0	\$540,450
Investment Income	21,190	3,640		24,830
Other Income	160,680	81,830		242,510
Operating Subsidy	2,361,690			2,361,690
PH Capital Fund			680,000	680,000
Section 8 Subsidies		6,839,900		6,839,900
Total Revenue	<u>\$3,084,010</u>	<u>\$6,925,370</u>	<u>\$680,000</u>	<u>\$10,689,380</u>
Expenses				
Administration	\$698,450	\$1,133,440	\$81,203	\$1,913,093
Tenant Services	15,000	0		15,000
Utilities	494,490			494,490
Maintenance	1,453,435			1,453,435
Protective Services			25,000	25,000
General	675,580			675,580
Total Routine	<u>\$3,336,955</u>	<u>\$1,133,440</u>	<u>\$106,203</u>	<u>\$4,576,598</u>
Non-Capitalized Expense	\$0	\$0	\$93,797	\$93,797
Capital Outlays		120,000	480,000	600,000
Payments to Landlords		5,358,560		5,358,560
Total Expenses	<u>\$3,336,955</u>	<u>\$6,612,000</u>	<u>\$680,000</u>	<u>\$10,628,955</u>
Excess/(Deficit)	<u>(\$252,945)</u>	<u>\$313,370</u>	<u>\$0</u>	<u>\$60,425</u>
Transfers In / Out	0	0	0	\$0
Excess/(Deficit) After Transfers	<u>(\$252,945)</u>	<u>\$313,370</u>	<u>\$0</u>	<u>\$60,425</u>

7.0 CONTINUED DETAILED SOURCES AND USES OF FUNDS BY EXPENDITURE

The combined budget for the MTW Program for FY2010: \$10,628,955

Sources and Uses of Funds CATEGORY	FY08 ACTUALS	FY09 BUDGET	FY10 BUDGET
Expenses			
Administration			
Public Housing	\$702,038	\$683,430	\$698,450
S8 Hsg. Choices Vouchers	832,530	1,222,940	1,133,440
PH Capital Fund	60,399	81,203	81,203
	\$1,594,967	\$1,987,573	\$1,913,093
Tenant Services			
Public Housing	\$7,916	\$15,000	\$15,000
S8 Hsg. Choices Vouchers	79,715	0	0
PH Capital Fund	0	0	0
	87,631	15,000	15,000
Utilities - Public Housing	463,397	507,630	494,490
Maintenance			
Public Housing	1,567,089	1,403,800	1,453,435
Protective Services			
Public Housing		\$0	\$0
PH Capital Fund	0	20,000	25,000
	0	20,000	25,000
General - Public Housing	599,572	632,810	675,580
Total Routine	\$4,312,656	\$4,566,813	\$4,576,598
Non-Capitalized Expense			
PH Capital Fund	85,155	190,057	93,797
Capital Outlays			
Public Housing	\$0	\$0	\$0
PH Capital Fund	1,139,042	368,935	480,000
S8 Hsg. Choices Voucher	46,925	220,000	120,000
	1,185,967	588,935	600,000
Payments to Landlords			
Resident Home Ownership	0	25,000	15,650
S8 Hsg. Choices Voucher	5,211,053	4,983,000	5,342,910
	5,211,053	4,983,000	5,358,560
Total Expenses	\$10,794,831	\$10,353,805	\$10,628,955
Excess/(Deficit)	\$808,693	(\$165,690)	\$60,425

FY10 - BUDGET NARRATIVE

The Agency's MTW budget revenues consist of Dwelling Rent, Investment Income, Other Income, Operating Subsidies, Capital Funds and Section 8 Subsidies. These funding streams, each with their own funding methodologies, are described below.

- **Dwelling Rent.** The estimated dwelling rental income was determined by an analysis of November 2008 through January 2009 rent roll (dwelling rent less utility allowances and MTW escrow savings), FY08 actuals and FY09 year-to-date (YTD) income. The three month average of occupied units for the November thru January period was 478. The lowest dwelling rental income for that same period was 94.22 PUM. The FY10 dwelling rental income is estimated at \$540,450 (478 units multiplied by 94.22 PUM multiplied by 12 months). This amount is consistent with FY08 actuals of \$564,343 and the FY09 budgeted amount of \$545,800.
- **Investment Income.** After examining the Appropriations and Money Market balances, interest earned in FY08 and FY09 YTD, an estimated FY10 investment income (EII) was established based on a reduced operating reserve balances and current interest rates. This amount is lower than the FY09 budgeted amount due to a drop in interest rates to 0.811%.
- **Other Income.** Daycare centers in the community buildings of Laverty Lane and Hickory Tree generate monthly income in the amount of \$700 and \$560 respectively as well as the community building at Holly Square generating \$1,250 a month in income. Public Housing laundry machines are supplied by a vendor and the Authority receives 50% of the revenue generated. DSHA also receives a small percentage of telephone receipts. Also included in other income is maintenance charges, court fees, late fees received from residents and MTW savings forfeitures. Savings forfeitures for the period July 2007 through December 2008 were \$45,849.

Section 8 Housing Choice Vouchers receives other income from fraud recovery payments and forfeitures of MTW Escrow savings. Savings forfeitures for the period July 2008 through January 2009 were \$57,421. The forecast for other income was derived from FY09 YTD annualized receipts.

- **Operating Subsidies.** The agency receives an operating subsidy for its Public Housing units that is calculated in two parts: utility and non-utility. The amount of non-utility subsidy is determined by the per unit non-utility subsidy that the agency received in the prior year. This figure is then adjusted annually for inflation. The agency receives a subsidy equal to the utility consumption, on a three year rolling base, that was in place for the MTW base year (FY99) and is then adjusted by current utility rates. The budgeted subsidy amount used for FY10 is DSHA's CY09 subsidy request of \$2,654,779 reduced to a proration of 88.96% resulting in the \$2,361,690 budgeted.
- **Modernization/Capital Fund.** Typically, an agency receives a proportionate share of the national appropriation for modernization based on its "formula factor", a figure that considers the agency's needs relative to the nation as a whole. Under MTW, this formula factor is, for all practical purposes, frozen during the demonstration period, regardless of any changes in the agency's Public Housing stock.

In accordance with new guidelines under GAAP, the income reported as budgeted to be received from the Public Housing Capital Fund is the expense amount that the agency actually anticipates incurring in all prior-year funds, not necessarily the amount that the agency anticipates being awarded in new funds in FY10, which often takes up to three years to expend. Please see Capital Fund "Awarded Budget" as shown in Section 2.2 of this Plan.

- **Section 8 Housing Choice Voucher.** The amount of funding that the agency received in prior years was a function of the average monthly subsidy paid for each Section 8 Existing and/or Voucher unit in the year before MTW. This figure was then adjusted annually from MTW year two forward, for inflation and multiplied by the number of Section 8 Vouchers (under MTW, all contracts are called vouchers) units per original ACC contracts (905 units), and again by 12 months, to determine the annual Section 8 Block Grant. However, starting in January 2005, Section 8 Voucher funding is being awarded by calendar year. The CY09 funding should be \$7,199,890. A 95% proration was used to estimate the Grant for FY10 at \$6,839,900.

While the amount of funding is calculated separately, the agency can use the above funds flexibly. All MTW funds will be deposited in State of Delaware accounts, which is consistent with both the preservation of principal, the maximizing of return, and DSHA's standard practice for the administration of all other HUD funds.

EXPENDITURES

MTW program expenses for FY10 consists of Administration Expense, Tenant Services, Utilities, Maintenance, Protective Service, General Expense, Non-Capitalize Expense, Capital Outlays and Payments to Landlords. Expenses are calculated after reviewing prior years expense levels plus an inflation factor and adding any new contractual obligations . A broad overview by Program is listed below.

- Administration Expense. Public Housing, Section 8 and Capital Funds Program include salaries, legal, staff training/travel, CFP administrative fees, auditing fees, supplies, postage where appropriate. Even though there will not be any salary increases in FY10, the increase in this year's budget reflects the rising costs of postage and audit expense.
- Tenant Services. Public Housing expenses include education and recreational activities for children, Internet access at all sites, and \$4,170 to fund organized tenant councils. Expenses formerly paid by the Resident Services Assistance Grant including scholarship opportunities for residents have been moved to this line.
- Utilities. The expense for lighting, heating and providing water and sewer to all sites was based on FY09 YTD expenses.
- Maintenance. Maintenance salaries of site personnel, which does not include a salary increase for FY10, building materials, supplies, and contractual costs including trash pickup, grass cutting, exterminating and routine painting of empty units at all sites are combined in this category.
- Protective Service. State Police and Local Policing authorities provide after hours protection to targeted Public Housing sites as a deterrent to criminal activity. Due to the elimination of the Drug Elimination Grant and Budgetary constraints within the Public Housing Program, these costs will be covered in FY10 by the Capital Funds Program (\$25,000). In FY10, installation of Security Cameras at Mifflin Meadows will be funded by the Capital Fund Program and installation at another site will be funded by Section 8 Reserves.
- General Expense. Grouped in this area are payments in lieu of taxes to counties and school districts, insurance coverage costs, benefit contributions for administrative and maintenance employees and any loss on collections.
- Non-Capitalized Expense. Represents expenses incurred by the Capital Fund Program for cyclical painting, building maintenance/repairs, land/site improvements, appliance installation/repair, community equipment, maintenance equipment, and grounds maintenance at all Public Housing sites which are under the capitalization threshold of \$100,000.
- Capital Outlays. The Capital Fund Program expends funds for general equipment, air conditioning/heating upgrades, land improvements and building/ground improvements at Public Housing sites in excess of the Fixed Asset threshold. In FY10, door and window replacements are planned at McLane Gardens as well as placement of Security Cameras at Mifflin Meadows.

The Housing Choice Voucher Program will fund the placement of Security Cameras at one public housing site.

- Payments to Landlords. The Section 8 payments to landlords in the amount of \$5,358,560 reflects a increase over the FY09 budgeted amount and includes payments for 2 Resident Home ownership Program Participants in the amount of \$15,650. This program's first expenditures were recognized in FY07.

EXCESS/(DEFICIT)

Public Housing. A decrease in operating reserves in the amount of \$252,945 is expected for FY10 and could be smaller or greater once final pro-ration figures are established.

Section 8 Housing Choice Vouchers. An increase in reserves of \$313,370 is expected for FY10 depending on funding proration levels for CY09.

OPERATING RESERVES

The decrease/increase in Operating Reserves for Public Housing and Housing Choice Vouchers shown in FY08 actuals are supported by documentation submitted with the FY08 Annual Report dated September 24, 2008.

The increase to Operating Reserves for Public Housing and the increase to Operating Reserves for Housing Choice Vouchers shown in FY09 (Projections) were derived by projecting FY09 actuals thru December 31, 2008.

The \$252,945 decrease in Public Housing Operating Reserves and an increase of \$313,370 for the Housing Choice Voucher Program for FY10 is supported by the attached documentation including the Consolidated Budget for the FY10 MTW Program, the Sources and Uses of Funds, the Detailed Sources and Uses of Funds by Revenue and the Detailed Sources And Uses of Funds by Expenditure.

The projected FY10 year end Operating Reserve balance for Public Housing is \$363,888 and the projected Operating Reserve balance for the Housing Choice Voucher Program is \$1,911,806 which results in a combined MTW Operating Reserve Balance of \$2,275,694. This amount represents over two and one half months of total MTW expenses. This is a slight increase over FY08 year end which would support two and one quarter months of expenses.

OPERATING RESERVES

	FY08 (Actuals)				FY09 (Projections based on FY09YTD)				FY10 (Projected)			
	Beginning of Year	Increase/Decrease	Transfers In/Out	End of Year	Beginning of Year	Increase/Decrease	Transfer To/From	End of Year	Beginning of Year	Increase/Decrease	Transfer To/From	End of Year
Public Housing	\$398,330	(\$520,093)	\$675,000	\$553,237	\$553,237	\$63,596	\$0	\$616,833	\$616,833	(\$252,945)	\$0	\$363,888
Housing Choice Vouchers	655,017	1,328,789	(675,000)	1,308,806	1,308,806	289,630	\$0	\$1,598,436	\$1,598,436	\$313,370	\$0	1,911,806
Total MTW	\$1,053,347	\$808,696	\$0	\$1,862,043	\$1,862,043	\$353,226	\$0	\$2,215,269	\$2,215,269	\$60,425	\$0	\$2,275,694

7.0 ADMINISTRATIVE

General Order and Public Hearing Documentation follow.

(Insert General Order)

PUBLIC HEARING AND
COMMUNITY MEETING NOTICE
ON MOVING TO WORK ANNUAL PLAN

Notice is given that the Delaware State Housing Authority (DSHA) will conduct two Public Hearings concerning the submission of their Moving To Work Annual Plan for FY2010 to the U.S. Department of Housing and Urban Development (HUD). This Plan outlines the activities of the Moving To Work Program as well as the sources and uses of funding that DSHA will implement during the eleventh year of the Moving To Work Demonstration.

A copy of the Plan will be available for inspection and review at DSHA's offices during normal business hours, Monday through Friday, at 18 The Green, Dover and each Public Housing development beginning March 23, 2009. The Plan will also be available on the DSHA website, www.destatehousing.com. After the end of the comment period on May 8, 2009, the Plan will be finalized and submitted to HUD for final approval.

The first hearing will be held in the Community Building of the Liberty Court complex at 6:30 P.M., Wednesday, April 22, 2009. Liberty Court is located at 1289 W. Walker Road, Dover, DE 19904. The Community Building is handicapped accessible.

The second hearing will be held in the Community Building of the Burton Village complex at 6:30 P.M., Thursday, April 23, 2009. Burton Village is located at 100 Burton Village, Rehoboth Beach, DE 19971. The Community Building is handicapped accessible.

Written comments, questions or requests for additional information, including copies of the Plan itself, should be directed to Christopher A. Whaley of DSHA at (302) 739-7419.

Delaware State Housing Authority
Telephone (302) 739-7419
TDD (302) 739-4264
Equal Opportunity Employer
Equal Housing Opportunity

MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY
PUBLIC HEARING ON THE
MOVING TO WORK FY 2010 ANNUAL PLAN
APRIL 22, 2009

The hearing convened in the Liberty Court Community Building at 6:30 p.m. with Christopher A. Whaley, Housing Management Program Administrator, presiding.

There were no attendees, other than Delaware State Housing Authority staff, and therefore discussion in reference to the plan was limited to staff members.

Christopher Whaley advised that the Plan was based on the format that was devised last year in response to the new Amended Agreement with HUD that Delaware State Housing Authority (DSHA) has until 2018. Mr. Whaley pointed out a decrease in participation among Housing Choice Voucher participants in the MTW Program and an increase in elderly and disabled participants. DSHA is looking for a solution to reverse that trend. Mr. Whaley also pointed out that the 5 Year Capital Plan (from FY10 through FY14) is in the Plan. He explained about some regulations regarding the American Recovery and Reinvestment Act (ARRA) items included in the Capital Plan. Mr. Whaley explained that the statutory changes required by HUD were further expanded to show a year-by-year comparison. Several additional items in the Plan were also reviewed for DSHA staff, as there were no other attendees.

It should be noted that notices of the hearing were advertised in local publications and sent to all residents and other housing advocates such as the Delaware Housing Coalition.

The meeting was adjourned by Mr. Whaley at 6:55 p.m.

MINUTES OF THE DELAWARE STATE HOUSING AUTHORITY
PUBLIC HEARING ON THE
MOVING TO WORK FY 2010 ANNUAL PLAN
APRIL 23, 2009

The hearing convened in the Burton Village Community Building at 6:30 p.m. with Christopher A. Whaley, Housing Management Program Administrator, presiding.

There were no attendees, other than Delaware State Housing Authority staff, and therefore no discussion.

It should be noted that notices of the hearing were advertised in local publications and sent to all residents and other housing advocates such as the Delaware Housing Coalition.

The meeting was adjourned by Mr. Whaley at 7:01 p.m.

8.0 REPORTING COMPLIANCE WITH STATUTORY MTW REQUIREMENTS

N/A

Attachment A

Budget Submissions to HUD